

March 4, 2021
IDA Initiative Testimony

Chair Williams, Vice-Chair Leif, Vice-Chair Ruiz and Members of the Committee

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I am writing to ask for your help and support for HB 2551 to ensure Oregon invests in the vitality of our communities, by supporting the Oregon Individual Development Account (IDA) Initiative's request for funding to support Oregonians in achieving the dream of homeownership, higher education, starting a business, and other goals.

I work with first generation, low income, and immigrant students at Clatsop Community College. These students often struggle to balance college, family obligations, and work. They are often relied upon to help support their families by providing childcare to their siblings or by contributing additional income to their families. For many of these students, the IDA program has provided the financial support necessary for these students to prioritize their college education.

In addition to providing fiscal relief, the IDA program supports student financial literacy by helping participants establish savings goals and plan for future expenses. For many of these students, they are the first in their family to attend college and this program is a major component of their persistence. The long-term impact of IDA students furthering their education reverberates in their families and communities. Students model for their younger siblings the positive impact education has on earning potential and personal growth. Communities benefit from a more highly skilled workforce, reduced generational poverty, and an educated and well-informed citizenry.

IDAs offer matched savings which can support families and communities facing the financial impacts of COVID. IDAs can both help keep people from falling behind, and position people to stabilize and move forward as recovery begins. IDAs are one of the few existing tools we have to help meet urgent needs and support an equitable recovery from COVID-19 impacts and for many who were affected by wildfires. IDAs are already in place and ready to make a difference in our community.

I ask that you support HB 2551 in renewing the IDA Initiative Tax Credit for the next six years. The IDA Initiative would not be able to accept new savers without your action in 2021. Your support would allow individuals and families from every corner of the state to begin saving for a better future and would help those who are hardest hit by the financial hardships that the spread of COVID has created.

Thank you for your service, and for your attention to this critical request.

Respectfully,

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