

Submitter: Laura Bower

On Behalf Of:

Committee: House Committee On Housing and Homelessness

Measure, Appointment or Topic: HB2735

My name is Laura Bower and I'm the Homeownership Program Director for Portland Housing Center. Portland Housing Center is an IDA Provider for first time home buyers and we serve the greater Portland metro area. I am here to urge you to support House Bill 2735 with the -1 amendment. This bill is long overdue and will Fix the Funding for IDAs.

The IDA Program has been around since 1999 - it is a long-running program with a proven track record of improving the financial stability of savers all over the state. In the past 25 years, over 19,000 Oregonians have participated in this life-changing program.

Unfortunately, the state tax credit that funds IDAs has not kept pace with inflation. The current tax credit limit of \$7.5M has been the same amount since 2009 - over 15 years. As you know, the cost of everything has increased dramatically since 2009, but specifically the assets that IDA participants save for, like the purchase of a home. Housing costs and home prices specifically, have skyrocketed in recent years, making the IDA Program more essential than ever.

The demand for IDAs has outstripped the supply of funds we have for homebuyers. And each year our organization wrestles with the question of whether we help the same number of savers, but offer them less down payment assistance, or help fewer savers but offer enough funds to make an impact on their goal of homeownership. This program once provided savers with a significant portion of their down payment, but now it's often only able to cover the closing costs on a home purchase. Many of our savers have to secure additional assistance beyond the IDA Program in order to purchase a home. Despite that hurdle, in 2024 PHC was able to help 46 IDA Savers purchase their first home.

The IDA program works, and has been successful for over 25 years. By passing HB 2735-1, the Legislature can "Fix the Funding" and return the IDA program to solid financial footing. I strongly urge you to pass this bill.

Thank you,

Laura Bower
Homeownership Program Director
Portland Housing Center.