

Submitter: Donna Holt
On Behalf Of: Linn-Benton Housing Authority
Committee: Joint Committee On Tax Expenditures
Measure, Appointment or Topic: SB120

The Linn-Benton Housing Authority supports Oregon Individual Development Accounts (IDA) and asks that the cap on the tax credit that fund IDA's be increased to at least \$14 million dollars, through SB 120-1.

The legislature created Individual Development Accounts in 1999 and this matched savings program has provided low-income Oregonians with education and individualized support to reach their financial goals, including homeownership, home repair, higher education, reliable transportation, business start-up and retirement. Participants' own savings is matched up to 5 to 1 to make their dreams a reality and over 19,000 Oregonian's have participated in this life changing program over the last 25-years, spanning every House and Senate district in the State.

Linn-Benton Housing Authority service Linn and Benton Counties and we have seen success in asset building and watched voucher holders become homeowners, have reliable transportation to get to and from work, complete education or training programs without needing to take out loans and open retirement accounts to have hope for a more secure future.

Tax Credits have not kept pace with inflation and while the credit has been capped at \$7.5 million per year since 2009 and costs of everything that IDA participants save for have skyrocketed. Savers need more funds from the program to truly succeed and without increased tax credit revenue, we will see less and less success for our Oregonians.

An updated \$14 million 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 Legislation takes no action on IDA funding, the program will shrink much further, to enroll only 1,000 people per biennium.

by raising the IDA tax credit cap to at least \$14 million through SB 120, the Legislature can return the IDA Program to solid financial footing. Please include IDA's in this bill.

Sincerely,
Donna Holt
Executive Director
Linn-Benton Housing Authority