



**HOUSE OF REPRESENTATIVES**

**Testimony in Support for SB 852**

May 12, 2021

Chair Chair Burdick, Vice Chair Boquist, and members of the committee,

My name is Khanh Pham, Representative for House District 46. I am honored to testify in support of SB 852.

SB 852 is a simple bill to address a long standing issue in our state -- finding consistent and adequate sources of funding to address our growing housing needs. Oregon does not lack the will or great ideas to solve our housing crisis, we lack adequate funding mechanisms.

Oregon currently invests \$1 billion dollar per biennium into our current mortgage interest deduction. We would like to target this tax deduction for families that need it most and use the **\$200 million** in revenue generated to invest in helping low-and-moderate income Oregonians access home ownership opportunities. SB 852 would create the Oregon Housing Opportunity Fund to invest in loans and downpayment assistance to make homeownership accessible to first time buyers. In addition, we can make investments that will help address the housing instability for families across our state.

Over the last decade, my district, like much of the state, has faced rising housing costs that have impacted our entire community, but particularly low-income and BIPOC families.

Families have had to wait for years for affordable housing opportunities to open up. When we open up an affordable housing wait list, we get hundreds of families applying for just 31 units. Housing providers have to tell families that the funding for rental assistance has run out almost as soon as the application processes open. For every person that we can see that has lost their home, there are many more we don't see who are sleeping in cars or doubling up with family. This is the real cost of not investing enough in housing infrastructure for Oregon families.

**I want to clear up a few things about this bill.** First, SB 852 would phase out only the **state-level** mortgage interest deduction for high income earners that make more than \$200,000 in adjusted gross income. **That would be only about 5% of Oregonians and the vast majority of homeowners wouldn't see any changes.** That top 5% may also still receive the federal mortgage interest deduction as this bill would not impact the federal deduction for homeowners.

In addition, this bill eliminates the deduction for second homes with an exception for second homes that are renting out this property. So landlords will not be impacted by this change, because we want to encourage keeping homes in our rental housing supply.

**KHANH PHAM**  
**STATE REPRESENTATIVE**  
DISTRICT 46



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In this moment, we have the opportunity to take action and set the foundation for a healthier, more resilient state. We must invest in long-term solutions to our housing crisis by reforming the mortgage interest deduction and investing in first time homebuyers and housing insecure families. SB 852 is a targeted bill that will allow us to make a lasting impact and advance Oregon's housing priorities. I urge members of this committee to support SB 852. Thank you.