



Taking action for basic human needs.

March 12, 2013

To: Representative Phil Barnhart, Chair
House Revenue Committee

RE: HJR 10 and HJR 14

The Human Services Coalition of Oregon (HSCO) is comprised of organizations and individuals whose purpose is to educate and advocate in the Oregon Legislature for vulnerable Oregonians. As it relates to tax and revenue issues, the Coalition has adopted principles and goals which promote Fairness, Adequacy, Stability and Transparency which we transmitted to your committee on 8 March. Among these goals are those which suggest that tax expenditures and direct program expenditures should be considered together and given equal scrutiny when the budget is constructed.

One of our concerns has been that the program budget can be adopted by a simple majority vote whereas measures resulting in the reduction of tax expenditures are considered revenue raising measures requiring a supermajority vote. HJR 10 and 14 would allow the voters to determine whether or not they wish to continue this distinction which constrains the Legislature's ability reduce tax expenditures or modify them in a way that even incidentally reduces such expenditures thereby increasing revenue.

It can be argued that a constitutional amendment is not necessary to modify or eliminate tax expenditures particularly when such expenditures apply to a relatively few beneficiaries and the purpose is not to raise revenue but to reduce tax code expenditures which are not achieving their purpose. Nonetheless, we support these measures since they would remove any lingering uncertainty regarding the Legislature's power to adopt budgets and manage the people's money.

Thank you for hearing these bills and receiving our testimony.

Sincerely,

Bill Olson, Co-Chair
HSCO Tax and Revenue Committee
fwolson@comcast.net
(503) 851-7684 cell

John Mullin, Co-Chair
HSCO Tax and Revenue Committee
jmullin@oregonlawcenter.org
(503) 867-6236 cell

CC: Committee Members

The Human Services Coalition of Oregon (HSCO) is comprised of organizations and individuals from across the state who are committed to protecting and strengthening human services on which vulnerable Oregonians depend.