

Submitter: Rose Kaler

On Behalf Of:

Committee: House Committee On Revenue

Measure, Appointment or Topic: HB4125

I am strongly opposed to HB 4125

HB 4125 proposes changes to Oregon's Kicker Law formulas that would result in taxpayers receiving less of the surplus they overpaid. These funds belong to the taxpayers, and the state should not retain them through technical adjustments to forecasting methods.

The Taxpayers Association of Oregon has raised strong objections to this approach, and those concerns are well founded. Oregonians have repeatedly expressed their support for the kicker. In 2020, voters approved Measure 86 by a decisive 62 percent, enshrining the kicker in the Oregon Constitution. That vote sent a clear message: when the state collects more revenue than necessary, the excess should be returned to the people.

Claims that Oregon cannot afford these refunds do not align with the state's spending realities. Oregon ranks among the highest per-capita spending states in the country and has more resources than the majority of other states. Despite this, lawmakers argue that taxpayer refunds must be reduced while continuing to fund costly projects such as:

\$10 million for a Portland food court

\$50 million in film industry tax credits

Tens of millions in subsidies for luxury hotels

Tens of millions in electric vehicle subsidies

Meanwhile, audit reports consistently document waste, mismanagement, and failures approaching a billion dollars across state agencies. The core issue is not insufficient revenue, but rather a lack of spending discipline and accountability.

Rather than engaging voters in an open discussion, HB 4125 relies on technical forecasting changes to retain funds that should be returned to taxpayers. This approach erodes public trust and sidesteps constitutional protections approved by voters.

If the Legislature believes the kicker should be altered, it should make that case directly to the voters. It should not be changed indirectly through formula revisions.

For these reasons, HB 4125 should be rejected.
Please vote no on HB 4125