

Submitter: Donna Lindsey
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, HomePath Program, a direct service of Klamath Housing Authority and our IDA Savers to urge you to support HB 3809, with the -1 amendment. Please "Fix the Funding" for IDAs!

In 1999 the Legislature created Individual Development Accounts (IDAs). 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 life-changing program over the past 25 years.

I have the unique perspective of not only being an active saver but also administering this program for others. It is, by far, the most rewarding program that we manage, as well as the most popular. Many of our savers enroll with our other services to help them create new spending plans, pay off debt, build credit by making meaningful changes to meet the goals that they set. These are things they would not have done if it were not for the education requirement of the IDA. Personally, for myself, I am saving to replace my roof. I am a single income household and would have no other way to afford a \$15,000 roof repair. I am beyond grateful for the opportunity that this program has given myself and others. I have many people inquire about the program, who have an immediate need, and at the current pace of the IDA funding, would have to wait 3 - 5 years.

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.

Sincerely,

Donna Lindsey

HomePath Program, a direct service of the Klamath Housing Authority