



VOICES UNITED.
OPPORTUNITY REIMAGINED.

February 7th, 2024

TO: House Committee on Early Childhood and Human Services

FROM: Our Children Oregon

RE: Support for HB 4131 Oregon Individual Development Account Funding

Dear Chair Reynolds, Co-Chair Nguyen, Co-Chair Scharf, and members of the committee,

Our Children Oregon's (OCO) mission is advancing equitable policymaking and whole-child advocacy statewide to ensure our children and youth—regardless of their race, identity, ability, or where they live—have what they need to thrive. We collect, analyze, and elevate data and research that, alongside lived experience, drives conversations in support of Oregon's future.

We strongly support HB 4131 to ensure \$10M dedicated funding Oregon's Individual Development Account, maintaining service levels consistent with past years.

Recent statistics from Annie E. Casey Foundation revealed that in 2022, **30% of Oregon's children were living in households with a high housing cost burden.**¹ Data also showed that **27% of parents in Oregon lacked secure employment in 2022.**² As of January 2024, over 17,000 Oregonians, in 35 of Oregon's 36 counties, have opened an IDA according to the Oregon IDA Initiative. These families have saved \$36 million which the state has matched with \$68 million from the state. From 2022 to 2024, nearly half of IDA matching funds went to Black, Indigenous, and People of Color statewide, exemplifying a policy solution centered in equity and impact.

Economic security for families is the bedrock of thriving children and youth. IDAs have been a life-changing way to help low-income Oregonian families gain financial stability and raise their children with the resources they need to achieve their full potential. Through the Oregon IDA Initiative's matched savings program and financial skill-building services, families can build towards important goals like owning a home or sending their kids to college, which are also important economic drivers for Oregon's overall economy.

Without legislative action in 2024, total funding for IDAs, including resources available for new accounts, will drop to levels lower than any point in the last 12 years. **Please ensure that the \$10M funding is for the entire IDA program, without being restricted to only certain savings goals.** The IDA program has a 25-year track record of success precisely because participants define and save toward the investments that are most important for their own

¹ <https://datacenter.aecf.org/>

² <https://datacenter.aecf.org/>

circumstances. Options include home purchase – along with home repair, small business start-up or expansion, post-secondary education, vehicle purchase, and emergency savings.

Every IDA, regardless of the savings goal, is a tool for housing stability:

- A home repair IDA can improve habitability and reduce utility costs.
- An IDA used to grow a small business can raise a family's income.
- Saving for college can set a student on the path to graduate without debt, making homeownership a real possibility.
- Purchasing a vehicle can enable an IDA saver to access a higher-paying job.
- Emergency savings create resilience in the face of emergencies, preventing traumatic setbacks such as evictions.

Our Children Oregon joins over 70 businesses, financial institutions, housing providers and organizations calling for funding to maintain current service levels of the statewide IDA program. Combined with tax credit revenue, a \$10 million general fund investment in 2024 will ensure that 2,200 Oregonians can begin saving for their financial goals through an IDA during this biennium.

We thank you for your time and efforts to improve child well-being across the state. We urge your support of HB 4131.

Sincerely,

Alyson Larson, Policy and Advocacy Intern
Greer Klepacki, Policy and Advocacy Senior Coordinator
Jenifer Wagley, Executive Director