



HB 3589A – Funding for a focus on senior housing

House Revenue Committee – John Calhoun -- 4.1.2025

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

Tax Fairness Oregon totally supports what Rep Marsh and Senator Patterson seek to accomplish. We are concerned, however, that use of \$24 million from the funds in the senior deferred property tax fund might put the corpus in jeopardy if efforts are successful in expanding the deferral program. TFO is working with Rep. Reschke to expand use of the deferral program through HB 3712. Both bills seek to provide housing for seniors and we want to ensure there is no conflict between the two.

As was pointed out, HB 3589's use of these funds is based upon the experience of the senior deferral program in recent years and adequate funds are available if usage stays where it is. However, if this committee moves HB 3712 forward and action is taken to publicize the increased eligibility, there will be a greater demand on the funds in the Revolving Account. It is important that this committee know how many more people the program could accept without putting it into a deficit in a few years and if HB 3712 is likely to result in more than that number. Robin Elliott, the Policy Director of the Property Tax Division in DOR, informed us that the program would still be able to accommodate a good amount of growth with the changes proposed in HB 3589 and HB 3506. Let's just better understand what she means by her statement.

The corpus of the self-supporting deferral fund was used before, for Project Independence. The corpus ended up short funded. Seniors' taxes couldn't be paid in November giving the taxpayers the 3% discount they expected, and the state needed to add funds to the program from the General Fund.

As you all well know, there is great concern amongst many Oregon seniors on the rising cost of living and finding ways to pay annual increases in property taxes. The Senior Property Tax Deferral Program is the one state solution that offers seniors help without damaging already stressed local government revenues. We should not endanger wider use of this program.