

TO: Oregon Legislative Revenue Committee  
Testimony in Support of HB2510

The Senior and Persons with Disabilities Property Tax Deferral was written to allow people to stay in their homes. My sister, who is 74 years old, is one of those people; however, with the changes in the law in 2011, she and many others will lose their homes and much more without this new legislation.

My sister has lived in her home since 1989 and was given joint ownership interest in the property in 1996. When the house became solely hers, due to a death, in 2009, \$265,000 was owed on the property. Her Social Security Income was less than \$900 and after medical costs about \$700.00. She was unable to work because of debilitating rheumatoid arthritis. With the mortgage of \$1450 a month and property taxes of \$330 a month (currently \$360 a month), she did not have the income to stay in her home. Getting a reverse mortgage and the property tax deferral was the only way she could keep her home. She had to pay all the closing costs and she did not get any funds from the reverse mortgage --- only the comfort of knowing she could stay in her home.

In 2011, she broke both of her legs (both legs already had artificial knees and hips). She still suffers the impact of those injuries. When coupled with her arthritis and other health issues, she needs assistance with everyday living. Without the property tax deferral and being able to remain in her home, she would have no choice but to go into a nursing home or assisted living at a cost for the state of \$4,000 to \$7,000 a month.

She, as many others who have a reverse mortgage, relied on the promise of being able to depend on the property tax deferral and remain in her home until her death. Her belief is that there will be sufficient residual funds after the reverse mortgage to repay the deferred taxes.

The Vulnerable Home Owners Association (VHOA) has done a great job of pointing out the negative impact the changes in the law has on thousands of seniors and people with disabilities – many of those people (who have not already lost their homes) will lose their homes. Many will become dependent on subsidized housing or have to go into residential facilities. Some may become homeless. These outcomes will have a far greater impact on the state than loaning people funds to pay their taxes (at 6% interest) – which should have none.

I support VHOA stated goals: Refocus the property tax deferral program on senior and other homeowners with the most limited resources; Assure the solvency and sustainability of the program into the future; Improve the efficiency and management of the tax assistance program; Allow former participants who were eligible for last year's two-year extension and others who were dropped from the program due to administrative errors to be reinstated.

The proposed legislative changes to the deferred property tax law will help the state keep their promise to thousands of seniors and people with disabilities and allow them to stay in their homes. It is the right thing to do. I hope you will move this people forward into law.

Thank you. Barbara Printemps-Herget  
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