

March 2, 1983

Hon. Grattan Kerans.  
Hon. Edward N. Fadeley  
Hon. Tom Throop  
State Capitol  
Salem, Oregon 97310

Dear Gentlemen:

Statements made earlier this week by legislative leadership have now been backed by action from a key committee. It is apparent to me that the Legislature is determined to ignore its responsibility to provide meaningful property tax relief for Oregonians this year.

To say I am disappointed is an understatement.

By discarding my "SuperHARRP" proposal and simply renewing one inadequate program while casting another permanently adrift, the Legislature has in effect told every Oregon taxpayer to stand in line with a tin cup and beg for consideration along with everyone else.

The plan rejected by the Legislature would have provided property tax relief to those who needed it most---Oregonians with incomes less than \$30,000. My SuperHARRP plan would have given property tax relief to 250,000 more Oregon homeowners and renters than are eligible under current law. That means \$75 million in property tax relief that Oregonians will not receive this fall due to legislative fiat.

Oregonians have made crystal clear their deep unhappiness with our runaway system of property taxation. Equally clear is their expectation---their demand---that action be taken to bring that system under control.

Rather than responding to that demand by limiting the growth of property taxes, the Legislature has instead presided over successive cuts in maximum available relief: from \$800, to \$465, to \$225, to the present level of \$192. Now, the Legislature asks the beleaguered Oregon property taxpayer to fight it out with other programs for the sake of saving these last scraps.

At the same time, the Legislature claims it has no time to thoroughly study the property tax relief issue, that <sup>HARRP</sup> tax forms must be sent out immediately, and that changes should be worried about later.

Who are they kidding?

Property tax limitation and relief are not new issues that have suddenly dropped from the sky. Throughout last year's special sessions, the Legislature promised to resolve these issues early during the regular session---and even instructed the Department of Revenue to delay sending out <sup>HARRP</sup> tax forms so that new and clear <sup>the forms would be changed</sup> guidelines could be provided.

Now, the Legislature has ordered that the old forms be sent. And they have ordered this despite Department of Revenue advice that the forms can wait until May 15th without jeopardizing the refund checks homeowners and renters expect to receive as usual in October.

The cost of another mailout later this year if the Legislature makes further program changes will be high. But the cost of public confusion created by changes made after people have already received and filed their forms will be even higher. <sup>75,000</sup>

The last time property tax relief changes were made, after the forms were printed only one-third of newly eligible people applied for relief. The other two-thirds were short-changed, just as 250,000 Oregon homeowners and renters will be shortchanged by the legislative rejection of SuperHARRP this week.

I cannot, and will not allow this issue to rest. The people of Oregon cannot, and will not allow this issue to be buried once again in the shifting sands of legislative shortsightedness.

I will continue to fight for a workable, responsible program of property tax relief. I will continue to push hard for a limitation on the growth of property taxes as a top priority.

The Legislature must accept its responsibility to provide property tax reform. The property taxpayers of Oregon cannot, and should not be placed in the ludicrous position of begging for the small portion of relief that is all we have left them. Legislative inaction this session will once again open wide the doors for those who wish to place unworkable and potentially devastating limits on the property tax.

I urge the Legislature to reconsider and face this issue squarely.

Sincerely,

Gov. Vic Atiyeh