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June 5, 2019

RE: Senate Bill 543 vote explanation

Chief Clerk Sekerak:

I write today to submit an explanation for my “no” vote on Senate Bill 543.

Improving services for children and families has been a long-term priority of mine, and I strongly support the intent of Senate Bill 543. However, I have major concerns about new special districts’ impacts on local revenue and the potential for inequitable tax burdens.

If, for instance, Multnomah County voted to establish a children’s special district as described in Senate Bill 543, there would be unintended consequences for the people of my district:

- Measure 5 compression would be triggered earlier and further compress the revenues that local governments rely on. I heard from representatives of my own City of Gresham that greater property tax compression would have an impact on their ability to provide essential services like police, fire, and emergency.
- Within the taxing district, the tax burden would be disproportionately borne by municipalities like Gresham, where permanent property tax rates are lower than in neighboring cities. We saw this happen in 2013, when voters approved a Multnomah County Library District; Gresham households saw a mean tax increase double that of Portland households, despite having lower incomes on average.

I remain dedicated to fully funding services for children and families, and I look forward to working with advocates on solutions that will be equitable for all.

Sincerely,

Carla C. Piluso
Oregon State Representative
House District 50, the great city of Gresham