



MEMORANDUM

a

To: Chair, Senator Mark Hass and Members of the Senate Finance and Revenue Committee

Re: SJR 2 and SJR 21

From: Nolan Young, City Administrator: Fairview, Oregon

The City of Fairview is a community of 9,000 in East Multnomah County. Currently Fairview contracts with Multnomah County for law enforcement services. That contract requires all of the property tax revenue the city receives. In addition we contract with the City of Gresham for fire service and the City of Portland for emergency communication services (911). All three of these public safety contracts far exceed the property tax revenue we receive each year. This is why on behalf of our citizens, who expect these services, we support SJR 2 & SJR 21.

Oregon's property tax system is broken and reform is overdue. We need property tax reform and starting with restoring equity to the tax system is an excellent place to start.

Reform is very difficult because most of the property tax law (Measure 5 and 50) is in the constitution.

We support SJR 21 as it simply would move Measure 50 from the Constitution into statute upon a vote of the people. Once in statute, the law can be revised, and the complex details worked out by the legislature and stakeholders.

We also support the goal of SJR 2 which seems to be to restore equity by moving valuation of properties back to at least 75% of real market value for property tax assessment purposes.

The bill would also provide primary residences with a partial homestead exemption to temper the change to real market valuation. The details of the exemption will be important, and we look forward to continued discussions.

We understand these bills are starting places and we thank the committee for beginning work to address the unfairness and complexities of our property tax system.