February 11, 2024

Chair Representative Nancy Nathanson Vice Chair, Representative E. Werner Reschke Vice Chair, Representative Jules Walters Members of the House Committee on Revenue Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

I am writing in support of House Bill 4072 which would authorize payments in-lieu-of tax to support city police, fire and emergency response services.

HB 4072 addresses a long standing problem for the City of Salem, and potentially other cities, where tax-exempt state-owned property is a large share of property within the city. Before the 1990s property tax limitation measures, the cost of providing these services was borne by other Salem property taxpayers through higher levies on them. Fair, perhaps, because state-owned facilities provide a significant employment base for the City.

The limitations on the City's ability to levy property tax changed the situation. Since the 1990s, the cost of providing services to state-owned facilities cannot be met by higher levies. Instead, it has been met by reducing services to other Salem residents.

I urge the House Revenue Committee to pass HB 4072 out of committee with a do-pass recommendation.

Victor Dodier Salem, Oregon