Dear Chair Nathanson, Vice Chairs Walters and Reschke, and members of the House Revenue Committee.

Thank you for the opportunity to submit testimony. My name is Eddy Morales and I am a City Councilor in the City of Gresham. I'm writing in opposition to HB 2089 because as a public servant, I believe it is unacceptable to cut services to the most vulnerable Oregonians to bolster local governments.

Gresham is facing budgetary shortfalls caused by decades of chronic mismanagement and failure to appropriately tax the city's wealthiest businesses and residents. Today, our property tax rate is only \$3.61 per \$1,000 of assessed value. In lieu of reasonable taxation, past Gresham city councils kept cutting services until they were well past the bone.

There is a right way to fix a locality's finances, and it starts with careful planning. The City Councilors, staff, and volunteers who make up our Budget Committee have worked hard to produce a <u>Financial Road Map</u> that can put us on a more sustainable path. To keep us on track as we plan, we will adhere to a set of <u>key principles</u>. The first among these is the need to "[p]rotect and preserve essential services that impact daily lives and property values."

Addiction treatment, recovery programs, and wraparound community services make a paramount difference in people's lives. They provide the professional care that many people with substance use disorders need to overcome addiction, stay healthy, and rebuild their lives. Oregon's tragic history of failure to provide addiction treatment to people seeking it has had deadly consequences: in the year before Measure 110 was implemented, we lost 1-2 Oregonians every day to overdoses. As someone who has lost family members to substance use, I can tell you that every one of those losses touched someone's life. Every life saved by the quick action of accessible addiction treatment programs belongs to a person with hopes, dreams, ideas, and potential.

By funding expansions that make existing programs more accessible, Measure 110 dollars have already made a difference in 60,000 Oregonians' lives. Helping these Oregonians access addiction treatment and other behavioral health services has meant less strain on our legal system, less money spent on emergency responses, and more people free to participate in society and their local economies. And since these programs reduce the comorbidities associated with addiction, including homelessness and crime, they also protect property values that can be affected by the signs and effects of severe drug addiction.

As a city councilor, I understand the need to address budgetary shortfalls and can speak to the challenges of doing so in the face of unreasonable property tax caps. But we must respect our voters and we must protect our people. Diverting tens of millions of dollars away from the addiction treatment programs for which the voters designated them is undemocratic. And gutting programs that help the most vulnerable Oregonians recover is unfair and unacceptable, particularly in a state whose three richest billionaires own roughly twice the wealth of the state's bottom 50%.¹

I appreciate the sponsors' desire to support county and municipal governments and shore up the Oregon State Police. I encourage them to find the funding elsewhere and would probably support a similar bill that drew from a different source. But funding these agencies at the expense of the poor and sick is wrong.

Please vote NO on HB 2089.

Sincerely, Councilor Eddy Morales City of Gresham

¹ Source: Oregon Center for Public Policy, https://www.ocpp.org/2022/11/03/3-billionaires-oregon-wealth/