



Lorna Moore
Director of Operations

TESTIMONY

Interfaith Housing Services, Inc.

Serving in Faith

House Children and Seniors Committee
Hearing on HB 2160
9:00 AM Thursday, February 9, 2017

Chairman Alford and Members of the Committee,

Interfaith Housing Services, Inc. (IHS) strongly supports passage of HB2160 amending the Individual Development Account (IDA) Program to make vehicle purchases and living start-up expenses an approved asset purchase for youth who are exiting of foster care.

IHS is a non-profit organization based in Hutchinson, KS, and we have offered Individual Development Accounts to households in all 105 Kansas Counties since 2009. We have witnessed the positive effect this program has had on low-income households, and we want to see it become available to help young people with their needs as well.

Individual Development Accounts do more than provide matching funds for the purchase of a high return asset. The program is designed to instill participants with Four Healthy Financial Habits:

- The ability to REGULATE SPENDING in order to increase household cash flow;
- The ability to MANAGE DEBT and LEVERAGE CREDIT in order to maintain positive credit profiles;
- The ability to IMPLEMENT INTENTIONAL SAVINGS in order to gain security and protection for the future;
- The ability to MAKE DISCIPLINED DECISIONS in order to execute financial plans and reach financial goals.

Each of these habits is crucial for the lifelong success of young people as they transition into living independently and becoming responsible adults.

Three hundred and sixty-eight households have graduated from the KS IDA Program since it began in 2008. They are now homeowners, small business owners, college graduates or have made major repairs to their homes. Over 175 households are currently enrolled in the program saving for the asset purchases that will change their lives. We sincerely hope you give thoughtful consideration to adopting the technical changes in HB2160 that will give young men and women aging out of state care the opportunity to receive financial education, coaching and matched funding that will help guarantee their future success.

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