OREGON EDUCATION ASSOCIATION

Date: February 11, 2020

To: House Revenue Committee, Chair Nathanson and Members

From: Laurie Wimmer, OEA Government Relations

RE: *HJR 203 [Real Estate Transfer Tax]*

On behalf of OEA's 45,000 members, I am testifying in support of HJR 203, to enable Oregon to add an additional tool to its toolbox of strategies to combat Oregon's housing crisis.

We thank Gov. Brown for proposing this resolution, which would exempt any real estate at or below the $500,000 level. This is a good threshold for limiting the one-time fee that a seller would pay, only for property transactions in excess of that value. Just 14 states, including Oregon, have no such charge for property transactions.

Given Oregon's high and escalating property values, now is the time to take advantage of our strong real estate market and use the fee revenue for affordable housing. The nexus between high-flying real estate and the crisis of affordability could not be stronger or more appropriate.

Our members are deeply concerned about Oregon's dramatic housing crisis. They see that our young people suffer emotionally and educationally from unstable housing and houselessness. Fully 22,000 of our public school students are homeless; in fact, Oregon has the dubious distinction of having the highest rate of unhoused youth in the nation.

Other facts that lead us to advocate for this resolution:

- Nearly 40% of Oregon's 1.5 million households earn at or below 80% of median family income, challenging their ability to be housed.

- Only 22 affordable rental housing units are available for every 100 people who have incomes below the threshold of 30% of median family income.

- Of 293,000 total households needing housing help, just 51,000 of them are able to access rental assistance through Section 8.

Our most vulnerable people – the elderly, disabled, mentally ill, and children – need our help. We urge you to pass this referral to the ballot so that Oregonians may reconsider adding this revenue source to Oregon's affordable housing resources.