

Submitter: Maria Sandoval Perez

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 the Office of Financial Aid at Linfield 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.

I have witnessed firsthand the transformative impact of IDAs on students, particularly those from underrepresented communities. I spent 13 years at a local high school helping students enroll in higher education IDAs, providing them with the financial support needed to continue their education. Many of these students were first-generation college attendees, overcoming significant barriers and inspiring others to follow in their footsteps.

In my current role at Linfield, I now help enroll students in IDAs to make it possible for them to continue their education at Linfield. Again, most are first-generation students trying to earn a bachelor's degree. However, my experience with IDAs started over 15 years ago when I was an undergraduate student at Linfield University. I credit the IDA program in allowing me to continue my education at Linfield. I am a proud first-generation student that was able to benefit from this program in order to reach my goal of earning my degree. I would not have been able to finance my education without the help of an IDA. The benefits of the program didn't stop once I received my degree. With the skills I learned while participating in the IDA program, I was able to continue saving, pay off my student loans and purchase a house within 4 years of graduating from Linfield.

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 respectfully urge you to pass this bill so that more individuals and families across Oregon can benefit from this invaluable program.

Sincerely,

María E. Sandoval Pérez
Office of Financial Aid
Linfield University