



DATE: March 16, 2023  
TO: House Committee on Housing and Homelessness  
FROM: Sammi Teo, Public Policy Advocate  
RE: Support for HB 3492 - ITIN Mortgage Lending/Special Purpose Credit Programs

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Chair Dexter, Vice-Chairs Gamba and Helfrich, and members of the committee,

Oregon Food Bank's mission is "to eliminate hunger and its root causes." We pursue this goal in two key ways: we foster community connections to help people access nutritious food today, and we advocate to change policies that drive hunger and poverty.

### **Homeownership is a key way to begin breaking generational cycles of poverty.**

Homeownership is one of the primary ways a family can begin to break generational cycles of poverty and food insecurity. Oregonians who are [renters are six times more likely to experience hunger than Oregonians who are homeowners](#). For those who are both renters *and* immigrants, it's even worse. Latinx and Pacific Islander families experience hunger at twice the rate of white Oregonians pre-pandemic—this gap has only widened.

No one should be denied fair access to a mortgage with reasonable rates simply because they have an Individual Taxpayer Identification Number (ITIN). And yet, ITIN holders continue to be denied from affordable financing options, and ultimately from owning their own home. Across the country, credit unions and community banks have been leveraging the use of ITINs and alternative forms of identification to provide access to accounts and loans for consumers who may not traditionally access these services. While many financial institutions have been offering it successfully for decades, **ITIN-specific loan products suffer from significantly higher interest rates**, and many financial institutions are not willing to provide 100% of the financing for these loans for a variety of reasons. For this reason, **many Oregonians who use ITINs find themselves having to take out two mortgages at unfavorable rates in order to secure the financing necessary to become a homeowner**. For many families, the unavailability of affordable financing options is a complete bar to homeownership.

HB 3492 would direct OHCS to launch a pilot program to cooperate with qualified lending institutions to provide 100 percent financing for residential property purchases to persons who qualify for special purpose credit programs. OHCS would offer a second mortgage loan for the purchase of the residential property to participants in an amount that the qualified lending institution does not fund with the first mortgage loan. It would also establish a Special Purpose Credit Program Loan Fund in the State Treasury through which the department would make these mortgage loans in connection with the pilot program.

We urge you to support HB 3492 to give Oregonians a chance at stable housing, to own their homes, and to break generational cycles of poverty.