



NeighborImpact

Supporting People, Strengthening Communities.

March 05, 2021

House Human Services Committee
Oregon State Legislature
900 Court Street
NE Salem, OR 97301

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

I am writing to you on behalf of NeighborImpact and the communities in which we work to request your support for HB 2551 related to tax renewal for Individual Development Account (IDA) program.

Since 1985, NeighborImpact has served Central Oregon -Crook, Deschutes and Jefferson counties and the Confederated Tribes of Warm Springs. Our organization is the largest nonprofit in our region on a clients-served basis. NeighborImpact programs support people with chronic needs as well as people who need short-term, temporary help to get back on their feet. Services we provide include assistance to the homeless, homeless prevention, energy assistance, emergency food, childcare provider support and early childhood education through Head Start and Early Head Start. We also provide programming around improving personal financial capability (budgeting and money management) and home ownership counseling and an IDA program that supports personal asset building. The IDA program is without doubt our most popular asset development program and is usually oversubscribed with the equivalent to a five-year waiting list. We distribute funding using a weighted lottery system that considers racial and geographic diversity parameters. The IDA program currently supports opening or expanding a business, purchasing a home or pursuing higher education (as well as other asset-building activities.)

IDAs also supports 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. IDAs are already in place and ready to continue to make a difference in our community.

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The IDA Initiative is urging your support for HB 2551 to renew the IDA Initiative Tax Credit for the next six years. Your support of the Initiative's request would benefit Central Oregonians and Oregonians across the state.

Here is a quote of one of the 612 program participants that we have worked with since 2009:

"I could not have been able to purchase my home without the aid of the IDA program and the financial workshop series, which are immensely encouraging. The program makes it easy to save and keep track of progress towards my goals. NeighborImpact staff are very helpful and available to answer questions that come up along the way!"

In light of COVID 19 and its aftermath, we believe that IDAs are a tool for economic recovery for communities and individuals alike because the IDA program helps build financial resiliency. We do this through rigorous training, one on one support, and a financial boost in the form of a matched savings that helps people meeting their financial goals.

We believe IDAs are uniquely positioned to support our neighbors through crisis recovery as well as their long-term financial health and would very much appreciate your support of this request.

Thank you very much for your time, and for your service to our state.

Sincerely,



Executive Director, NeighborImpact