



A STRONG VOICE FOR OREGON'S WORKERS

February 4, 2025

Chair Broadman, Vice-Chair McLain and members of the Senate Finance and Revenue Committee,

The Oregon AFL-CIO represents over 300,000 workers across the state in every sector of Oregon's economy and is a voice for all workers in the legislative process. Thank you for the opportunity to submit testimony today in support of SB 1507 with the -5 amendments and an ask to continue to prioritize working Oregonians in these ongoing conversations.

In today's Oregon, families are paying more to put food on the table, heat their home, see a care provider when they're sick, and more. Yet thanks to HR 1 at the same time, the richest 1% have been given a \$117 billion tax cut. This "K-shaped" economy means that wealthy individuals and corporations continue to do well, while lower income and working Oregonians are hurting more and more and living paycheck to paycheck. This crisis will only worsen over the next six years as HR 1 phases in and Oregon loses billions in federal funding.

We know that *all* Oregonians fundamentally benefit from a society that meaningfully invests in our communities – whether that's making sure that all kids can count on a nutritious meal at school or be able to see a healthcare provider without fear of economic ruin, or that working parents can afford childcare. In addition to these pieces, the proposed agency reductions would have disastrous consequences for Oregon workers, including BOLI and Workers' Comp delays to OSHA safety cuts, job loss in the Clean Energy, Behavioral health and home health sectors, layoffs and delays in higher education and construction and so much more.

Funding programs so that Oregon can thrive is key to Oregon's values. And we know you all want to live these values, which is why we're asking you to take bold action to not just accept Federal actions but work to combat them. SB 1507 is an important step forward—closing loopholes, promoting affordability through smart choices like the EITC expansion, and protecting funding for healthcare, education, and public safety.

However, we're also asking you to pass the bill with the -5 amendments to make strategic changes to protect working Oregonians while disconnecting from two key pieces of HR 1: Qualified Small Business Stock tax breaks and Bonus Depreciation. These tax breaks largely only benefit C-corporations, most of these deductions go to households with more than \$1 million in annual income, there's no requirement that the business has made an investment in Oregon, and there's very little data that bonus depreciation actually boosts employment.

We call on you to pass SB 1507-5 now and continue to do more to protect working Oregonians, including, if necessary, dipping into reserves *before* having any conversations about eliminating jobs and making cuts to programs that serve people who are already impacted by HR 1. If no action is taken this session, Oregonians already hurting will continue to unduly struggle.

We support the goal of SB 1507: Closing tax loopholes for the ultra-wealthy to fund healthcare, childcare, schools, public safety, and more. We ask you to adopt the -5 amendments and continue to prioritize working Oregonians in the challenging budget and revenue decisions ahead.