

Public Testimony on House Joint Resolutions 7,8,13 and 20

Property Tax Proposals under consideration by House Revenue Committee

March 7, 2013

Bob Clark

Dear Committee members and Representatives:

I reside in House District 42 in the City of Portland, and am fairly representative of the average home owner in this District. In the past ten years, my property tax bill has escalated at a compound annual rate of 3.5 to 4%. This is nearly a percentage point faster than the rate of inflation as measured by the CPI. Most importantly, incomes of most folks in the District have barely kept pace with inflation.

Existing property tax rate limits are good, and should not be adjusted and certainly not raised sharply by these property tax proposals currently before the House Revenue Committee. Government should grow in line with the ability of its citizens to pay the costs of government, and existing property tax rate limits (\$5 for education and \$10 for other government based on real market value) serve this purpose most appropriately. Part of the perceived underfunding of local government caused by property tax rate limits is due to the very serious housing crisis of 2008 through 2010. Real market value is now starting to recover such that tax compression should start to lift over the next several years.

You, the legislator, probably believe you are only referring these proposals to voters, but the referral and initiative process are no longer as fair to citizens as they once were. Government employees, standing to benefit from increased tax revenues, now write the ballot title and summary; or in the case of initiative, re-write them quite frequently. The referral and initiative process have been corrupted as fallout from the "war" between Bill Sizemore and public employee unions. Oregon statutes regarding ballot titles allow for less than a neutral description of what is being asked of voters.

Nike was granted tax certainty and stability. Is it not fair to also grant such certainty and stability to ordinary Oregon citizens by sticking to existing tax rates and structure? I would say so.

And as for the City of Portland needing a higher property tax rate limit, this City is far from deserving such a rate increase. OSPIRG, for one, rates this City a D-minus in budget transparency; and the City's own auditor issues several reports critical of City spending.

Thank you!