
Josephine (JO) County (CO) Justice System (JS) & Public Safety Services (PSS)

JO CO Justice System & Public Safety Services

The 2012 expiration of federal funding for services resulted in two JO CO proposed levies as a solution. They both failed.

*Changing Federal County Payments and Rural Oregon Counties*³, an OSU “working paper.”

State Of Oregon Property Tax Policies Property taxes represent the largest source of locally-generated general revenue for local governments, both nationally and in Oregon. Property taxes are collected by local governments to support schools, roads, law enforcement, fire protection, libraries, parks and other services. Oregon’s property tax system is uniquely limited by two voter-passed constitutional amendments – Measures 5 and 50.

Measure 5, approved by Oregon voters in 1990, limits the amount of property taxes that can be collected from each property tax account. These limits, often called the “Measure 5 limits,” are figured by dividing taxes into two categories: education and general government. The limits are \$5 per \$1,000 of **real market value (RMV)** for education taxes and \$10 per \$1,000 of RMV for general government taxes.

Some taxes, usually for general obligation bonds, are not subject to limitation, but local option levies, GAP bonds, and urban renewal levies are. The measure required the state’s general fund to make up the resulting shortfalls in primary and secondary public school funding.

1. Hugo Neighborhood Association & Historical Society (HNA&HS), July 9, 2013. *Justice System Exploratory Committee*. Hugo, OR.

Oregon State University’s (OSU’s) Rural Studies Program

Measure 50 Measure 50, approved by voters in 1997 as an amendment to Measure 47, assigned a permanent rate to each taxing district that cannot be raised without statewide-voter approval, and limits the rate of growth of property value subject to taxation. Measure 50 added another limit to the Measure 5 limits and is usually stricter. The rate limits created by

Some taxes, usually for general obligation bonds, are not subject to limitation under Measure 5, but local option levies, GAP bonds, and urban renewal levies are.

Measure 50 replaced Oregon’s traditional levy system, which used the RMV to assess individual properties; now each property has an RMV and an **assessed value (AV)**. The limit is based on a property’s **maximum assessed value (MAV)**, which was established for all property in existence in 1997-98 as 90 percent of a property’s 1995–96 RMV. In subsequent tax years, the MAV of individual properties with no new construction is allowed to increase by 3 percent annually until it reaches the RMV. The MAV can never exceed RMV. There are exceptions to this limit. Each year the MAV and RMV for each property are figured, and the property then taxed on the lesser value, which is called the taxable AV. For most properties, the AV increases by 3 percent each year. Measure 50 allows voters to approve local option levies for up to five years for operations and up to 10 years or the useful life of capital projects, whichever is less.

2. Hugo Neighborhood Association, July 9, 2013. *All Voters & Votes Are Legitimate*. Hugo, OR.

State Of Oregon Property Tax Policies

Impacts of Measure 5 and Measure 50 In the late 1980’s, federal forest payments were roughly equal to tax levies received by county governments in Oregon. After passage of SRS which fixed federal forest payments following the steady decline of timber harvest receipts during the 1990s, local property tax levies continued to climb under the control of Measure 5 and Measure 50.

Measure 50 allows voters to approve local option levies for up to five years for operations and up to 10 years or the useful life of capital projects, whichever is less.

In 1991, twenty-five of Oregon’s 36 counties received federal timber payments that were half or greater than their property taxes. By 2007, only six counties continued to rely on timber payments to this extent.

All school districts in Oregon will share in the reduction and eventual expiration of SRS payments since the state’s school funding formula spreads the losses in rural school districts statewide. If SRS payments had ceased in FY 2007-2008, schools would have lost revenues amounting to \$60 for every K-12 student in Oregon.

Want more information? Contact a member of the *Exploratory Committee*.

3. Gaid, Dawn Marie, October 2009. *Changing Federal County Payments and Rural Oregon Counties: Analysis of Policy Impacts and Responses from Loss of Secure Rural School Funding in Selected Oregon Counties*. RSP 09-04. (134 pages). OSU’s Rural Studies Program. Working Paper Series. (<http://ruralstudies.oregonstate.edu/history-rural-studies-program>).

Exploratory Committee's Mission

Mission An independent Justice System and Public Safety Services Exploratory Committee (*Exploratory Committee*) to investigate the JO CO Justice System & Public Safety Services (JS&PSS) issue was formed under the leadership of the Hugo Neighborhood Association and Historical Society (HNA&HS).

Big picture ideas for the exploratory effort include the following.

1. Identifying the JS&PSS issue.
2. Identifying the JS&PSS sub-issues for research and analysis.
3. Identifying a range in level of services
4. Identifying a range of cost for services.
5. Identifying revenues for services.

The ultimate goal is an adequate justice system and public safety services. Is it possible to have a higher level of service for a lower cost? The purpose of the *Exploratory Committee* is to gather information adequate enough to understand the JS&PSS issues. This includes educational outreach efforts.

The *Exploratory Committee's* purpose is limited to investigating and researching the JS&PSS issues. It will not make evaluations of right or wrong, nor make recommendations on how to vote.

The contents of this brochure are expressions of the opinions and beliefs of those that contribute based on their thoughts and experiences. Hopefully, their efforts will assist the public toward informed decision-making.

- Donations Are Not Tax Deductible -

Edited by Mike Walker, Member, Exploratory Committee

HNA&HS Officers

Wayne McKy, Chair
Lis Butowitsch, Treasurer
Mike Walker, Education Chair



Exploratory Committee Members

Mike Walker, Chair
3388B Merlin Road # 195
Grants Pass, Oregon 97526
541-471-8271
Email: hugo@jeffnet.org

Wayne McKy, Member
Karen Rose, Web Master
Jon Whalen, Member

Justice System Exploratory Committee

<http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>

HNA&HS

<http://www.hugoneighborhood.org/>

Oregon State University's Rural Studies Program

Dept of Agricultural & Resource Economics
Oregon State University
213 Ballard Hall
Corvallis, OR 97331-3601
541-737-1442
Email: rsp@oregonstate.edu
<http://ruralstudies.oregonstate.edu/home>

Rural Studies Working Paper Series

<http://ruralstudies.oregonstate.edu/history-rural-studies-program>

C:\Documents and Settings\mike\My Documents\AAA
Applications\Hugo_Neighborhood_Association\Community_Issues\JO CO Public Safety Services
2013\Brochures\8 BROCHURE_IIIHS_3 OSU RSP OR State Property Tax Policies 072113.wpd

STATE OF OREGON PROPERTY TAX POLICIES

OSU'S Rural Studies Program & JS&PSS Documents

Brochure III.H.5.3
Justice System & Public Safety Services Series



Very Draft July 21, 2013

Hugo Justice System Exploratory Committee