

Submitter: Jeffrey Belzer

On Behalf Of:

Committee: House Committee On Higher Education and Workforce Development

Measure, Appointment or Topic: HB3809

I am writing on behalf of NeighborImpact 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.

The IDA program has helped thousands of individuals, families and Businesses in Central Oregon. The ripple effects are tremendous; a Business gets IDA funds that it can use to hire employees, a family uses IDA funds to purchase an affordable home that helps the affordable housing developer, an individual uses IDA funds to purchase a Vehicle so funds help a local dealership, etc.) I have personally seen the IDA program change the live of hundreds of people in Central Oregon!

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,
Jeff Belzer
NeighborImpact