

March 27, 2019

Co-Chairs Wagner and Smith and  
Members of the General Government Sub Committee

For the record, I'm Susan Morgan, Revenue Policy Manager for the Association of Oregon Counties.

AOC represents all 36 of Oregon's Counties on many diverse issues and serves as a forum to discuss issues of importance to counties. Representing Oregon counties since 1906, the Association of Oregon Counties unites counties to advocate, communicate, and educate through information sharing and consensus development.

Thank you for the opportunity to speak today on HB 5033, the Department of Revenue Budget.

Oregon's Counties work with the Department of Revenue regularly and routinely and we greatly appreciate the productive and collaborative relationship we share.

AOC supports filling the revenue shortfall in the Property Tax Division that was included in the GRB for \$1.1 million and approximately \$400K other funds. Full funding for the Property Tax Division is critical for the department to work successfully with county assessors.

AOC supports funding to modernize the technology for the Property Valuation System, that develops real market values for large industrial and centrally assessed properties across the state. This is work that the DOR does on behalf of counties. The current system is not integrated, is old and inefficient. The GRB did not provide funding, but AOC joins LFO in urging the Sub Committee to take a look at this.

AOC supports adding 11 FTE for processing center staffing for the Statewide Transit Tax, adding 1.5 FTE for continued implementation of the Heavy Equipment Rental Tax, and 1 FTE to audit State and Local Lodging Tax. All of these are in the GRB.

AOC urges the restoration of \$3.4M GF to the Nonprofit Homes for the Elderly Program. Reimbursement for this property tax exemption is important to counties and will help prevent cuts to services at the county level.

Thank you for the opportunity to speak with you today.

Susan Morgan  
Revenue Policy Manager  
Association of Oregon Counties