



**CITY OF PORTLAND**  
OFFICE OF MANAGEMENT AND FINANCE  
BUREAU OF REVENUE AND FINANCIAL SERVICES

**Ted Wheeler, Mayor**  
**Michelle R. Kirby, Interim Chief Financial Officer**  
**Thomas W. Lannom, Revenue Division Director**

**Revenue Division**  
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February 24, 2020

Representative Nancy Nathanson, Chair  
House Revenue Committee  
900 Court Street, NE, HR A  
Salem, OR 97301

RE: SB 1531-A – Authorizing Background Checks for City of Portland Revenue Division Employees

Dear Chair Nathanson and Members of the Committee:

The Revenue Division at the City of Portland does not currently have statutory authority to request background checks from the Oregon State Police (OSP), and must attain this authority to comply with federal guidelines. The City supports Sections 24-26 of SB 1531-A that provide for this authorization.

The City's Revenue Division uses Internal Revenue Service (IRS) Federal Taxpayer Information (FTI) to administer the tax code for the City of Portland and Multnomah County. The Revenue Division must comply with IRS Publication 1075 (Pub 1075) to receive IRS FTI data. Pub 1075 requires, among other provisions, a comprehensive employee background check – which includes a federal fingerprint check. The FBI has informed the City, through OSP and Portland Police Bureau (PPB), that they will conduct checks only for those agencies with state-level legislative authority (per Public Law 92-544).

City staff have exhausted every administrative possibility including other avenues of conducting background investigations (e.g., PPB or OSP acting on behalf of the Revenue Division). All efforts have been unsuccessful and have led back to the same conclusion: state-level legislative authority is the only known method to comply with this requirement of Pub 1075.

Attached with this testimony is a letter from OSP explaining in further detail why these background checks are not currently authorized in state statute and may not be conducted through the state or federal system, per City requests.

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The City of Portland respectfully urges your support for SB 1531-A. Sections 24-26 will: 1) narrowly adjust the definition of "Authorized Agency" in ORS 181A.195 to allow for necessary access for a municipal tax collection agency in a city with a population of 250,000 or more, 2) establish the municipal tax collection agency's authority to request federal background checks through OSP, and 3) direct a written agreement with OSP that will specify the scope of work and provide for reimbursement of costs.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Lannom', with a long, sweeping horizontal line extending to the right.

Thomas Lannom, Director, Revenue Division  
City of Portland