

To: Chair, Senator Burdick, Vice-Chair Senator Boquist, and members of the Senate Committee on Finance and Revenue.

From: Rolf Nesse MD, member

<http://SustainableEconomiesNW.com>

Testimony in favor of SB 852



SustainableEconomies

By voting in favor of SB 852, we are asking you to change an outdated mortgage interest deduction tax law. This law was originally intended to benefit housing for all Oregonians. But sadly today this tax code is no longer doing its job. And in fact, has contributed to increased costs, by causing a widening of economic disparity in our state. Widening economic disparity contributes to proven increases in health care spending, and social disorders, which are very costly to our state as a whole.

Widening the economic gap is very costly to the taxpayer due to the well documented and powerful relationship between economic inequality and costly social and health dysfunction. This relationship is documented with graphs in fundamental research from a text by Doctors Wilkinson and Pickett: <https://www.equalitytrust.org.uk/resources/the-spirit-level> As income inequality increases, health and social problems increase together. This has never been refuted because the correlation holds true for so many parameters. A few examples are increased addiction of all kinds, depression, obesity, shorter lives, domestic violence, increased crime and incarceration. All of these problems being quite costly to our state. And these problems interestingly effect every income strata of society, not only those with few resources.

We believe that all policies in Oregon should be coherent with reducing the harm, and costs of income inequality. SB 852 helps our state to move in that direction. No one policy can change or solve all of these social ills. But all efforts to alleviate income disparities can contribute to a more healthy society.

In closing your positive vote for SB 852, can be a part of moving our long term governmental health and social costs downward, benefitting every segment of society.

Rolf Nesse MD