



SB 545 Establishes an income tax credit for volunteer firefighters

Senate Committee on Finance and Revenue – John Calhoun – 1.29.2025

My name is John Calhoun and I am representing Tax Fairness Oregon, a network of volunteers who advocate a rational and equitable tax code.

SB 545 is one of four different bills this session that call for an income tax credit for volunteer firefighters.

We should all be concerned about the risk of fires, especially rural wildfires in Oregon. Since volunteer firefighters are often our first line of defense whether for highway accidents or wild fires, the fact that recruiting volunteers has become more difficult should concern everyone. The discussion today should be whether a \$1,000 per year tax credit will be a meaningful solution to this problem.

In the 2023 session, a similar tax credit bill was proposed, but not passed. Instead, \$5 million was allocated in HB 2294 to make grants to local service districts and local joint committees to develop and administer pilot projects that provide firefighter apprenticeship training. The bill envisioned up to 10 different pilot projects across the state. We should be asking what we have learned so far. If one or more of these pilot projects shows promise the legislature should reinforce the work with additional outlays from the general fund.

It can be less costly and probably more effective to help fund training and equipment through roughly 300 fire districts, as my associate Josie Koehne explains, rather than providing every one of our close to 9,000 volunteers with \$1,000 each. It is not at all clear that providing a \$1,000 credit will motivate enough volunteers to make a difference. If a credit is too small to impact behavior, the state will simply be throwing away funds that are needed to deal with our wildfire crisis. We should not be chewing up our budget just to show volunteers they are appreciated.

Pragmatically, there are over 60 bills that have been filed this session dealing with tax credits, with more coming. Many of them are also designed to address problems in rural communities. Legislators will have a difficult time deciding which, if any, can be funded this year when we already face a \$100 million deficit.

We read the bills and follow the money