



January 30, 2025

House Committee on Revenue

900 Court St., NE
Salem, Oregon 97301

RE: Support for M5 and M50 Impacts Task Forces

Chair Nathanson and Members of the House Revenue Committee,

The City of Tigard strongly supports the state study impacts of Measure 5 and Measure 50 as it greatly impacts cities. Measure 5 and 50 are both now more than 20 years old and reform has been a longstanding priority for cities since the passage of M5 and M50.

We support House bills 2321, 2333, 2334, and 2335 which would create task forces to study the impacts of Measure 5 and Measure 50 on disadvantaged communities, local governments, public education, and alternative revenue sources.

Property taxes play a vital role in funding capital projects and the essential services that cities provide, including police, fire, roads, parks and more. They are the largest source of revenue for cities, with \$1.9 billion collected in FY 2023-24.

Measure 5 limits the amount of revenue cities and other government entities can raise for critical services. It has led to millions of dollars of compression losses every year. Measure 50 has not allowed cities to grow with their needs, the market or inflation since property tax values can only grow 3% every year.

In the City of Tigard revenue from property tax has not kept up with the pace of inflation and has led to reductions in services and an inability to maintain critical city facilities.

We support the Legislature diving into the impacts of M5 and M50 and stand ready to partner with the state to make meaningful property tax reform.

Sincerely,

Heidi Lueb
Mayor
City of Tigard