



We build strength, stability, self-reliance and shelter.

June 9, 2025

Joint Committee on Tax Expenditures  
Oregon State Capitol  
900 Court St NE  
Salem, OR 97301

**Re: Support for Individual Development Accounts in SB 120 -1**

Dear Co-Chair Nathanson, Co-Chair Meek, and Members of the Joint Committee on Tax Expenditures:

On behalf of Habitat for Humanity of Oregon and our network of 23 organizations building and repairing homes across the state, please raise the cap on the tax credit that funds Individual Development Accounts (IDAs) to at least \$14M, through SB 120-1.

The Legislature created Individual Development Accounts in 1999. 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—spanning every House and Senate district in the state.

Habitat for Humanity of Oregon partners with local staff to support IDA savers in Clackamas, Columbia, Deschutes, Douglas, Jackson, Lane, Lincoln, Multnomah, Tillamook, and Washington Counties. In most cases for our network, IDAs cover critical closing costs, making the last step of the homeownership process achievable for low-income buyers. We also support participants in saving for essential home repairs and emergency funds—key financial tools that ensure long-term housing stability.

The tax credit that funds IDAs has not kept pace with inflation. While the credit has been capped at \$7.5M per year since 2009, the cost of everything that IDA participants save for has increased dramatically. Each saver needs more funds from the program in order to be successful, yet tax credit revenue has remained stagnant, prompting the Legislature to provide supplemental investments from the general fund in each of the past three budget cycles. An updated \$14M tax credit cap will allow the IDA program to enroll 1,750 new participants each biennium going forward—close to the program's established service level of 2,000 new savers per biennium. (If the Legislature takes no action on IDA funding this year, the program will shrink much further, to enroll only 1,000 people per biennium.)

By raising the IDA tax credit cap to at least \$14M through SB 120, the Legislature can return the IDA program to solid financial footing. I urge you to include IDAs in this bill.

Sincerely,

A handwritten signature in black ink that reads "Megan Parrott". The signature is written in a cursive, flowing style.

Megan Parrott  
Habitat for Humanity of Oregon