



# community alliance of tenants

4/12/2023

Vice-Chair Boquist, Chair Meek, and Committee members,

I appreciate having the chance to testify in favor of SB 976. My name is Alexis Ames. On behalf of The Community Alliance of Tenants. (CAT) we urge your support for this critical legislation to rein in wasteful aspects of our tax code and make meaningful investments in addressing our ongoing housing crisis.

Oregon continues to suffer from a deepening housing crisis leaving many families without safe and stable homes that they can afford. CAT is firmly committed to advocating for policies that ensure affordable and accessible housing for all Oregonians.

As an organization that works closely with tenants across the state, we have seen firsthand the devastating effects of the housing crisis on low-income families in marginalized communities. We know that one of the main barriers to homeownership for these families is a lack of affordable housing options and the financial burden of high mortgage rates. Therefore, we are pleased to see that this bill takes an essential step towards addressing these issues by eliminating the mortgage interest deductions for second homes and high-income households.

Unfortunately, the current system needs to be fixed, with the mortgage interest deduction alone costing roughly 1 billion annually. This is by far the most significant expense on housing in the state. Yet, this subsidy primarily benefits high-income earners and fails to address the needs of low-income families. Renters in Oregon, in particular, are left to bear the brunt of the housing crisis, with housing costs weighing heavy on their finances compared to homeowners.

SB 976 aims to improve access to homeownership for families. The bill proposes to deduct saved revenue programs that help families obtain and maintain homeownership, such as down payment aid, foreclosure prevention advice, and support for the Individual Development Account (IDA) program. By providing these resources, families will be better equipped to overcome the financial barriers that often prevent them from owning a home. SB 976 will also help to reduce the number of foreclosures and promote greater stability within communities. As a result, families will be able to build equity, establish roots and contribute to the overall economic health of their community.

SB 976 will help to level the playing field for Oregonians regardless of their income or background and provide much-needed resources and programs that support affordable housing. Governor Kottak's steadfast dedication to prioritizing homeless or housing-insecure families has encouraged our members, and SB 976 helps achieve that goal.

We urge you to support this critical legislation and to continue working towards a more just and equitable housing system in Oregon.

Sincerely,

Community Alliance of Tenants