



Re: Support For HB 3809 -1

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

I am writing on behalf of Bushnell University 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.

Through the Oregon Alliance of Independent Colleges and Universities (OAICU), Bushnell has maximized IDA funding in the E3 Savings Grant program (<https://e3savings.org>). Our low-income students can multiply their earnings from work through an IDA account to access grant funding- helping them reduce loan borrowing, while earning their degree. This program has been the difference for students choosing between completing their degree or withdrawing from their 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. 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.

Please 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,

A handwritten signature in black ink, appearing to read "Nathan Icenhower".

Nathan Icenhower

Director of Financial Aid

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