

Submitter: Randall Lucas

On Behalf Of:

Committee: House Committee On Higher Education and Workforce Development

Measure, Appointment or Topic: HB3809

Re: Support For HB 3809 -1

Chair Hudson, Vice-Chairs Fragala and Harbick, and Members of the Committee:

I am writing on behalf of myself and my community members to urge you to support HB 3809, with the -1 amendment. Please “Fix the Funding” for IDAs!

As one of over 19,000 Oregonians who has participated in the Oregon IDA program, I can give first-hand account to what it has done for me. Thanks to the IDA program, I was able to purchase my first home in 2017. Though the match funds helped me purchase the home, the financial education that was provided to me as a participant is what has made the biggest impact in my life. After enrolling in the IDA program, I began saving every month. I was able to save enough to put a down payment on my home and have a little extra to build an emergency savings account. It started small, about \$75 per month and grew. Savings for me is now a habit, something that I haven’t broken for the last 10 years that has built up a 6 month emergency savings fund, a Roth IRA and more. Much of it was the ability to purchase a home that stabilized my monthly housing costs.

Over the past 25 years, over 19,000 Oregonians have used the IDA program to buy homes, attend college, start or expand a small business, begin their retirement fund, complete much needed repairs on their home, and buy a car to access employment or school. This program is vital, but funding is always an issue as wait lists grow annually. I know this because I was also an IDA Program Specialist at two IDA network providers and understand the journey that so many take in accessing such an amazing program.

HB 3809 -1 is needed because the state tax credit that funds IDAs has not kept pace with inflation. While the program’s tax credit revenue has been stagnant since 2009, the cost of everything that IDA participants save for has increased significantly – especially the two most common savings goals of higher education and homeownership. Each saver needs more of the program’s limited funds in order to be successful. If the Legislature does not act this year, the IDA program will shrink by 50% and will enroll fewer than 500 people each year going forward.

By passing HB 3809 -1, the Legislature can “Fix the Funding” and return the IDA program to solid financial footing, ensuring that your constituents can continue reaching their goals of higher education, purchasing a home, starting a business and

beyond. I urge you to pass this bill.

Thank you,

Randy Lucas