



April 16, 2025

To: Joint Committee on Ways and Means Subcommittee on Natural Resources
From: Craft3
Re: **Support Senate Bill 5520**

Good afternoon, Co-Chairs Frederick and E. Levy and members of the committee.

My name is Tawny Reader, Consumer Lending Director at Craft3. I live and work in Terrebonne. Craft3 is a nonprofit Community Development Financial Institution (CDFI) serving borrowers in the Pacific Northwest.

Craft3 supports Senate Bill 5520. DEQ's programs help restore, maintain, and enhance the quality of Oregon's air, land, and water.

Craft3 was selected by DEQ in 2016 through an RFP process to administer Oregon's Clean Water Loan program. This program provides financing for households across the state to repair or replace failing septic systems. Septic repairs are often urgent, unexpected, and costly. For some homeowners, a septic repair can be a crisis.

An allocation of \$5 million by the Oregon legislature for the 2025 – 2027 biennium will allow this vital work to continue. Funding is being considered through House Bill 2168 and we ask for the Committee's support of continued funding via either HB 2168 or directly within DEQ's budget.

- This is an **existing initiative** that has proven to be effective. Funding the program for the next biennium will allow Craft3 to continue its work at current levels.
- This program is an investment in **health, safety, and economic growth**. Septic repair and replacement help preserve homeownership and promote housing stability, supports local septic contractors, and results in healthier living conditions and communities.
- Craft3 helps **maximize the state's investment** by revolving and reloading capital and working with private investors to bring in additional funds, distinct from public dollars.

As of December 1, 2024, 224 homeowners in 29 of Oregon's 36 counties received loans funded by state dollars. Nearly 40% of the families served by this program are low-income. These borrowers benefit from the lowest rates and most-flexible repayment programs. Loans cover the entire cost of eligible design, permitting and installation and include a reserve to cover maintenance costs.

Thank you again. I'm happy to answer questions you may have.

Tawny Reader
Director of Consumer Lending
Craft3