



POLK COUNTY

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June 7, 2017

Senate Committee on Finance and Revenue
HB 2088 – Public Hearing and Work Session

Chair Hass, members of the committee, my name is Douglas Schmidt and I am the Polk County Assessor testifying on behalf of the Oregon State Association of County Assessors (OSACA). OSACA has opposed this bill from its inception and even though the current bill is only limited to Multnomah County, OSACA as a statewide association still **does not** support HB 2088 A-Engrossed.

This bill will allow cities in Multnomah County to have the Changed Property Ratio (CPR) for new property calculated based on only the value of property within the city limits not on the value of all property in the county. The CPR is used to determine the Maximum Assessed Value for new property and then the Assessed, or Taxable, Value.

While assessors appreciate the concern the proponents have for uniformity and the work they have done on this bill to make it as workable as possible, this bill could have significant administrative consequences in the future.

- The premise of the bill is to solve horizontal inequity yet uniformity under Measure 5 and Measure 50 is specifically excluded by the Oregon Constitution in Article XI., Section 11. Paragraph (18)
- There will always be horizontal inequity under current law. This bill may reduce it slightly but will not eliminate it
- Taxpayers with high CPR's could be hurt by this bill if they complete remodeling or additions to their homes. Assessors will need to explain this
- The tracking of multiple CPR's for multiple cities and the county
- Complexity of calculating CPR's for cities that cross county boundaries
- Explaining why the assessed value on new property is significantly higher than their neighbors house built last year, or why there are assessed value differences between new construction in the county versus in the city
- If Cities can have their own CPR calculation, why not other districts
 - o Fire Districts
 - o Education Districts
 - o Cemetery Districts
 - o Transit Districts
 - o 4-H and Fair Districts

Thank you. If you have any questions I will try and answer them.