

Chair Nathanson, Vice-Chairs Reschke and Walters, and members of the committee:

I am writing in strong opposition to HB 2548. Section 3 of HB 2548 would repeal Metro's authority to use a local income tax. In recent years, Metro partnered with stakeholders to ask voters to support housing for our region's vulnerable community members. Historically, local systems of homeless services and affordable housing have been deeply underfunded compared to the funding that is needed.

In 2018, Metro voters approved a \$652.8 million affordable housing bond. In May 2020, voters in greater Portland approved a Supportive Housing Services (SHS) measure to fund services for people experiencing or at risk of homelessness. The measure creates a 1% marginal tax on high-income earner and a 1% tax on net income from businesses within Metro's jurisdiction who have over \$5 million in gross receipts from both within and outside the Metro jurisdiction. The tax sunsets after 10 years.

Funds from the SHS measure can be used for supportive services such as outreach and emergency shelter, placement into housing and help paying rent, advocacy and case management and services in the areas of mental health, physical health, language and culture needs, education, employment, addiction and recovery, tenant rights and others.

Metro's local income tax has allowed local stakeholders to address the homelessness crisis. A local income tax is a tool in the toolkit we cannot afford to lose as Metro revenues are constrained by the property tax system, like many other local jurisdictions. If HB 2548 passes, the Metro region will have one less tool to address the homelessness crisis after the SHS measure sunsets in 2030.

Thank you for your attention.

Sincerely,  
Daniel Jaffee  
Portland, OR 97211