

July 10, 2023

Mayor Hoy and Councilmembers -

**President**  
Erik Andersson

**2022-2023**  
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Scott Snyder  
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Keith Stahley  
City of Salem

Colm Wills  
Marion County  
Commissioner

The Strategic Economic Development Corporation (SEDCOR) recognizes the challenges in front of you that led to the development of the Employee Tax proposal under consideration. We ask that in your deliberations you consider the impacts on the Salem businesses with whom SEDCOR works to strengthen and grow our regional economy.

The Strategic Economic Development Corporation (SEDCOR) is a 501(c)(6) nonprofit organization providing economic development services to the Mid-Willamette Valley region. Salem competes with communities around the Western United States for projects like the recent \$140 million Dollar General distribution facility; each of these projects involves a detailed comparative analysis on the costs of doing business in each of the locations under consideration.

While our business recruitment successes generally draw the most attention, the heart of the SEDCOR work plan is business retention and expansion, as most of the opportunities for investment and job creation are with businesses that are already here in the community. Every one of our major manufacturers is a business recruitment candidate for another community, state, or country. We are routinely being asked to help companies justify investment in their local facilities when they may have operations in other communities competing for these same, limited, investment funds. Our hometown companies routinely receive offers of deep incentive packages to expand in or move to other states.

Many of SEDCOR's client businesses compete on an international scale and have been trying to navigate the collective effect of the tight labor market, inflation, interest rates and continuing supply chain disruptions as they get back on their feet after the pandemic. Most of these businesses have limited opportunities to recoup additional labor costs through pricing increases, given the high levels of competition. Retaining skilled workers has become a top priority, and employers have had to address the impacts on their workers' bottom line caused by Oregon Saves, Paid Leave Oregon and general cost of living inflation.

We know that wages have not kept pace with real inflation for many workers, who simply cannot afford a pay cut. Adding to an already heavy burden of deductions impacting workers, this proposed tax will cost most workers close to 1% of their pay – this will most certainly come back to employers as additional wage cost. In addition to wage pressures, employers will likely be tasked with withholding the new Salem payroll tax and routine reporting requirements, which will add expense for the employers' additional time spent on compliance.

We encourage you to take these factors into account as you consider the Employee Payroll Tax proposal before you. SEDCOR would be pleased to bring together local employers to discuss their concerns and identify ideas for potential alternative solutions.

Sincerely,



Erik Andersson

**From:** [Amy Mecham](#)  
**To:** [CityRecorder](#)  
**Subject:** Salem City Council Meeting July 10, 2023  
**Date:** Monday, July 10, 2023 4:47:53 PM

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Hello,

As the office manager of a company which primarily operates in the city of Salem, I would like to respectfully ask the council members to vote no to enacting ordinance bill 12-23 Safe Salem Employee Paid Payroll Tax. Oregonians have a high enough tax burden on them. We just had a new statewide tax enacted in January. Placing greater taxes on the people when they are already suffering from staggering inflation is a bad idea that will only make the lives of hard working people more difficult. Punishing those who contribute value to the city without even the respect of putting it to their vote is unjust. I know many people who have left the state in large part due to policies like these. The company I work for lost several good workers this way and is struggling to find skilled laborers who want to work. Punishing those who are responsible is not the answer to caring for those who are not. Please vote no to enacting ordinance bill 12-23 Safe Salem Employee Paid Payroll Tax.

Thank you,

--

**Amy Mecham**

**Office Manager**

Office@CastleConstructionInc.com

**Castle Construction Inc.**

PO Box 21642

Keizer, OR 97307

CCB #215594

**From:** [Sagert, Andrew](#)  
**To:** [CityRecorder](#)  
**Subject:** Vote NO! on the new job killing payroll tax  
**Date:** Monday, July 10, 2023 4:17:42 PM

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City Council,

My name is Andrew Sagert and while I don't live in the city of Salem, I work in the State Capitol building as a staffer for a State Representative so this new Payroll tax would directly affect me. As a part of my role in the capitol, I analyze the state budget. We hear from our leaders year after year that we don't have enough funds (or have barely enough) to support basic services like education and the State Police. And yet year after year there are lots of line items that are very questionable that could be going into those most important services. For example, I saw an over \$1 million line item for the Portland Art Museum to build a gazebo. Why couldn't that money go to pay for another position or two at OSP an agency that has been underfunded for decades?

While I haven't dived deep into the city budget, I know that there are areas of that budget that could be sacrificed to pay for the basic services that the City should be providing. Budgets reflect priorities and I'm asking that you reject this harmful proposal roll up your sleeves and do the difficult work of prioritizing the most important parts of our budget without increasing taxes on working-class Salem workers.

Best regards,

Andrew Sagert  
7565 State Street  
OR, 97317

**From:** [SALEM Manager](#)  
**To:** [CityRecorder](#)  
**Subject:** FW: Payroll Tax Opposition  
**Date:** Monday, July 10, 2023 3:12:54 PM

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**From:** bkcummins@frontier.com <bkcummins@frontier.com>  
**Sent:** Monday, July 10, 2023 2:56 PM  
**To:** Vanessa Nordyke <VNordyke@cityofsalem.net>; SALEM Manager <MANAGER@cityofsalem.net>  
**Cc:** Deanna Gwyn <DGwyn@cityofsalem.net>  
**Subject:** Payroll Tax Opposition

Councilor Nordyke and City Manager Stahley,

Please enter into the record my adamant/resounding opposition to the proposed payroll tax during this evenings City Council Meeting.

I am open to the proposal being sent to the voters.

My apologies for the late notice as I do not subscribe to the Statesman and I do not (will not) have a FB account so my access to City Business information is limited.

I was informed this morning by a friend (and past fellow City Councilor) from Silverton who works in Salem.

Thanks, Bill Cummins

July 10, 2023

Salem City Councilors  
555 Liberty St. SE, Room 220  
Salem, OR 97301

RE: Safe Salem Payroll Tax

ATTN: City Mayor and City Councilors

I oppose the "Safe Salem Payroll Tax" Ordinance for several reasons:

- One-fifth of my company employees are 100% remote workers. They would be paying a tax in which they are not benefiting from and could potentially change employers doing the same job in another city with better pay.
- When employees leave local businesses to due to tax hike not found in other cities, local businesses then have a hard time competing in marketplaces outside Salem. This would result in fewer taxpayers in the city area to even pay the tax.
- Workers that commute into Salem would be unfairly charged a tax that is for services they do not take part in.
- Those that work in jobs that receive tips on top of minimum wage will most likely not pay the payroll tax. Whereas people that make the same amount of money in a job without tips will have to pay the tax.
- There are no guidelines about how the tax will be distributed. "Safety purposes" is far too vague.
- When city council does not ask for the input of the city residents when considering a tax and alike, then residents do not tend to have any "buy-in." I believe that is, at least in part, why the residents that have been complaining about city council being on the WRONG track for so many years.
  - The survey, conducted by the Oregon-based firm DHM Research, involved interviewing 400 Salem residents from Sept. 7 to Sept. 13, 2022, via cell and landline calls and an online option. ***"The majority of those surveyed also reported difficulty in having concerns heard by city leaders, finding information about city planning and learning how decisions are made."***
  - In 2021, DHM Research also reported these same findings:  
*"Except in 2020, when public sentiment appeared to have stabilized, there has been a steady decline in optimism in the City, from 66% of residents who said Salem was headed in the right direction in 2016, to 37% in 2019, to 23% in 2021. As a corollary, those who say Salem is off on the wrong track has increased from 21% in 2016, to 42% in 2019, to 65% in 2021."*

Let's get buy-in from the residents of Salem to solve the City's issues. More importantly, let's not allow a very small population of people to take advantage of the city and be contributors to an unsafe city.

Respectfully submitted,

Chris Cummings  
Ward 8 - West Salem

**From:** [Orta Denise](#)  
**To:** [CityRecorder](#)  
**Subject:** mandatory salem tax  
**Date:** Monday, July 10, 2023 4:08:51 PM

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**SECURE EMAIL DELIVERY:** This email message was securely transmitted from a sender at Oregon ODHSOHA to your email system using Transport Layered Security (TLS).

To whom it may concern,

I don't agree with the Salem-Keizer tax for the police and homeless as we are state workers and already get taxed. We get taxed 40-50% of what I make, and we work hard to get a career and I shouldn't have to pay more. We work a job where we don't get tips. Other people working jobs that pay less can make tips and end up making more.

Denise Orta

**From:** [noreply@cityofsalem.net](mailto:noreply@cityofsalem.net) on behalf of [dawnf@stjohnsalem.org](mailto:dawnf@stjohnsalem.org)  
**To:** [CityRecorder](#)  
**Subject:** Submission  
**Date:** Monday, July 10, 2023 4:16:53 PM  
**Attachments:** [ATT00001.bin](#)

Your Name	Dawn
Your Email	dawnf@stjohnsalem.org
Your Phone	5035880171
Street	1350 Court St. Ne.
City	Salem
State	OR
Zip	97301
Message	<p>To: City Council Members, My name is Dawn and I am an early childhood educator here in Salem. I have been an Assistant Administrator and teacher for over thirty years at a program in downtown Salem. I would like to have my comments put on the record regarding the agenda item 23-273 Ordinance Bill No. 12-23 at the July 10 city council meeting. I oppose this tax due to the fact that I feel it is going to financially hurt parents and quality childcare programs in Salem. We have witnessed the financial difficulties that parents have when programs have to increase rates due to inflation. We also, have struggled with finding qualified people to work in the programs. This bill is only going to make things worse for those who need their children to be cared for while they are working. This tax may sound like not much to you but to others it is a bill being paid or a life insurance premium. Please consider different avenues to finding the short fall. Our kiddos and their families have taken a beating with the financial and emotional burdens that our state continues to add to the non-minimum wage person. I would love to have a conversation with my Ward Representative, it appears that Linda Nishioka hasn't had time time to talk to us from the NE community. I hope that at the least this Bill can be voted on by the citizensof Salem and not pushed through without care for the working class of our community. Thank you! Dawn</p>

This email was generated by the dynamic web forms contact us form on 7/10/2023.

**From:** [Edward Persichetti](#)  
**To:** [CityRecorder](#)  
**Subject:** No Tax!  
**Date:** Monday, July 10, 2023 4:10:51 PM

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Good afternoon!

I'm alarmed, appalled and incredibly mad that the City of Salem is even considering taxing Oregonians who work within city limits. This feels like a direct penalty to those who try to play by the rules. I'm sure many, like myself, who reside in another county work here simply because our office is here. Are you going to tax all state employees? Are you going to tax legislators, public ambassadors, state police? You're forcing those to pay, who have nothing to do with creating the financial deficit Salem is in. It's insulting and not right.

It truly is a disgrace this is even being considered, and the city has to be accountable. NOT those who work within the city and especially those who live outside the city. No tax!

Thank you for the consideration.

Respectfully  
Ed Persichetti

-An Oregonian who works hard within Salem, but resides elsewhere.



**From:** [Jerry Bennett](#)  
**To:** [CityRecorder](#)  
**Subject:** Vote NO on the payroll tax  
**Date:** Monday, July 10, 2023 4:20:37 PM

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Please add this statement to the public record:

Good day, I believe that if you plan to levy a tax on all workers in the city it needs to be on a ballot so we the people can weigh in on it.

If you are just going to impose this on us then please go ahead and make it a 20% tax! Perhaps that will wake up all but the hardest leftist, and they will accordingly vote the socialists out of the state's government.

Thanks for your time... Jerry Bennett.

Get [Outlook for Android](#)

**From:** [Joel Rumrill](#)  
**To:** [CityRecorder](#)  
**Cc:** [Virginia Stapleton](#); [inishioka@cityofsalem.net](mailto:inishioka@cityofsalem.net); [Trevor Phillips](#); [dwgwn@cityofsalem.net](mailto:dwgwn@cityofsalem.net); [jgonzales@cityofsalem.net](mailto:jgonzales@cityofsalem.net); [Julie Hoy](#); [vnordyke@cityofsalem.com](mailto:vnordyke@cityofsalem.com); [Micki Varney](#)  
**Subject:** Proposed Payroll Tax  
**Date:** Monday, July 10, 2023 3:54:15 PM

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To the Salem City Council

This proposed tax is another money grab from the working people of this area. It's not a fair or just tax. The city of Salem has special challenges associated with being the State Capital, but this bill places the unfair burden on working families. Many families have no more disposable income than those retired or not working so how is that fair or just. This proposal will have a negative effect on jobs in Salem and those that can will escape its reach.

Please do not approve this proposed new tax.

**Joel Rumrill**

**From:** [Jessica Snook](#)  
**To:** [CityRecorder](#)  
**Cc:** [Virginia Stapleton](#); [Linda Nishioka](#); [Trevor Phillips](#); [Deanna Gwyn](#); [Jose Gonzalez](#); [Julie Hoy](#); [Vanessa Nordyke](#); [Micki Varney](#); [Chris Hoy](#)  
**Subject:** Payroll Tax Testimony 7.10.23  
**Date:** Monday, July 10, 2023 3:22:20 PM

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Good afternoon,

Please accept the below as my comments to be added to the public record regarding the proposed payroll tax. If anything else is needed, please don't hesitate to contact me.

Thank you,

Jessica Snook

For the record my name is Jessica Snook and I live just outside of Salem city limits closest to ward 5.

I am in opposition to the proposed payroll tax. I find a very sad irony in the fact that such a tax is being considered so close to Independence Day. The phrase “no taxation without representation” comes to mind as I am a state worker who lives outside of city limits and do not have the ability to hold any member of the council accountable through elections—as our government was designed.

My frustrations about that particular piece aside, I would appreciate someone being able to put on record why the tax is proposed to be sent to the voters several years after implementation and collection. I oppose this tax in its entirety, but at the very least, I would encourage the council to amend this to be sent to voters prior to any collection of a tax. Those of us who will still not be able to vote for or against this can—and will—vote with our feet by leaving employment within city limits or by moving our businesses out of city limits.

With record inflation on top of coming out of a pandemic, people have been forced to learn both to live on limited budgets, and that many of us can work remotely. The city received a significant amount of various COVID funds that were explicitly labeled as one time funding—so it should not have been used to start new programs with no additional planned sustaining funding. As a similar payroll tax had been previously proposed, how were those COVID dollars utilized to prevent the need for increased taxes taken from our community?

In the materials I have seen surrounding this payroll tax there has been a lot of discussion about growth in the City of Salem. Though too much growth too quickly can be a challenge to manage, growth is typically the goal. If this tax were to be implemented, I believe the city would start to see stagnation and loss rather than growth—with those who can afford to move and/or find new jobs doing so.

Exempting minimum wage workers from this tax has a good intention on its face, but has unintended consequences. By design, minimum wage is a floor for wages. Just as the city would like to grow, it is not hard to see how workers would also wish to strive for higher

wages as they grow their skill sets to be increasingly employable. By punishing those who strive for more with implementation of this tax, I think you will continue to see loss ripple throughout our local economy. New businesses willing to brave the already harsh business climate and current businesses will not have the skilled workforce trained up or willing to take on positions and provide benefit to our community. If there is no work, the workers in our community will leave.

What outreach was done to workers and businesses that this is being proposed to receive well rounded input on the impact of this payroll tax? For businesses that operate both within and outside of Salem city limits, the tracking of time within city limits could be an incredible administrative burden on the business.

Budgets reflect priorities. While I don't envy the tough choices ahead in these budgeting conversations, I don't believe this proposal reflects the priorities of our community and will harm hard working families. Please do not pass this payroll tax.

Thank you for your time and consideration of my comments.

**From:** [jenvbend](#)  
**To:** [CityRecorder](#)  
**Subject:** opposition to payroll tax as proposed  
**Date:** Monday, July 10, 2023 3:39:49 PM

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Please reconsider your proposal for a payroll tax as it will negatively impact a lot of people. There has already been an assault on the paychecks of working class people over the past two years with inflation, interest rates, rent, gas and food prices all increasing. **We have had price hikes in our utilities and city services like water rates, also in our garbage rates.** \$42 per month may not seem like a lot, but it is quite a bit to working families. Cutting pocket funds for families will continue to hurt recover of local businesses post-pandemic as families will not eat out or participate in activities in the community with less in their pockets. How will families save for higher education for their kids --costs that also keep going up-- or putting away any money for emergencies! **I would suggest you re-look at how you could better ensure this does not adversely impact families in Salem and those who work in Salem adversely by either significantly rethinking the percentage of income from those making less than \$100,000 per year and drop it to something more like 0.1% for earning under \$100,000 and zero for anyone earning under \$30 per hour.**

There are a number of higher paid executives in Salem who could perhaps afford the amounts you are proposing without hurting. **Consider taxing only those making over \$150,000....** Also, we know the legislature just approved record amounts to address homelessness and drug issues this session, and you need to recalculate what you expect from those of us in the general working class for whom this larger bite will ultimately have larger reverberations for businesses across Salem when we don't use their services and cut our expenses to the bone to adjust for this increase. We already have shortages in workforce in Salem, and you will likely drive some folks to find jobs in other communities where their wages won't be taxed.

Please reconsider this tax and how it will be implemented as I see coworkers with families struggling even when it appears they are earning "decent" state government wages. Unfortunately these wages are not keeping up with inflation and rents and housing and food costs are making Salem too unaffordable for many.

Jennifer Valentine  
5581 Hawk Hill St SE  
Salem, OR 97306

**From:** [Karl Kamper](#)  
**To:** [CityRecorder](#)  
**Subject:** Comments for Tonight's Public Hearing, Re: Payroll Tax  
**Date:** Monday, July 10, 2023 4:28:23 PM

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Mayor Hoyt, and Councilors:

I continue to add my voice in opposition to the proposed payroll tax on tonight's council agenda.

I urge the council to step back, and do not enact this proposal. I do not support using non-residents to solve Salem's budget shortfall. I do not support the effect this will have on economic development. I do not support the negative effect this will have on recruiting employees to work in Salem.

You need only look to find that this carries negative impacts. (See *The Effects of Tax Wedges on Hours Worked and Unemployment in Sweden*, published by the International Monetary Fund).

Respectfully, at the conclusion of the hearing tonight, I ask you to not enact this ordinance.

Sincerely,  
Karl Kamper  
McMinnville, Oregon

**From:** [Ken Shafer](#)  
**To:** [Vanessa Nordyke](#); [Julie Hoy](#); [Jose Gonzalez](#); [Deanna Gwyn](#); [Trevor Phillips](#); [CityRecorder](#); [Virginia Stapleton](#); [Linda Nishioka](#); [Micki Varney](#)  
**Subject:** Salem Payroll Tax  
**Date:** Monday, July 10, 2023 4:39:00 PM  
**Importance:** High

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Salem City Councilors,

Please enter this into the record.

As an employee and owner of a small business – I can not afford another tax AND the related administration necessary for the tax, on top of the already overburdensome State of Oregon taxes.

This absolutely unnecessary proposed payroll tax being considered by the Salem City Council will be another burden imposed on the taxpayers of Salem like me. The estimated average of \$506 per person is more than many small businesses and families like mine can afford in this time of high inflation. Oregon is already suffering under recession and over taxation; this additional tax will make it harder for the working-class families of Salem like mine to meet our own needs.

We are all having to manage our money wisely at this time. The city of Salem should be no different.

I **strongly urge** you to vote **NO** on this Tax.

Sincerely,  
Ken Shafer

**From:** [Laura Buhl](#)  
**To:** [CityRecorder](#)  
**Cc:** [citycouncil](#)  
**Subject:** July 10 City Council - comment on item 23-273 (payroll tax)  
**Date:** Monday, July 10, 2023 3:47:43 PM

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Dear Salem City Council,

I am writing to urge you to pass a payroll tax for the City of Salem. This tax will provide critical funds for services that Salem must provide in order for our city to be livable, namely helping deal with the homeless crisis and providing funding for the police and fire departments. We're not getting the help we need from the state and federal governments on homelessness, so we must take action ourselves. The payroll tax is an excellent way to do this because it taxes Salem workers who use city amenities and services, but aren't contributing to the city's coffers because they don't live in the city.

The payroll tax is fair and necessary. Please pass it for the good of Salem.

Sincerely,  
Laura Buhl  
Ward 1



**From:** [Nikolas Ruiz Anderson](#)  
**To:** [CityRecorder](#)  
**Subject:** Opposing the new city Payroll Tax  
**Date:** Monday, July 10, 2023 4:19:11 PM

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Good afternoon,

I am writing today in strong opposition to the proposed city payroll tax. This seems like nothing more than an ill-conceived money grab. Thousands of State Workers would now have to fund a poorly balanced budget and would be forced to fund programs they did not elect to put in place. This seems like the very definition of “taxation without representation.” If you want to get these funds, tax those who reside within your city. If you cannot do that because you are worried it will cost you an election, then maybe this isn’t what your voters are truly wanting.

Nikolas Ruiz Anderson  
Willamette University '16  
Chief of Staff OR HD03

**From:** [Grover G. Norquist](#)  
**To:** [CityRecorder](#); [Chris Hoy](#); [Virginia Stapleton](#); [Linda Nishioka](#); [Trevor Phillips](#); [Deanna Gwyn](#); [Jose Gonzalez](#); [Julie Hoy](#); [Vanessa Nordyke](#); [Micki Varney](#)  
**Subject:** Ordinance 12-23  
**Date:** Monday, July 10, 2023 4:52:36 PM  
**Attachments:** [image001.png](#)  
[ATR Salem Ordinance 12-23.pdf](#)

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July 10, 2023

To: Members of the Salem City Council  
From: Americans for Tax Reform  
Re: **Avoid New Taxes on Struggling Families and Businesses**

Dear Council Member,

On behalf of Americans for Tax Reform and our supporters across Salem and the state of Oregon, **I write in opposition to the tax increase proposal before you today, Ordinance Bill No. 12-23.** Now is not the time to saddle individuals, families and small businesses with an additional 0.814% tax penalty, as they struggle to stay afloat in the face of sticky price inflation and heavy existing state and local tax burdens.

Over the last three years, prices in the American West have [risen](#) by a whopping 18.2%. Although the pace of inflation is beginning to slow, **families in your city are still coping with the “new normal” of a sustained 18% increase in the cost of basic necessities like groceries, car loans, and gasoline – and those high prices are set to rise even further.**

In light of this reality, a new tax on wages will squeeze countless cash-strapped families for whom every dollar counts. This ongoing new levy takes tens of millions of dollars out of everyone’s paycheck for years to come. While minimum wage workers would be exempt under this proposal, **only [5% of Oregonians](#) earned minimum wage in 2022, meaning that nearly all workers in Salem can expect to bear the brunt of this new levy for the foreseeable future.**

**Importantly, this tax would only compound upon the unusually high and regressive tax rates already imposed by the state of Oregon.** The Beaver State [subjects all earnings](#) above \$4,050 to a 6.75% personal income tax rate, while **every penny over \$10,200 is taxed at 8.75%.** These low-threshold income taxes not only hit the poorest Oregonians the hardest, but are quite uncompetitive, both regionally and nationwide. **Adding a payroll tax to this regressive status quo**

**will only encourage more folks to leave Salem for healthier tax environments, and to take their tax dollars with them.**

As prices and interest rates continue to rise, experts are predicting a prolonged nationwide recession that is sure to cost people their jobs and paychecks. Sound policy would allow individuals, businesses, and families to keep more of their hard-earned dollars in preparation for the economic uncertainty ahead, rather than hold hostage their time and earnings to fund new government spending. **For the reasons above, I urge you to keep in mind the interests of your tax-paying constituents and reject this untimely new surcharge on their livelihoods.**

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Norquist', written in a cursive style.

Grover G. Norquist  
President  
Americans for Tax Reform

July 10, 2023

To: Members of the Salem City Council  
From: Americans for Tax Reform  
Re: **Avoid New Taxes on Struggling Families and Businesses**

Dear Councilmember,

On behalf of Americans for Tax Reform and our supporters across Salem and the state of Oregon, **I write in opposition to the tax increase proposal before you today, Ordinance Bill No. 12-23.** Now is not the time to saddle individuals, families and small businesses with an additional 0.814% tax penalty, as they struggle to stay afloat in the face of sticky price inflation and heavy existing state and local tax burdens.

Over the last three years, prices in the American West have [risen](#) by a whopping 18.2%. Although the pace of inflation is beginning to slow, **families in your city are still coping with the “new normal” of a sustained 18% increase in the cost of basic necessities like groceries, car loans, and gasoline – and those high prices are set to rise even further.**

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As prices and interest rates continue to rise, experts are predicting a prolonged nationwide recession that is sure to cost people their jobs and paychecks. Sound policy would allow individuals, businesses, and families to keep more of their hard-earned dollars in preparation for the economic uncertainty ahead, rather than hold hostage their time and earnings to fund new government spending. **For the reasons above, I urge you to keep in mind the interests of your tax-paying constituents and reject this untimely new surcharge on their livelihoods.**

Sincerely,



Grover G. Norquist  
President  
Americans for Tax Reform

722 12<sup>th</sup> Street N.W.

Fourth Floor

Washington, D.C.

20005

T: (202) 785-0266

F: (202) 785-0261

[www.atr.org](http://www.atr.org)

**From:** [Lauren Poor](#)  
**To:** [CityRecorder](#)  
**Subject:** OFB, OFIC, ODFA, OCA & OFS Comments on Salem Payroll Tax  
**Date:** Monday, July 10, 2023 4:37:47 PM  
**Attachments:** [Salem Payroll Tax Comment .pdf](#)

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Attached please find written comments in opposition to the proposed "Safe Salem" employee payroll tax submitted on behalf of the Oregon Farm Bureau, Oregon Forest Industries Council, Oregon Dairy Farmers Association, Oregon Cattlemen's Association and Oregonians for Food and Shelter.

If you have any questions, please do not hesitate to contact me.

Greg Addington  
Executive Director  
Oregon Farm Bureau  
[greg@oregonfb.org](mailto:greg@oregonfb.org)  
503-399-1701



July 10, 2023

City of Salem  
City Council  
555 Liberty St SE  
Salem, OR 97301  
Email: [cityrecorder@cityofsalem.net](mailto:cityrecorder@cityofsalem.net)

RE: Comments on Ordinance Bill No. 12-23, creating the Safe Salem employee-paid tax on wages earned within the City of Salem

Dear Mayor Hoy and Members of the Salem City Council:

The undersigned organizations—Oregon Farm Bureau Federation, Oregonians for Food & Shelter, Oregon Cattlemen's Association, Oregon Forest Industries Council and the Oregon Dairy Farmers Association— all currently operate our trade associations within Salem city limits and write to express concern, frustration, and strong opposition to the proposed Ordinance Bill No 12-23, also known as the “Safe Salem” employee paid payroll tax. Our organizations focus on statewide public policy, primarily affecting natural resources. Collectively we represent multiple organizations, occupying various business locations within the Salem city limits and employing numerous individuals.

While some of our employees reside within Salem city limits, many do not. Our organizations do not engage in a traditional business model that requires consistent presence within Salem city limits. Any additional taxation on our employees that is specific to location will make it even more difficult for us to keep and recruit qualified talent, which in turn will force our organizations to reconsider whether having our businesses located within the city limits at all is appropriate for the long-term.

According to Ordinance Bill No 12-23, the tax would only apply “on wages earned for work within the city limits.” How could that possibly be quantified in a hybrid work environment? Would our employees be expected to keep a timecard of when they are in meetings in Salem vs when they are in meetings in Portland? This ordinance will result in incentivizing employees to participate in almost every meeting in a hybrid fashion - outside of city limits, even when they did not have to, solely to avoid being additionally taxed by the City of Salem.

The “Safe Salem” payroll tax is a poorly thought-out idea that will drive business out of Salem. Furthermore, the city's sign up to comment form on the website states that a Salem address or Ward number is required, i.e., only residents can sign up for public comment. It is completely ridiculous that Salem is proposing to tax the paycheck of employees who do not live within the city limits and not even allow them to comment on the impact this could have for them and their families. Who gets to speak for these employees? Non-service industry businesses will be faced with additional paperwork to track where employees work. Our organizations will likely encourage and allow remote work outside of city limits, which will have significant impact to local shopping and dining.

This proposal comes on the heels of a recent statewide payroll tax for paid family leave. In addition, Oregon employees already face some of the nation's highest state income taxes. We urge you help Salem employees and employers, not hurt them and single them out.

Please oppose Ordinance Bill No. 12-23.

**From:** [Paul Diller](#)  
**To:** [CityRecorder](#)  
**Subject:** comments for public record re Ordinance No. 12-23  
**Date:** Monday, July 10, 2023 4:54:44 PM

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Dear Mayor Hoy and City Council,

I write regarding the proposed "Safe Salem" employee-paid wage tax, Ordinance No. 12-23. I am a longtime employee of Willamette University in Salem. For most of my eighteen-year tenure at the university, I have lived outside of Salem. This choice has been due to family circumstances including a spouse working at a job in Portland. Nonetheless, I greatly enjoy working in Salem in proximity to its vibrant downtown and do not begrudge the city's need to raise revenue to provide adequate public services. Nor do I begrudge the responsibility of those of us who work in Salem, but do not live there, to pay something toward those services. In the absence of a sales tax, which we might fund by patronizing local businesses, this proposed tax is an alternative way to tax commuters.

My concern with the proposed tax, however, is that in the post-Covid world of normalized remote work, this tax would provide only a further incentive for workers in Salem who do not reside in Salem *not* to come in to the office in person because they know that every time they do so, their tax liability will increase. You will be incentivizing professors and staff at Willamette who do not reside in Salem, for instance, to work out of their home offices as much as possible in order to avoid paying the tax. This may have a downstream negative effect on local businesses that such employees patronize when they are on campus and in the city. Moreover, the administrative responsibility for figuring out exactly how many hours a particular employee worked in Salem versus outside of Salem in a year will be burdensome on human resources departments and employees. These are not necessarily reasons not to adopt a tax, but they are reasons to be concerned about it. My impression from Philadelphia, which has long had a wage tax, is that many do not view it as successful, and often blame it for depressing job growth in the city. You should research that in more depth if you have not already. A small sales tax of on prepared food and drink (similar to Ashland and Yachats) might be a more targeted way to get at raising funds from non-Salem residents and Salem residents, without dissuading people from coming to their Salem offices.

The choice is in your hands, or perhaps next, the voters'. I just wanted to offer this perspective as you make it.

Sincerely,  
Paul A. Diller  
Wilsonville, Ore.  
pdiller@hotmail.com

**From:** [Roger Bell](#)  
**To:** [CityRecorder](#)  
**Subject:** Proposed Ord 12-23 Employee Tax - opposed  
**Date:** Monday, July 10, 2023 4:44:02 PM

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At the November 28, 2018 meeting of the City of Salem Sustainable Services Revenue Task Force, this original proposal was voted on. Thirteen of the fourteen members were present and voted. The vote was 7 aye and 6 nay with one absent. In that same meeting there was a motion - and a unanimous aye - that any new tax or fee considered by the City Council should be referred to the voters. There was also a motion put forward – with a unanimous aye - to forward a recommendation to City Council to consider strategic timing of any revenue measures referred to voters. The recommendations were forwarded to the City of Salem, City Manager's Office, Budget and Finance Divisions meeting held 10 January 2019. It is a long read but has a lot of history regarding this proposed revenue source. Of particular interest is the timeline of options provided that would allow the proposal to be put on a ballot for voter consideration (five different dates over the next 12 months).

I understand not wanting to send this proposed ordinance to the people for a vote as it could be voted down, but that does not justify the actions that have been taken to push this ordinance thru without a vote, it only reinforces the need for this council to table further action on this ordinance until the citizens of Salem have had the opportunity to vote on it.

A large part of the budget problem is that revenue has been spent on a project that was misrepresented as being necessary for a Safe Salem. The verbiage was tucked away among valid safety responsibilities such as police, fire, 911 dispatch, EMS and code enforcement. To further inflame an already confusing budget, CARE funds (federal covid relief funding, which is temporary funding) has been used to seed a long-term project. Based on recent records available thru the City of Salem website, it is the obvious the intent of the city council is to bypass the voter for approval. Besides the violation of the basic principles of budgeting, this is a blatant abuse of the trust afforded you by the residents of Salem - the people you are supposed to be working for.

The original council that came up with this ordinance intended for it to be put to the citizens for a vote, it's in their report. For any council member to assume that they should cast a single vote to represent all the voters in their respective ward instead of putting this ordinance to a vote of the individual citizens, is at best misguided trust in the council members who are advocating this ordinance be pushed thru without a citizen vote. And to those council members and other persons who are pushing to have this ordinance accepted without a citizen vote, I say that your actions are a breach of trust with the people of your ward and the rest of the citizens of this city.

Roger Bell  
Ward 4



**From:** [Sara B](#)  
**To:** [CityRecorder](#)  
**Subject:** proposed employee-paid payroll tax  
**Date:** Monday, July 10, 2023 4:50:26 PM

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To The City of Salem,

I Do Not support the proposed employee-paid payroll tax as written in its current form. As a resident of Salem I already pay my taxes, the proposed amount is not insignificant to the average worker, and the strain of inflation & increased utilities continues to spread budgets thin.

Please reconsider,

S. Belousek

Sent from my iPhone

**From:** [Sally Norman](#)  
**To:** [CityRecorder](#)  
**Subject:** Payroll Tax  
**Date:** Monday, July 10, 2023 3:49:06 PM

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I am writing in response to the proposed payroll tax. I am opposed to this tax. Employees are living on the same wages, but higher costs for food, gas and basic living expenses.

Adding another tax to working Oregonians will drive more people out of our city and out of Oregon.

Sally Norman

July 10, 2023

Salem City Councilors  
555 Liberty St. SE, Room 220  
Salem, OR 97301

RE: Safe Salem Payroll Tax

ATTN: City Mayor and City Councilors

I oppose the "Safe Salem Payroll Tax" Ordinance for several reasons:

- One-fifth of my company employees are 100% remote workers. They would be paying a tax in which they are not benefiting from and could potentially change employers doing the same job in another city with better pay.
- When employees leave local businesses to due to tax hike not found in other cities, local businesses then have a hard time competing in marketplaces outside Salem. This would result in fewer taxpayers in the city area to even pay the tax.
- Workers that commute into Salem would be unfairly charged a tax that is for services they do not take part in.
- Those that work in jobs that receive tips on top of minimum wage will most likely not pay the payroll tax. Whereas people that make the same amount of money in a job without tips will have to pay the tax.
- There are no guidelines about how the tax will be distributed. "Safety purposes" is far too vague.
- When city council does not ask for the input of the city residents when considering a tax and alike, then residents do not tend to have any "buy-in." I believe that is, at least in part, why the residents that have been complaining about city council being on the WRONG track for so many years.
  - The survey, conducted by the Oregon-based firm DHM Research, involved interviewing 400 Salem residents from Sept. 7 to Sept. 13, 2022, via cell and landline calls and an online option. ***"The majority of those surveyed also reported difficulty in having concerns heard by city leaders, finding information about city planning and learning how decisions are made."***
  - In 2021, DHM Research also reported these same findings:  
*"Except in 2020, when public sentiment appeared to have stabilized, there has been a steady decline in optimism in the City, from 66% of residents who said Salem was headed in the right direction in 2016, to 37% in 2019, to 23% in 2021. As a corollary, those who say Salem is off on the wrong track has increased from 21% in 2016, to 42% in 2019, to 65% in 2021."*

Let's get buy-in from the residents of Salem to solve the City's issues. More importantly, let's not allow a very small population of people to take advantage of the city and be contributors to an unsafe city.

Respectfully submitted,

Chris Cummings  
Ward 8 - West Salem

**From:** [Tamra Goettsch](#)  
**To:** [CityRecorder](#)  
**Date:** Monday, July 10, 2023 4:59:49 PM

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To whom it may concern.

This is a comment for the public record regarding Salem's proposed salary tax for workers who work within the city of Salem.

I strongly oppose this tax. Salem needs to live within its own financial means, seek other grants or funding sources, and prioritize its service delivery to align with what is required versus what the council desires. I choose to live outside of Salem's city limits for a reason and shouldn't be taxed because of where I work.

This tax should not be enacted.

Tamra Goettsch  
6162 S

**From:** [Tim Hay](#)  
**To:** [CityRecorder](#)  
**Subject:** Vote No on Payroll Tax  
**Date:** Monday, July 10, 2023 4:47:06 PM

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Dear City Council

Please add my name to the large number of people who are opposed to the payroll tax. The budget needs to be re-prioritized with public safety (police, fire, ems) and infrastructure (water, sewer, roads and bridges) first. Moving forward with this tax without the vote of the people, may end up with another vote of the people, a recall vote.

Thank you,

Tim Hay

(503) 371-7121  
[tim.hay@outlook.com](mailto:tim.hay@outlook.com)

**From:** [Todd](#)  
**To:** [CityRecorder](#)  
**Subject:** Vote NO on the payroll tax  
**Date:** Monday, July 10, 2023 3:13:24 PM

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Please add this statement to the public record for the July 10 Councilor's meeting:

I urge you to vote NO on the new Safe Salem Payroll Tax. No new tax without asking the voters. Just because you "can", doesn't mean you "should". Put this on the ballot for the public to decide this November.

Respectfully,

Todd Tallan  
Salem, OR