

Oppose HB 2110

Chair Nathanson and Members of the House Committee on Revenue,

We ask you to oppose HB 2110 which poses significant challenges to local and regional governments' ability to effectively address critical regional issues. Hindering the ability of local and regional government to implement income taxes would undermine voter-approved efforts to target regional challenges.

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 earners 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. According to the data provided by counties, interventions through September 2024 include 6,680 households placed in housing, 15,854 eviction preventions, and 1,810 shelter units created or sustained across Clackamas, Multnomah, and Washington counties via SHS measure funds.

As currently drafted, HB 2110 takes decision-making power away from local entities and stakeholders best equipped to address regional issues such as the SHS measure. Centralizing control at the state level and risking a one-size-fits-all approach that may not work for the local communities. HB 2110 disregards this democratic mandate by hampering local and regional governments' ability to levy income taxes in alignment with voter-approved priorities. A local income tax is an important tool in the limited toolkit to address local issues. We ask that you join us in opposing HB 2110.



Metro

