

2/7/2024

Representative Lisa Reynolds
Chair, House Committee on Early Childhood and Human Services
900 Court St NE, H-485
Salem, OR 97301

Re: Support for House Bill 4131

Dear Chair Reynolds and Members of the Committee:

RootedHomes calls on you to support HB 4131, which allocates \$10 million to fund the statewide individual development account (IDA) program.

Since 1999, the IDA matched-savings program has empowered over 17,000 Oregonians to save for self-defined financial goals – including homeownership, home repair, post-secondary education, small businesses, vehicles and emergency savings. More than 2,600 people are currently saving through an IDA, including 394 constituents represented by members of this committee.

RootedHomes is a non-profit developer that provides environmentally sustainable and permanently affordable homeownership opportunities for low-income households who live and work in Central Oregon. Once selected, RootedHomes homeowners utilize a fast-track IDA account to save and then cover closing costs to purchase their RootedHomes homes. The IDA account makes a significant difference in reducing closing costs from \$10,000 to \$3,200 for low-income households who have higher barriers to saving.

The IDA program has a 25-year track record of success in helping lower-income Oregonians achieve household stability. However, due to lack of funding the program is now in danger of shrinking to serve fewer people than at any point in the past 12 years. Through HB 4131, you have the opportunity to make a \$10 million investment that will allow the IDA program to maintain its current statewide service level by enrolling approximately 2,200 savers during this biennium.

HB 4131 has been endorsed by over 70 community-based organizations, businesses, banks and credit unions, and real estate groups. Collectively, we call on the committee to join us in supporting this life-changing program that so many of your constituents are waiting to access.

Sincerely,

Tess Spellacy
Homeownership Program Manager
RootedHomes