



## ALEX CUYLER

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Intergovernmental Relations Manager  
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DATE: February 9, 2011

TO: Senator Ginny Burdick, Chair, Senate Committee on Finance and Revenue

RE: SB 304, relating to costs allowed in property tax proceedings.

Chair Burdick and Members of the Committee:

The Lane County Board of County Commissioners is opposed to SB 304. We find no good reason for the changes proposed to ORS 305.490. This bill flies in the face of the partnership that Oregon's counties have long had with the State in the arena of property taxation.

SB 304 suggests that counties bear the burden for attorney fees and reasonable expenses should a proceeding in tax court find in favor of an appellant. In existing statute, these fees and expenses are the burden of the state.

The counties only administer the taxing system as it is designed by the state legislature. With the changes suggested by this bill, a one-sided award system is established which adds additional burdens to Lane County. Given the number of tax cases we see, there is no need to give more incentive, via taxpayer funded attorney fees, to counsel. There are currently available attorney fees against either side, if one side or another proceeds in bad faith. This proposed statute change creates a one-sided award system with no criteria other than the Judge's discretion.

We suggest that if this is indeed the road the Legislature wishes to go down, then counties should be able to recoup their costs as well when we prevail. People should not waste local resources without legal foundation and government should not pursue claims without the same legal foundation. The tax districts should not have to bear the additional burden of the refund plus the 12% interest plus the private attorney's fees and costs.

If there really is a problem with folks with good claims losing on their own and not being able to find someone to represent them, we don't think we're seeing that problem in Lane County. By encouraging attorney participation in every case, the ramification for Lane County is that we would have to employ a full time attorney simply to address property tax appeals. This is counter intuitive to a properly managed tax appraisal and collection system designed to function as a partnership between local government and state government, which was the approach we've long been taking to the arrangement.

Sincerely,

Alex Cuyler  
Intergovernmental Relations Manager  
Lane County