AOC ASSOCIATION OF OREGON COUNTIES

Chair Fahey, Vice Chair's Helfrich and Kropf, members of the committee. For the record my name is Craig Pope and in addition to being a Polk County Commissioner, I am also the Co-Chair of the Association of Oregon Counties Natural Resources Steering Committee. I appreciate the opportunity to testify today on House Joint Resolution 201 and the accompanying policy bill, House Bill 4075.

First let me begin by stating AOC is officially opposed to HJR 201. Property Tax in Oregon is a local tax. It is something enacted by cities and counties as a way to fund the local services we need or are required to provide.

In the 1990s the citizens of Oregon passed Ballot Measures 5 and 50. Measure 5 functions on a property-by-property basis and restricts taxes on property per \$1000 of real market value. Measure 50 went a step further and established a second level of restrictions for local governments. It gave each district a permanent tax rate which cannot be increased without a constitutional amendment, but it does allow for the approval of local option levies for a limited amount of time.

HJR 201 calls for a statewide property tax of no more than \$0.25/\$1,000 of assessed value. Although the bill is a referral to the voters of Oregon, the Association of Oregon Counties is opposed to this bill for a few different reasons. We are opposed to this bill because fundamentally, property taxes are a local government funding tool, and not something the state uses or relies upon, and AOC will resist efforts to open the door for the state to use local property taxes for statewide funding concerns. Every year, local governments may have a series of local bonds or levies placed on the ballot for citizens to consider. Local jurisdictions have to work hard to gain or maintain the trust of taxpayers and demonstrate accountability for the taxes generated that pay for water, sewer, roads, police, fire, schools and many other services that are required to keep local governments whole. This type of act will potentially pave the way for the state to be a competitor with local governments for the very last revenue tool we have left to survive.

Finally, if passed and only if passed, House Bill 4075 would come into play. AOC found in that bill regarding the Task Force created to implement this bill, there are 17 members and none of them are county commissioners or city officials. County Assessors have a seat as do the Special Districts, and the Fire Chiefs Association is allocated 2 seats, however local governments are not properly represented. We have heard that the funds generated would go to the local governments to fund public safety, however that is not what the bill states. The language found in HB 4075 states that 80% will go toward public safety at the local level, but it is not explicitly stated how it is apportioned to city and county public safety needs. It also states the funds generated would be placed into two accounts. One for issues inside the Wildland-Urban

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Interface, and one for outside the Wildland Urban Interface. There are some areas of the state that do not have WUIs, however the resources generated would still be required to go toward those areas.

Again, the Association of Oregon Counties appreciates the opportunity to share these concerns and our opposition of HJR 201 and HB 4075.

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