



Oregon State Capitol  
900 Court St NE  
Salem, OR 97301

2/11/25

Re: Support For HB 3809 -1

Chair Hudson, Vice-Chairs Fragala and Harbick, and Members of the Committee:

I am writing on behalf of RootedHomes to urge you to support HB 3809, with the -1 amendment. Please “Fix the Funding” for IDAs!

In 1999 the Legislature created Individual Development Accounts (IDAs). This matched-savings program provides participants with education and individualized support to reach their financial goals. 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.

RootedHomes provides affordable homeownership for low-income homebuyers in Central Oregon. IDAs are a crucial part of securing that our low-income homebuyers can save enough for closing costs, which sometimes are as high as \$10,000. RootedHomes is building over 100 affordable net-zero homes in the next 3 years. Without a Fix in funding for IDAs these families will have to find another way to pay for closing costs, making affordable homeownership even more difficult for Oregon families.

HB 3809 -1 is needed because the state tax credit that funds IDAs has not kept pace with inflation. While the program’s tax credit revenue has been stagnant since 2009, the cost of everything that IDA participants save for has increased significantly – especially homeownership. Each saver needs more of the program’s limited funds in order to be successful. If the Legislature does not act this year, the IDA program will shrink by 50% and will enroll fewer than 500 people each year going forward.

By passing HB 3809 -1, the Legislature can “Fix the Funding” and return the IDA program to solid financial footing, ensuring that your constituents can continue reaching their goals.

Sincerely,  
Tess Spellacy,  
Homeownership Program Director at RootedHomes