

## Testimony of Eric Fruits, Ph.D.

Submitted to House Committee on Rules  
February 12, 2024

**Re: HJR 201:** Proposes an amendment to the Oregon Constitution requiring the Legislative Assembly to create an administrative authority for funding public safety in this state; and

**HB 4075:** Establishes a task force to develop a plan for the Legislative Assembly to establish a statewide public safety funding authority in Oregon in accordance with House Joint Resolution 201

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Some legislation is so bad you have to wonder why it even gets a hearing.

HJR 201 and HB 4075 are that bad.

About 500 people have already submitted testimony opposing HJR 201. So far, the only testimony in favor is from the resolution's sponsor. The only neutral testimony makes no mention of the resolution itself.

The reason for the opposition is that the legislation proposes a radical change to the fundamental structure of state government while simultaneously proposing a steep increase in Oregon's already-onerous property taxes.

### HJR 201 HIJACKS THE LEGISLATURE'S BUDGET AUTHORITY

Article III of the Oregon Constitution states: "The **Legislative Assembly** shall have power to establish an agency to **exercise budgetary control** over all executive and administrative state officers, departments, boards, commissions and agencies of the State Government."

HJR 201 hijacks this power by placing budgetary control of public safety in an "administrative body that serves as a **statewide authority** for funding public safety."

HJR 201 leaves it wide open how this administrative body would be composed and who it would answer to.

HB 4075 addresses this question by mandating that the authority "the authority shall consist of seven to nine members, who shall be elected and may not be currently serving as an Oregon state legislator at the time their term would begin." Unlike other

powerful administrative agencies, **none of these members would be subject to Senate approval.**

Put simply, HB 4075 establishes a brand-new legislative body with “statewide authority” to fund public safety. If this bill is approved, the elected legislature will have no say over public safety spending, and the governor will have no executive oversight. **Under HB 4075, the authority will be a government unto itself.**

Any legislator who sees themselves an elected representative of their voters should reject this legislation as an assault on democratic principles and the legislature itself.

## **HJR 201 WOULD INCREASE THE TAX BURDEN ON PROPERTY OWNERS AND RENTERS**

Property taxes are already a major revenue source for local Oregon governments. Property taxes are already a major financial strain on Oregon households. According to the Institute on Taxation and Economic Policy, **the lowest-income Oregonians spend almost 5% of their income on property taxes**, either directly or through their rents.

Our only protections against skyrocketing property taxes are the constitutional property tax limitations overwhelmingly approved by voters in the 1990s—Ballot Measure 5 and Ballot Measure 50. **HJR 201 torpedoes these limits** by imposing a separate state property tax that would apply to all real and personal property, regardless of its value or use. For example:

- **Intangible** property currently is exempt from property taxes, and only specific personal property is taxable—HJR 201 explicitly allows these to be subject to property taxes;
- Under Measure 50, taxes currently are based on the *lower* of “real market value” (RMV) or “maximum assessed value” (MAV)—HR 201 explicitly allows the legislature to ignore MAV and assess the new property tax on a property’s market value, resulting in a steep tax increase for almost every Oregon property owner.

HJR 201 would also create an unfair double taxation, as property owners would have to pay *both* state and local property taxes for public safety.

## **HJR 201 VIOLATES THE PRINCIPLE OF LOCAL CONTROL**

Public safety is a local issue that should be decided and funded by the communities most affected by it. **HJR 201 would create a centralized, bureaucratic authority that would dictate how public safety funds are allocated and spent across the state.** This

would undermine the autonomy and accountability of local governments, which are better suited to assess the needs and preferences of their constituents. HJR 201 would also create a one-size-fits-all approach that would ignore the diversity and complexity of public safety challenges in different regions and jurisdictions of Oregon.

Respectfully submitted by,

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