

The League of Women Voters of Oregon is a 99-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

June 1, 2019

To: **House Committee On Revenue**

Representative Nancy Nathanson, Chair Representative Lynn Findley, Vice-Chair Representative Pam Marsh, Vice-Chair Representative Diego Hernandez

Representative E. Werner Reschke

Representative Greg Smith

Representative Barbara Smith Warner

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Re: SB 1045 – House Share – Comment

The League of Women Voters believes that government at all levels must make available sufficient funds for housing assistance programs. SB 1045 shines a light on home sharing programs, several of which exist in Oregon already, as an option for people who either need help paying the mortgage or need a room to rent.

In evaluating tax expenditures, the League asks whether the expenditure is the most efficient means of achieving its purpose. SB 1045 funds home sharing with a property tax expenditure that, even with the -1 amendment to exempt schools, would further hollow out the tax base of cities and counties already trying to help our lowest-income, most housing-stressed or homeless Oregonians. In addition, the bill provides no funding to means test renters, to ensure that people with low incomes are benefiting, and to check that those receiving the tax exemption are actually renting, or still renting, part of their home.

There is an alternative. Oregon's largest housing subsidy is its tax expenditure for the mortgage interest deduction. HB 3349 would remove that deduction from filers with incomes over \$250,000 and filers with second homes, and use the \$150 million in additional revenue on programs for affordable homeownership and homelessness prevention, administered by the state's Housing and Community Services Department. Some funds are already slated for "Long term rental assistance vouchers and case management for the recipients of long term rental assistance vouchers;" that line could easily be amended to make it clear that the vouchers could be used by lower income renters for home sharing.

Thank you for the opportunity to discuss this legislation.

Norman Turrill LWVOR President Maud Naroll LWVOR Revenue Chair

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LWVOR Housing Portfolio