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March 17, 2023

RE: Support for HB 3487

Dear Chair Dexter, Vice-Chair Helfrich, Vice-Chair Gamba and Members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 3487. My name is Shannon Vilhauer and I am the Executive Director of Habitat for Humanity of Oregon. On behalf of our Board of Directors and the 24 local Habitat for Humanity affiliates we serve, we urge your strong support for the work of the Joint Task Force on Addressing Racial Disparities in Homeownership by passing this important piece of legislation.

During the 20th century, various public policies systematically excluded Black and other households of color from equal access to homeownership, thriving neighborhoods and economic opportunities. Racialized zoning, racially restrictive deeds, and the demolition of Black neighborhoods as part of urban renewal all significantly contributed to racial inequities that carry forward into the present. Disparate access to credit, including predatory lending practices, have further undermined economic mobility for many community members. These inequities are evident today in the form of continued racial segregation, staggering racial gaps in homeownership and wealth, and greater levels of exposure for people of color to unsafe homes and unstable housing. With the knowledge that these injustices have never been adequately addressed, we urge you to join us in undertaking this critical work.

There continue to be large and deepening racial disparities in homeownership in the State of Oregon and our nation. The Joint Advisory Task Force on Addressing Racial Disparities in Homeownership found specifically that Black Oregonians have the lowest rates of homeownership, with 32.2% of households owning a home, compared to 65.1% of White Oregonians. Similarly, the Task Force found that an additional 63,842 households of color would need to become homeowners to eliminate the gap in homeownership rates. Out of its work between the 2022 and 2023 Legislative Sessions, the Task Force developed and adopted eleven proposals, the majority of which were supported on a bipartisan basis.

HB 3487 combines four of these proposals. These proposals include the following:

- **Reporting.** The bill provides simple yet important direction for the Housing and Community Services Department (OHCS) to report to the Legislative Assembly on continuing racial disparities in homeownership by September 15 of each even-numbered year.
- **Down Payment Assistance.** As part of its own internal work to address racial disparities in homeownership, this bill would also direct OHCS to review its own policies and rules to take steps to remove barriers for individuals without Social Security Numbers to access state programs such as down payment assistance.
- **Assisting homeownership organizations.** The bill further directs OHCS to provide more support to housing counselors and other persons who support homeownership programs, including training and technical assistance.

- **Financial literacy provisions.** Requires OHCS, in partnership with DCBS and BOLI, to develop financial literacy materials, translated into the five most commonly spoken languages other than English, and distribute the same to mortgage brokers and bankers in the state.

As homeownership is becoming increasingly out of reach, it is important to make sure that the state continues to monitor how racial disparities in homeownership are improving or worsening. It also remains important to ensure that homeownership organizations and housing counseling agencies are supported by our state partners and that those who seek mortgage financing are able to make informed decisions about whether or not they are supported through one of the many homeownership support organizations across the state.

We urge your support for HB 3488. Thank you for your time and for your service to the state.

In partnership,



Shannon M. Vilhauer, Executive Director