

Submitter: Deanna Cintas  
On Behalf Of:  
Committee: Joint Committee On Ways and Means  
Measure, Appointment or Topic: HB5006

I am writing to urge you to “Fix the Funding” for Individual Development Accounts (IDAs). Without your action this year, this life-changing program will shrink by 50% and will enroll fewer than 500 Oregonians per year going forward.

In 1999 the Legislature created IDAs and established a state tax credit to fund them. This matched-savings program provides participants with education and individualized support to reach their financial goals, including homeownership, home repair, higher education, purchasing a vehicle, starting a business, and retirement. The state matches participants’ own savings up to 5-to-1 to make their dreams a reality. Over 19,000 Oregonians have participated in this program over the past 25 years, including myself several years ago.

I have significant school loan debt from two degrees at private institutions. I am also self-employed. I made a comfortable living, but didn't make enough to offset my debt to qualify for much more than a condo, if that... until I applied for an IDA program through the Portland Housing Center. What a huge help this was! And I love that education and saving \$ was a requirement of the program, although much of the info I already knew and had in place. Without the IDA program I wouldn't have been able to buy the house I did a few years ago - a 720 square foot 1950 cosmetic fixer in the Lents neighborhood of Portland. These programs enable people to build generational wealth and at the very minimum equity, especially as rents continue to go up.

The future of IDAs is at risk, because the tax credit that funds them has not kept pace with inflation. While the credit has been capped at \$7.5M per year since 2009, the cost of everything that IDA participants save for has increased dramatically – especially IDA savers’ two most common goals: homeownership and higher education. Compared with 15 years ago, each saver needs more funds from the program in order to be successful, yet the total funding has remained stagnant.

There are two funding options available to you in the 2025 session: HB 2735 raises the cap on the existing tax credit, from \$7.5M to \$16.5M, in order to fully fund the program. Or, HB 3809 dedicates revenue from the state lottery to supplement the existing \$7.5M tax credit. Either option would return the IDA program to solid financial footing. Please incorporate one of these options into the 2025-2027 state budget and Fix the Funding for IDAs, and show your support for programs that enable people to build generational wealth, and at minimum build equity.

Sincerely,  
Deanna Cintas