

Submitter: Denice Searcy
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB2321
NO on HB 2321

The task force shall study and prepare a report on the disparate impacts, if any, of Article XI, section 11b, of the Oregon Constitution (Ballot Measure 5 (1990)), and Article XI, section 11, of the Oregon Constitution (Ballot Measure 50 (1997)), on historically disadvantaged communities, including but not limited to any downstream impacts on rental variation. This isn't an impact of Measures 5 & 50 because giving disadvantaged addition tax credit doesn't violate the constitution. So the intent of the task force is to establish Measures 5 & 50 as a base and allow for an exception to be taxed more on those not qualified as disadvantaged. That won't pass a court challenge because it violates the constitution, so there is no purpose for this study or bill.

Measure 5 was enacted by the voters in November 1990. It established maximum property tax rates of 0.5% for school districts collectively and 1.0% for all other taxing districts collectively; bond levies were excluded from these limits. Measure 50 was crafted by the 1997 Legislature and referred to, and passed by, voters in May of 1997. (This was in response to the voter enacted Measure 47 from 1996 that was deemed to be unworkable.)

Measure 50 created permanent tax rate limits for taxing districts; it also created the concept of Maximum Assessed Value (initially set at 90% of 1995-96 real market values) and limited its growth to three percent annually. With both Measures 5 and 50 in effect today, Oregon's property tax system was changed from a levy-based tax system to a rate-based tax system.

Any study will be slanted with intentions for legislation. The sponsorship of legislation by a task force is also unconstitutional.

Please vote NO on HB 2321.

Thank You,
Denice Searcy
Eugene Oregon