

HB 2164 Statement, Rep. Barbara Smith Warner - 6/11/2019

Fellow Members of the Joint Committee on Tax Expenditures,

I wanted to put on the record my concern with HB 2164 and creating any exemptions to the funding for the historic Student Success Act. We made a commitment as a Legislative Body to finally reinvest in our preK-12 public education system with the passage of HB 3427: we owe them every penny. That's why slipping any carveouts into the Commercial Activities Tax under the guise of a "technical fix" is not just incorrect, it is unfair to the tens of thousands of Oregonians who told us that they wanted us to fully fund our public education system. We must live up to that promise

Further, I am concerned that the specifications of the -14 amendment, page 8, lines 8-18 will not truly incentivize the behavior that Oregon most needs and could lead to the Student Success Act subsidizing luxury residential development. We need to have an abundance of caution when it comes to establishing tax breaks, and this opens a pretty big can of worms.

I do not believe that the approach in this section will help us address our housing crisis or help struggling areas of industry. Rather, it will likely subsidize custom home construction that will likely only exacerbate our housing crisis within the booming construction industry.

Therefore, I opposed this new exemption. If I am outvoted, we must put strict limits on any exemption to make sure it encourages only affordable, non-luxury residential development with a specification for ADUs.

Thank you for your consideration.

Sincerely,
Barbara Smith Warner