

Submitter: Denise Lampley  
On Behalf Of: PCRI  
Committee: Joint Committee On Tax Expenditures  
Measure, Appointment or Topic: SB120

IDA participants put forth their 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 Nation.

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.)

The IDA program has been great. Everyone in the program has been informative, encouraging, educating. It has given me some hope for a future and I know there are stories of how it has helped people to realize their dream in these difficult times. And all people willing to put out the work are deserving of good, honest direction that this program provides. Homeownership should not only be for the wealthy or upper incomes.

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,

Denise L