

HB2830

FROM THE DESK OF:
Representative Pam Marsh
House District 05

Pam Marsh

Portland Business Journal Guest opinion: The dire consequences of delaying action on business taxes

Jun 14, 2017, 12:18pm PDT Updated Jun 14, 2017, 4:16pm PDT

Green Hammer CEO Stephen Aiguier explains how a deferral of tough decisions on corporate taxes and spending cuts threatens to slow Oregon's economic growth

As a business owner, almost every decision I make affects the bottom line in some way. I can't take on a new client or hire a new employee without also considering what impacts those actions have on our business as a whole. With the understanding that financial decisions for organizations of any size can't be made in isolation, it's clear that lawmakers in Salem should be considering both sides of the budget equation as they discuss solutions to address the looming budget crisis.

While we need to curb the rising costs of public employee benefits, including pensions and health plans, spending cuts in the absence of improvements to the state's business tax structure will only create continued uncertainty for businesses. And, with the start of the 2017-2018 school year just three months away, it will also delay critical investments in K-12 education and unnecessarily jeopardize the future of Oregon's children. Cutting the budget alone won't spur economic growth or put more teachers in our classrooms. For Oregon's economy to grow, and attract and retain a talented workforce, our state needs a strong, well-funded public school system.

The revenue package put forth by Sen. Mark Hass and House Speaker Tina Kotek represents a vast improvement over the corporate tax outlined in Measure 97. As they crafted this plan, Sen. Hass and his staff have made every effort to listen and respond to the concerns of businesses of all sizes and industries. The lines of communications between the Oregon Legislature and businesses have been, and remain, open for feedback. The result is a thoughtful bill that specifically addresses concerns many business owners had with Measure 97 and earlier proposals for revenue reform.

The cost containment strategies that have been put forth as a complement to the new revenue package build upon progress lawmakers have made over the last several years to address the largest drivers of state spending increases, including health care and corrections. By adding needed pension and health plan changes, including a shared-risk approach to the costs of employee benefits that are currently borne by public employers, these containment strategies will help set us on a path toward fiscal stability.

To plan for the future and continue on our current trajectory of economic growth, businesses need certainty – in our tax structure and in our commitment to adequately fund K-12 education. Deferral of these tough budget decisions beyond the current legislative session threatens to slow economic growth by causing businesses to push off decisions about investment, hiring, and expansion.

While there are still improvements that can be made to address the impacts of new taxes on specific industries, there is also still time for collaboration and negotiation between legislators, the business community, and taxpayers. As a business owner, a parent, and an Oregonian, I expect legislators from both sides of the aisle to discuss and debate the proposal in good faith – and then vote before the session ends, setting our state on a more fiscally stable path than the one we've been on for the past several decades.

Stephen Aiguier is the founder and CEO of Green Hammer, a B Corp-certified design-build firm creating healthy and inspiring buildings. He is a leading green building expert and teacher on net-zero energy and Passive House design principles. Green Hammer works with individuals and businesses in Portland and Southern Oregon to create buildings that improve occupants' wellbeing and support a healthy ecosystem.