

OREGON LAW CENTER

921 SW Washington Street, Suite 516, Portland Oregon 97205

Testimony of John Mullin, (503) 867-6236

House Revenue Committee HB 2510

May 15, 2013

Mister Chair, for the record, my name is John Mullin, representing the Oregon Law Center, and I am here to testify in favor of HB 2510-1.

As veteran members of this committee well know, the solvency and scope of the Senior Disabled Property Tax Deferral program has been an issue for a number of years. The changes made to the program in 2011 helped to ensure the solvency of the program, but also made a number of people ineligible for the deferral. The changes in 2012 brought some of the people who were otherwise eligible, except for the reverse mortgage bar, back into the program for two years, as long as they re-certified. And with HB 2489, passed earlier in the session, you took away the uncertainty for those added back by granting permanent eligibility.

Now you have the opportunity to make one more change for those who were on the program prior to 2012. The -1 amendments to HB 2510 would make modest changes allowing those who had not recertified, and have the following characteristics:

- Have reverse mortgages and/or
- Have not occupied their homes for five years or more
- Meet all other program criteria, including age, income, and real market value of their property

We know of people who did not recertify because they believed their reverse mortgage would make them ineligible. We know of others who were excluded because of the five year rule. Still others had both conditions. HB 2510-1 would simply help those with either or both circumstances.

While the original bill was much more comprehensive, I believe this amendment is a practical and just way of extending eligibility for those who may have been confused about recertifying or simply thought they were ineligible. Further, those who were ineligible because of the five year rule now have an opportunity to get back into the program. In reviewing the numbers put forward by your Legislative Revenue staff, these changes would not affect the solvency of the fund.

As to future discussions about property taxes beyond this session, we believe other ideas will surface, perhaps in the context of comprehensive tax reform. However, HB 2510-1 is before you now, an important change, possible this session, that would bring needed relief to hundreds of vulnerable Oregonians.

Thank you for your consideration.

