



**Bill Hall  
County Commissioner**

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Chair Keny-Guyer, Members of the Committee:

For the record, I am Bill Hall and am currently serving my fourth term as a Lincoln County Commissioner. As you've heard from me before, I've been active in homeless and housing issues at the local, state and national levels during my entire tenure. Today I am asking for your support for HB 2006, which would reform the mortgage interest deduction.

I often ask people if they can identify the largest housing subsidy in the United States. Most guess that it's Section 8 HUD vouchers. Very few correctly identify the mortgage interest deduction. Let me make a couple of things clear up front: My family is among the millions who benefit from it, and I absolutely support its continuation for a primary residence with a reasonable income standard. But I have to ask: if we were designing a housing subsidy from scratch today, would we really provide incentives for wealthier homeowners and vacation homes?



Tourism, construction and real estate sales are all important businesses along the coast, and I am sure those industries will not support this idea. But I want to make a couple of points: I believe most, if not all of those who buy second homes can afford to do so even without the mortgage deduction; and second, the coast is seeing serious impacts of large number of homes that are not primary residences. Some are in the vacation rental market, others are private retreats.

In Manzanita in neighboring Tilliamook County, 75 percent of the homes are not primarily owner-occupied; in Lincoln City, it's 60 percent of the homes. The vacancy rate for month-to-month rentals in Lincoln County is below one percent. It's no wonder to me that businesses are reporting serious problems with employee recruitment and retention, and again and again cite housing availability as their top barrier. One recent example in our county government: a behavioral health manager left after nine months, not because he didn't like the job or the community, but he was tired of living in a campground because he couldn't find a decent, affordable place to live. In Lincoln County, more than 14 percent of the school-age population is homeless, versus a statewide average of four percent.

The additional revenue that would be generated by the changes proposed in this bill could provide badly-needed revenue to help end homelessness, create new affordable rental housing and incentives for first-time home ownership. It just makes sense. Thank you!

