

Chairman Barnhart, Vice-chair Bentz, Members of the House Committee On Revenue

My name is Gerritt Rosenthal. I am a representative of the Taxpayer Return on Investment Coalition. I am also associated with Onward Oregon. I am a former candidate for HD #37.

I am here to testify in favor of HB 2940, which calls for standardized reporting on property tax exemptions.

Government is not a business, but some principles of good business, particularly regarding investment, should provide a model for Oregon government actions. I am speaking particularly of the investment of Oregon taxpayer revenues in the creation of future business opportunities.

When we invest public monies we owe it to the taxpayers to make wise and transparent investments. Of course, investments always carry some risk, but it would seem prudent to try and reduce those risks as much as possible.

That is why HB 2940 is an important step. It provides for posting of standardized critical information regarding property tax exemptions on the Oregon transparency website. This seems natural and proper. This kind of information is what we ask for when we invest or personal monies in public corporations. HB 2490 requires annual reporting. I know I get quarterly information from most of my corporate investments.

HB 2490 is a good idea, but I have some suggestions for improving its usefulness.

The first would be a suggestion that it be expanded, where possible, to include all public entities, and not just state agencies...at least for those situations where state General Fund revenues are impacted either directly or indirectly. I think this would be a simple change of wording.

The second addition would be the stipulation that data be submitted to the DAS in a standardized format developed by DAS. This would facilitate analysis and reporting. The current bill calls for standard information, but efforts should be made to streamline the process for efficiency. Businesses and taxing "agencies" would likely appreciate knowing there is a standardized format for submittals.

The third suggestion would be in the creation of an Administration Fee, to be taken as a percentage of the tax exemption (likely about 1-4%), and applied for analysis and tabulation.

And finally, posting is good, but some assessment is also needed and so I would propose adding a requirement for periodic audits, by the Secretary of State's office, of exemptions larger than a certain amount, perhaps \$25,000. The Administration Fee could be "sized" to also pay for these audits.

I would urge these ideas as "friendly" amendments in support of HB 2490.

Thank you for this opportunity to comment.

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