

Submitter:

Kipp Karavanich

On Behalf Of:

Committee:

House Committee On Revenue

Measure, Appointment or Topic:

HB4125

I am writing to express my vehement opposition to House Bill 4125. This legislation is a calculated attempt to dismantle the Oregon "Kicker"—a constitutionally protected refund that belongs to the taxpayers—while simultaneously undermining the transparency of the legislative process.

1. A Subversion of Transparency and Public Process

The democratic process relies on the ability of citizens to review legislation and provide meaningful input. The handling of HB 4125 has been a failure of public notice:

Blocked Testimony: Despite standing rules that citizens should be able to submit online testimony at least three days prior to a hearing, the portal was blocked just hours before this committee met.

Legislative Obfuscation: On the morning of the hearing, HB 4125 did not show any assigned committee or scheduled hearing time on the Oregon Legislative Information System (OLIS).

Empty Hearing Rooms: As a direct result of these "technical" hurdles, the public was effectively shut out. A hearing room should be full when \$1.4 billion of taxpayer money is on the line; instead, it was empty because few knew what was happening.

2. Systematic "Kicker Theft" through Formula Manipulation

HB 4125 seeks to "fix" a system that isn't broken by mandating a revenue estimation methodology that targets the "lower end" of projections.

Manipulation of the Surplus: By forcing economists to use low-end estimates, the state artificially reduces the likelihood of a surplus reaching the 2% trigger.

Diversion to PERS Debt: Under Section 5, this bill attempts to steer funds that would have been returned to families into a new "One-Time Emergencies and Finance Fund" to pay off the \$24 billion Public Employee Pension System (PERS) debt.

A Direct Loss to Families: This April, Oregon taxpayers are expecting an average Kicker refund of \$300 to \$500. This is not "extra" money for the government to play with; it is over-collected revenue that exists only after the legislature has already balanced its budget and met its spending needs.

3. Spending Problem, Not a Revenue Problem

The Taxpayers Association of Oregon has rightly pointed out that if the legislature requires more funding for PERS or other projects, it should look to eliminate documented waste rather than raiding taxpayer refunds. Recent examples of questionable spending include:

\$10 million for a Portland Food Court.

\$50 million on Hollywood film tax credits.

Tens of millions in subsidies for luxury hotels and electric vehicles.

Conclusion The Kicker is a vital check on government growth and a necessary relief for Oregon families facing high inflation. Redirecting these funds to cover pension mismanagement while blocking the public's ability to testify is a breach of the social contract.

I urge you to vote NO on HB 4125. The portal for online testimony is reportedly only open until Wednesday—I hope this committee will actually listen to the voices it previously blocked.