

Submitter: Lawrence Hauth

On Behalf
Of:

Committee: Joint Committee On Ways and Means Subcommittee On
Transportation and Economic Development

Measure: SB5511

Co-Chair Woods, Co-Chair Gomberg, and Members of the Committee,

Thank you for the opportunity to submit testimony. My name is Lawrence Hauth writing on behalf of Community Action. I am here to testify in favor of SB 5511 and in favor of robust investments for Individual Development Accounts.

IDAs are matched-savings accounts that bring state resources to enhance financial stability and wealth-building among Oregonians with lower incomes. In addition to matched savings, IDAs ensure an equitable and statewide impact in communities historically and systemically excluded from economic opportunity.

Our agency provides IDAs to small business owners who operate a child care business in their home. The IDA savings provide the child care business with funds to start or expand their business, and to purchase items and supplies needed for operation, such as play structures.

Our IDAs serve Oregon residents of Washington County. In a recent example of the benefit of the IDA program, a child care business owner needed a vehicle in order to expand her business so that she could transport children, thus allowing her to serve more families. The matched savings provided sufficient funds to purchase a van. Without the IDA program the purchase would not have been possible.

IDAs present an incredible opportunity for Oregonians with resources to allow them to thrive in whichever way the saver sees fit. Unfortunately, despite the program's strong bipartisan support and the impact that it has on communities, the program has been historically underfunded. The IDA program allows family businesses to thrive while also increasing the quantity and quality of child care available in our community.

We urge your support for a funding level of \$35 million, at least \$15 million of which should be dedicated to the program every biennium. IDAs a tested and trusted program that have helped build wealth and secure financial stability for decades in the State of Oregon.

We urge your support for continued and strong investments in this important program.

Thank you,

Lawrence Hauth