

Submitter: Warren Brainard

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure: SB774

For the record, my name is Warren B. Brainard and I'm a native Oregonian. Today I submit testimony on my opposition to SB774.

Thank you Chair Meek and committee members for reading my written testimony -- I am strongly opposed to passage of SB774. I hope you will reconsider this wrongheaded and capricious legislation. I'd like the committee to consider the following proofs:

- Oregon has one of the highest income tax rates in the nation – Washington State has NO income tax at all.
- Oregon has one of the highest gasoline and fuel tax rates in the nation.
- Oregon has some of the highest home prices in the nation – resulting in absurdly high property taxes.
- Oregon has a death tax.
- Oregon taxes military pensions.

The “kicker” rebate was passed to prevent the well-intentioned but fundamentally flawed idea that the money collected by the State of Oregon is their money... it is not. The kicker was instituted to return money to Oregon taxpayers when state revenues exceed expectations. Tax money and the revenue it creates are the property of the people, and the government is only a steward of that money. The government is entrusted to use tax money to provide sound and essential services and to promote the general welfare. It does this by publishing a budget and spending within its means – the kicker was not part of that budget and is money that should be returned to the taxpayer. It is one of the only means of relief that assists in reducing the burden of Oregon's voracious tax and spend mentality. I have family and friends who have decided Oregon taxes are too much and have left for states that do not have an income tax or lightly taxes pensions and savings of wage earners and retirees. It appears that one of the goals of appropriating the kicker is to pour more money into education -- yes we need to pay our teachers more. But, taxpayers already have the ability to indicate on their return if they want to donate the rebate to schools. Why should they? Will it go to pay teachers more --probably not, since the last infusion of \$7.4B of tax money in 2019 there has been scant improvement in teacher pay. And educational results are mixed, Oregon still ranks in the bottom 10 states for education and has a dismal high school graduation rate which ranks 38th in the nation – interestingly, Washington State ranks in the top ten... with no income tax at all. Can throwing overtaxed Oregonians money at schools really fix this problem? I think not. The kicker is money that hard-working Oregonians were required to pay the State – they kept their promise and paid the tax man. The kicker was the State's promise to return it when revenues were flush... keep that promise and spend within your means.

Thank you for the opportunity to speak to the committee - I hope you will reconsider.