

Thank you for the opportunity to offer my comments on the matter before the committee.

My name is Christine Ruck, a constituent living in Lebanon, Oregon.

My comments are in opposition to the raising of limits on property taxes for any purposes, HJR 14 would open the door to an excessive increase in taxation that Oregonians can not afford.

I have been an Oregon property owner and voter since 1993. My husband was the owner of a tool & die business from 1993 through December of 2010. Class 1 Tool & Mold business provided prototypes, fixtures, custom tools, precision manufacturing equipment, gauges and injection molds to customers, such as Hewlett Packard and Uni-Measure in the mid-Willamete Valley. That work was to tolerances, not to the thousandth of an inch, but to one ten-thousandth of an inch or less. The companies we 'worked' for created hundreds of jobs in Oregon.

During that time there were gradual, predictable increases year over year, on our home business property and personal property under the business. We anticipated the annual increase and managed to budget for the increase during most of those years. Every year we watched as our tax dollars were doled out to the Lebanon School District, Linn-Benton Community College, Linn County Sheriff department and several bond & levy assessments.

However, over the years we found that more of our customers were sourcing the services we provided to over seas vendors. As taxes rose in Oregon, more of our customers took their work overseas. By 2006, we had built our business to include every possible piece of capital equipment to be a one stop operation to support the high technology requirements of the scientists and engineers in the area. We chose not to be in debt, but to earn the money and then, only then, made the purchases of equipment to enhance our manufacturing capabilities. 2006 was the last year we experienced an upward trend in our gross revenue and the last year we could invest in growing the business in Oregon.

As customer revenues trended lower, we watched our local competitors close up their businesses. That decline in the number of competitors did not revive the available work opportunities. We managed to keep the doors to our business open through 2009, our first year without a profit, After tightening the budgetary belt several more notches in 2010, the final job was delivered in October 2010. At the end of December 2010, we made the decision to close our business permanently. Linn County has lost the tax base our business provided.

Sadly, those who were once our competitors are no longer there to purchase our equipment to be part of the funds that would have been part of our forced retirement. Recent auctions have seen equipment similar to ours being sold for pennies on the dollar, sometimes for the price of scrap metal.

Retirement had never been part of our long term plan. We had planned to continue working well into what some people consider their 'golden years'. But all during the economic decline of the last several years, the taxes didn't decline with our gross revenue. The taxes were still increasing when we had no choice but to close our business after 16 very successful years. Now we have to decide if we remaining in Oregon during our retirement is financially possible.

Had we attempted to increase our revenues by increasing our rates as the legislature wants to increase taxes; does anyone on the committee believe that customers would have decided to keep awarding to us at thus higher rates? We made cut after cut in our expenditures and still it was not enough to keep us from shutting the doors.

Owning a small business is no place for those who can not or will not make difficult choices. The hard choices that need to be made in Oregon are obvious.

When it comes to finding the revenue to continue funding schools are obvious. It is time for the Oregon legislature to recognize that pressing the taxation accelerator to the floor will drive the taxpayers and business or out of state. After 14 years of being above the national average for unemployment, it is time for the Oregon legislature to live within the collected revenues.

The limit of taxation put in place by the tax payers was a prudent and clear message that should have communicated that there are reasonable limits on the revenue that the legislature is expected to utilize for the citizens of Oregon. Honor and respect those instructions.

It is time to manage existing revenues responsibly, prioritize spending and make the tough choices. The pattern of budgetary increases that have hobbled the economy of Oregon for the last 16 plus years need to be stopped.

I respectfully request that HJR 14 not be approved by the committee and thank the members of the committee for the opportunity to address them today.

Respectfully submitted

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