

Senator Monnes-Anderson
Committee Remarks on SB 543

Today I rise in opposition to Senate Bill 543. Please note the one-pager at your desk. While I applaud my colleague, the Senator from Washington County, for trying to create a way to help children, the flaws in this proposed vehicle are too problematic, and may cause more harm than good.

We have got to get out of the business of pitting one critical service against another in this state. Our broken property tax system and often anemic revenue streams result in too many unintended consequences, and this bill is a perfect example of how those consequences could manifest.

The first and greatest problem with the proposed children's service districts is that they are almost certain to cause substantial compression losses to cities, counties, and other local service districts. Had one of these districts been in place in Multnomah County in 2013, at a \$1 per \$1,000 permanent rate, the City of Gresham estimates that it would have decreased their property tax receipts by around \$840,000.

Those property tax dollars fund critical services like police and fire. The compression losses to other cities in the county, and the County itself, would have been even greater. Surely we can find a way to fund services for children that doesn't come on the backs of law enforcement, firefighters, and first responders.

The second critical problem with this bill is that it attempts to prohibit services that are educational in nature from being conducted in order to try to avoid harming education providers under Measure 5.

Surely we could find a way to provide services for children that have educational value. No educational field trips, no afterschool tutoring, no environmental education, no education at all. We shouldn't let the desire to move a bill of any sort get in the way of moving a bill that would provide true, tangible educational value for kids.

It sounds like the bill sponsor believes there is a vehicle in statute to allow cities within a proposed district to opt-out via resolution, I would love to see this in an amendment. My position on the bill would change if that is the case. However, before we assume this is the case, it would be ideal to get a Legislative Counsel opinion on the issue, and send in an amendment, if necessary, to accomplish that intent.

Oregon's property tax system is the envy of nobody. We don't get delegations of leaders from other states coming to Oregon to learn about this broken system of providing local services. It's easy to blame the people who came before us for the system we've inherited, but when we take actions that inflame the problem, that happens on our watch. While I absolutely applaud the intentions behind this legislation, I oppose the bill and urge a no vote.