

Submitter: Jill Russel  
On Behalf Of: myself  
Committee: Senate Committee On Finance and Revenue  
Measure: SB976

I am writing to strongly urge you to vote "NO" on SB 976, which would eliminate the mortgage interest deduction (MID) for many Oregonians across the state. It's no secret that Oregon's housing costs are among the highest in the nation.

Eliminating or limiting the MID will only make the situation worse, not better. Over 586,000 Oregon filers utilized the MID to decrease the cost of owning a home. As a Realtor in Klamath County, I can say that a vast majority of my clients must use financing and rely on the MID to help offset their annual costs.

My husband and I purchased a 1981 home that had a lot of deferred maintenance. Over the last 8 years that we have owned the home, we have had to do a lot of big-ticket repairs like replacing the HVAC and the water heater as well as painting the exterior, and we are in the process of needing to replace the roof and the original windows. If we didn't have the MID, we would not have had the money to complete these repairs. The HVAC was \$12,000 and we had \$7800 in MID that year so we could offset some of that cost. This is on a \$265,000 home. The roof will also cost \$13,000 + to replace. If we want to keep or increase the value of our home, these repairs are necessary. We already have a housing shortage in Oregon and in places like Klamath County, many homes are in disrepair and will not qualify for governmentally backed loans which makes it harder for the middle class to purchase a home that they can afford. If the MID goes away, it will be even harder for homeowners to maintain their property. It is hard enough right now with the cost of building materials to afford these repairs.

The arbitrary income limitations in SB 976 directly impact middle-class homeowners and will make the dream of home ownership even harder to achieve. There's no proof that this tax on home ownership will do anything to make home ownership more affordable. In fact, it will make homeownership less affordable and an impractical option for many Oregonians.

With interest rates and housing costs continuing to rise, now is not the time to reduce valuable incentives for home ownership.

Please reject SB 976.

Respectfully,

Jill Russel