



Testimony of Barbara Dudley
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Chair Fahey, Vice Chair Morgan and Vice Chair Campos,

On behalf of the Oregon Working Families Party, I urge you to vote yes on HB 2578 and to pass it out of committee unanimously. There is no other bill that so clearly addresses both the inequities and the desperate needs in Oregon's housing market.

Eliminating a tax deduction for the mortgage on one's second or third home obviously impacts only the wealthiest Oregonians and will not cause any great hardship. Similarly, reducing the mortgage deduction allowed to those with annual incomes over \$200,000 seems more than fair given that most low and moderate income homeowners do not benefit at all from the deduction. And most importantly, the 50% of Oregonians who cannot afford to buy a home but who are renters instead, do not benefit in any way from a mortgage deduction.

To understand this issue we need only visit some of the more beautiful parts of our State where we see large imposing vacation homes overlooking stunning landscapes while many of the people in the small towns in those very landscapes cannot afford their rent much less purchase even a modest home.

The mortgage interest deduction costs Oregon some \$1 Billion per budget period, making it the state's largest housing subsidy. How much more reasonable, fair and equitable would it be to spend that money on providing affordable housing to those thousands of Oregonians who are living so precariously in makeshift and temporary housing or no housing at all.

The Oregon Working Families represents hard working Oregonians who deserve decent housing. HB 2578 is a common sense approach to shifting housing subsidies from the wealthiest Oregonians to those who are most in need. It is one easy and equitable solution to a complex and long-standing housing problem in our State.

Thank you for your attention to this issue and hopefully for your unanimous support for this important legislation.