



March 08th, 2021

House Committee on Human Services

Oregon State Capitol
900 Court Street
Salem Oregon 9730

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

I am writing to ask for your help and support for HB 2551 to ensure Oregon invests in the vitality of our communities, by supporting the Oregon Individual Development Account (IDA) Initiative's request for funding to support Oregonians in achieving the dream of homeownership, higher education, starting a business, and other goals.

As you know, Hacienda CDC is a Latino Development Corporation that strengthens families by providing affordable housing, homeownership support, economic advancement and educational opportunities. At Hacienda CDC, we provide IDA's for both homeownership and small business development.

Homeownership IDA's are one of the few ways our clients can save money towards the earnest money deposit, down payment, and closing costs and help make homeownership a reality. IDAs assist in closing the gap between the high cost of living and home prices in the Portland Metro Area, and lower income salaries.

IDAs offer matched savings which can support families and communities facing the financial impacts of COVID. IDAs can both help people keep 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 and for many who were affected by wildfires. IDAs are already in place and ready to make a difference in our community.

Individual and families participating in Hacienda's IDA Program not only get matched savings towards a specific asset, they are also required to take financial education and a class specific to their goal. These requirements are key to the financial stability of Oregonians because even after they reach their goals, they will be able to use the knowledge gained through counseling and education to other aspects of their lives. We currently have 90 households participating in our homeownership and business IDA programs.

I ask that you support HB 2551 in renewing the IDA Initiative Tax Credit for the next six years.

The IDA Initiative will not be able to accept new savers without your action in 2021, and our waitlist already has 35 households. Your support would allow individuals and families from every corner of the state to begin saving for a better future and would help those who are hardest hit by the financial hardships that the spread of COVID has created.

Thank you for your service, and for your attention to this critical request.

Sincerely,

A handwritten signature in purple ink. The signature starts with a stylized 'E', followed by a wavy line, and ends with a circle. Below the signature, the name "Ernesto Fonseca, PhD" is printed in a small, black, sans-serif font.

Chief Executive Officer
Hacienda CDC