

March 8, 2023

Senate Committee on Finance and Revenue Oregon State Legislature 900 Court St. NE Salem, OR 97301

RE: City of Beaverton Opposes SB 858

Dear Chair Meek, Vice-chair Boguist and Members of the Committee:

The City of Beaverton appreciates the opportunity to share its opposition to SB 858, which would put pressure on already strained local property taxes and unnecessarily duplicate existing funding streams for education enrichment programs at the State and local level.

Property tax revenues are vital for local governments, and the City of Beaverton is no different. Property taxes fund our public services and infrastructure, such as library services, parks and recreation, public safety, safe streets.

Children's after-school programing is important, which is why our City library offers <u>a wide variety of programs for pre-k to teens</u> and our special district partner, Tualatin Hill Parks and Recreation District, offers preschool and after-school programing and nature camps. SB 858, which authorizes the creation of children's districts and provides them with the authority to levy permanent property and other taxes, is unnecessary, duplicative and has the effect of limiting the capacity of existing taxing jurisdictions in meeting their responsibilities.

In 2019, the legislature passed the **Student Success Act**, a new commercial activity tax that adds over \$1 billion a year to K-12 education and supportive services. A significant portion of that funding supports a wide variety of student success initiatives outside of the classroom, including:

- Early learning
- Early childhood special education
- School meals
- Summer programs
- Career and workforce readiness
- Dropout prevention & reengagement
- Mental and behavioral health needs

The legislature helped ensure *a stable revenue source for children's services is already in place* and introducing a new taxing district is duplicative and burdensome.

Cities and Counties currently have the authority to refer a local option levy to the voters for children's services. The current process makes more sense – no permanent government with overhead and the avoidance of administrative costs, flexibility to increase or decrease the rate—and voters can decide whether to enact or renew a local levy every five years.

The City of Beaverton urges your opposition to SB 858.

Sincerely.

Jenny Haruyama City Manager