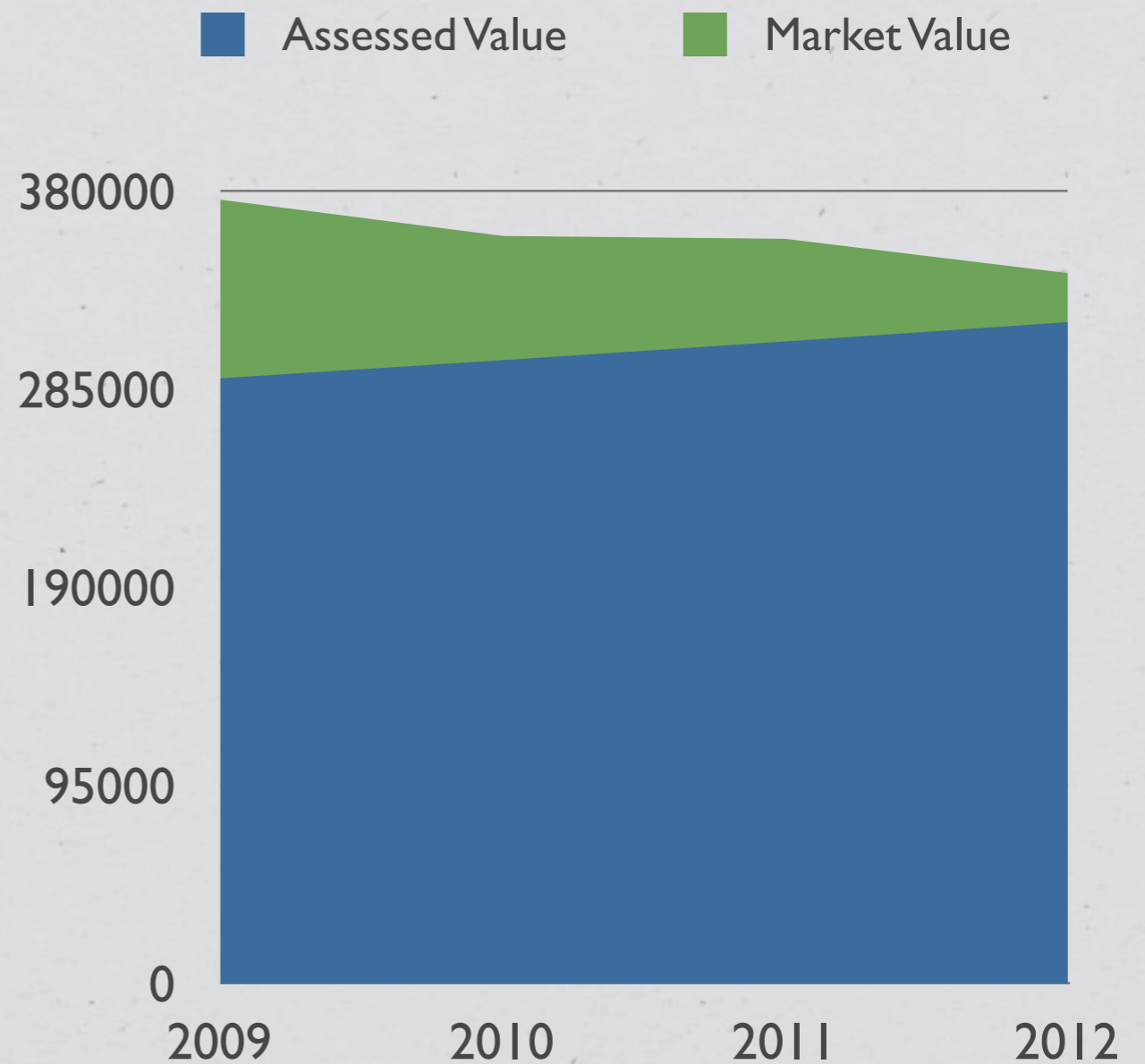
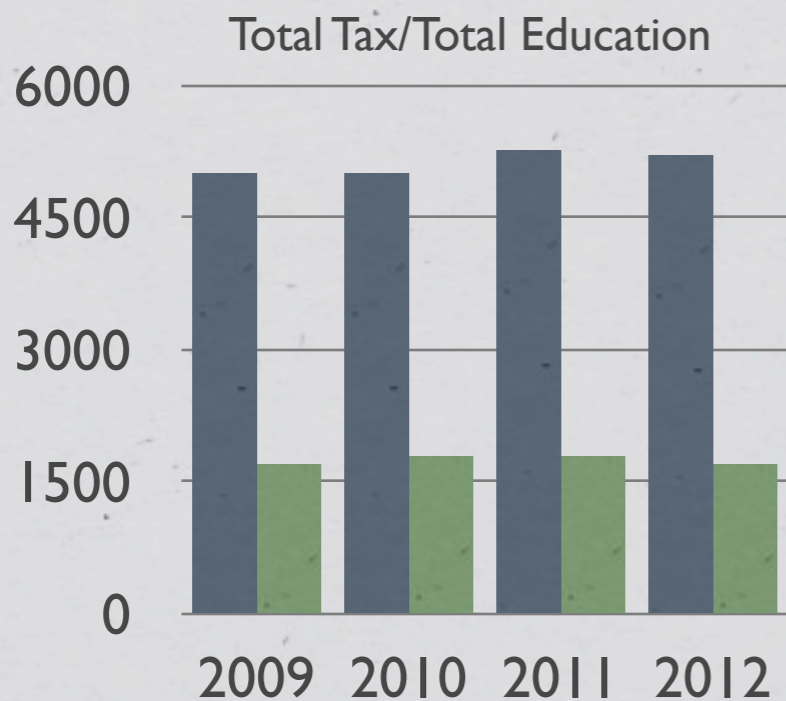
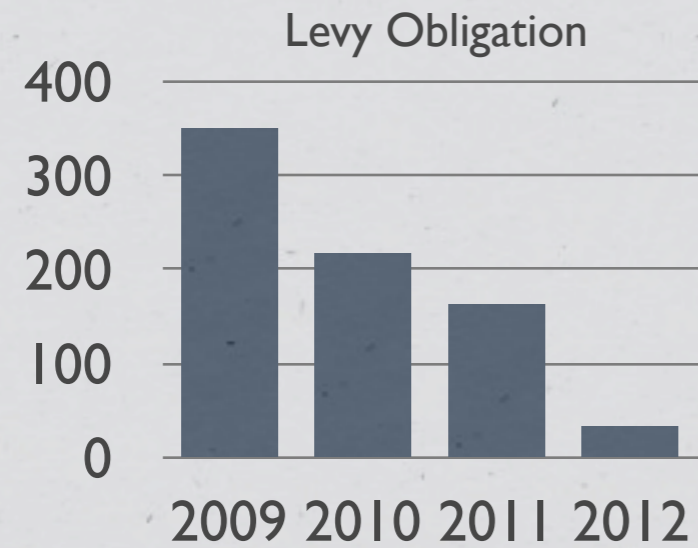


What does HJR 7 Do?

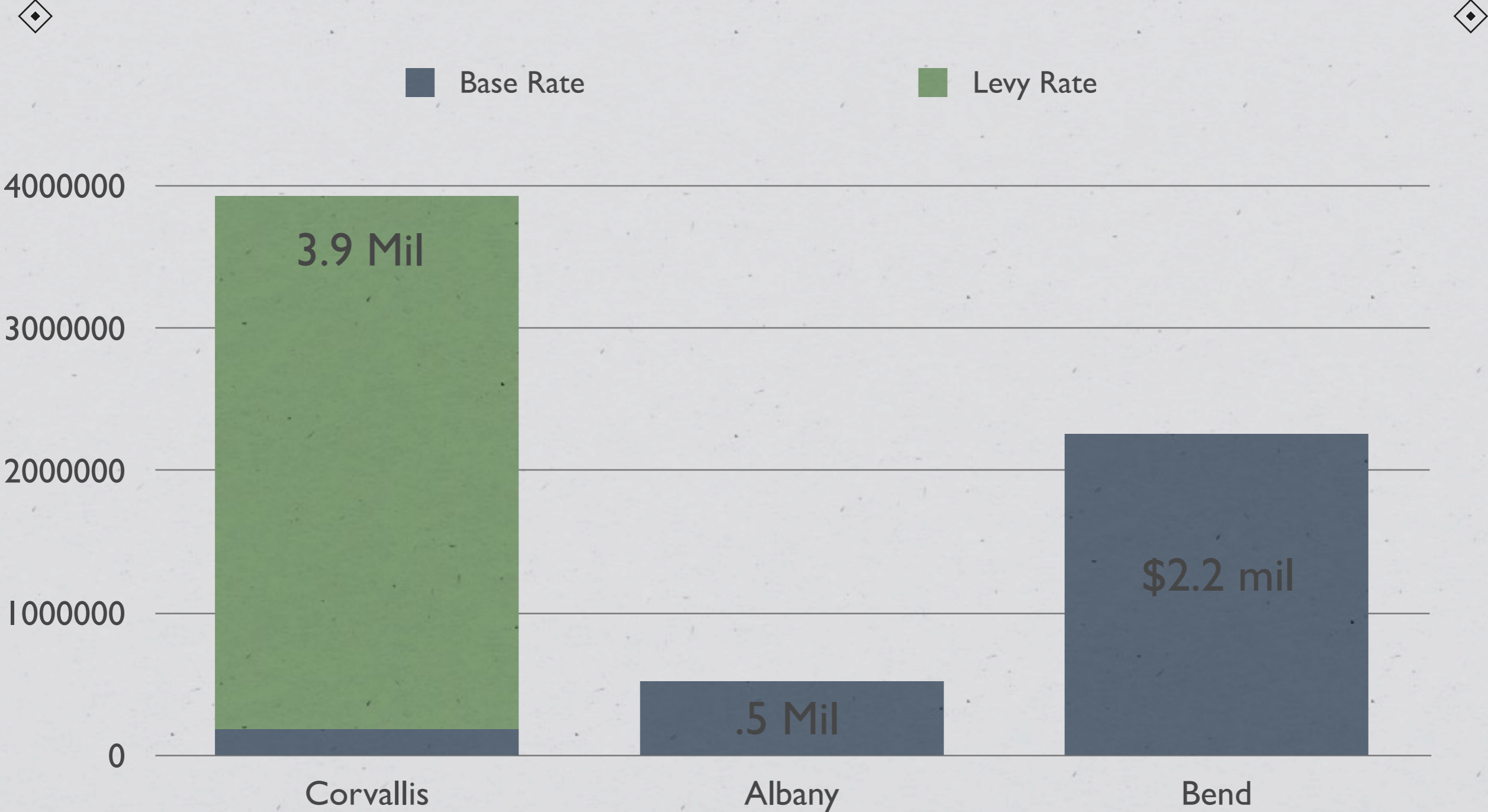
- * Restores the \$7.50 cap for education related property taxes. This was the rate in 1993-94. This releases all “compressed” revenues to school districts, ESDs and Community Colleges.
- * Allows school districts a four year window during which they can ask voters to approve a permanent levy for their local schools. With passage of HB 2424, all new revenues would stay in the district.

Local Option Taxes the Gap

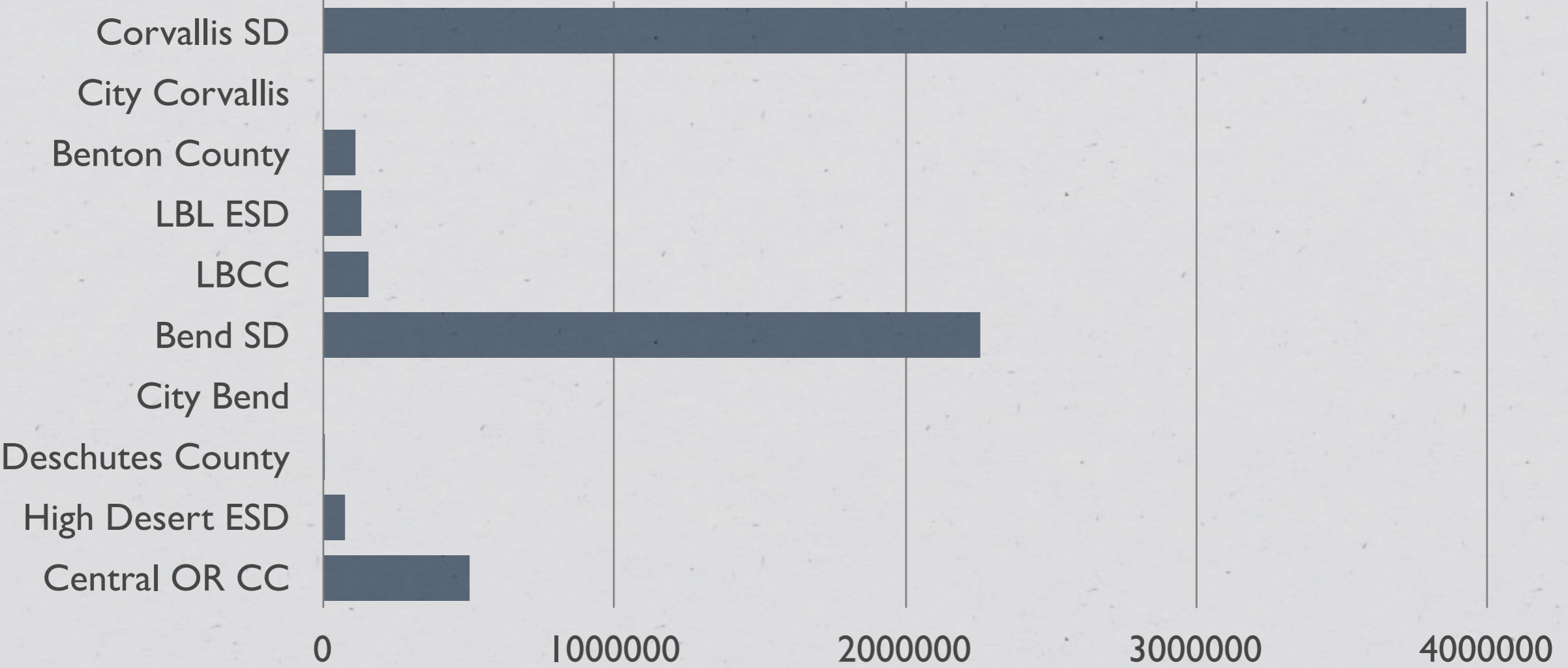


A local option levy essentially removes the “discount”
enjoyed by certain properties.

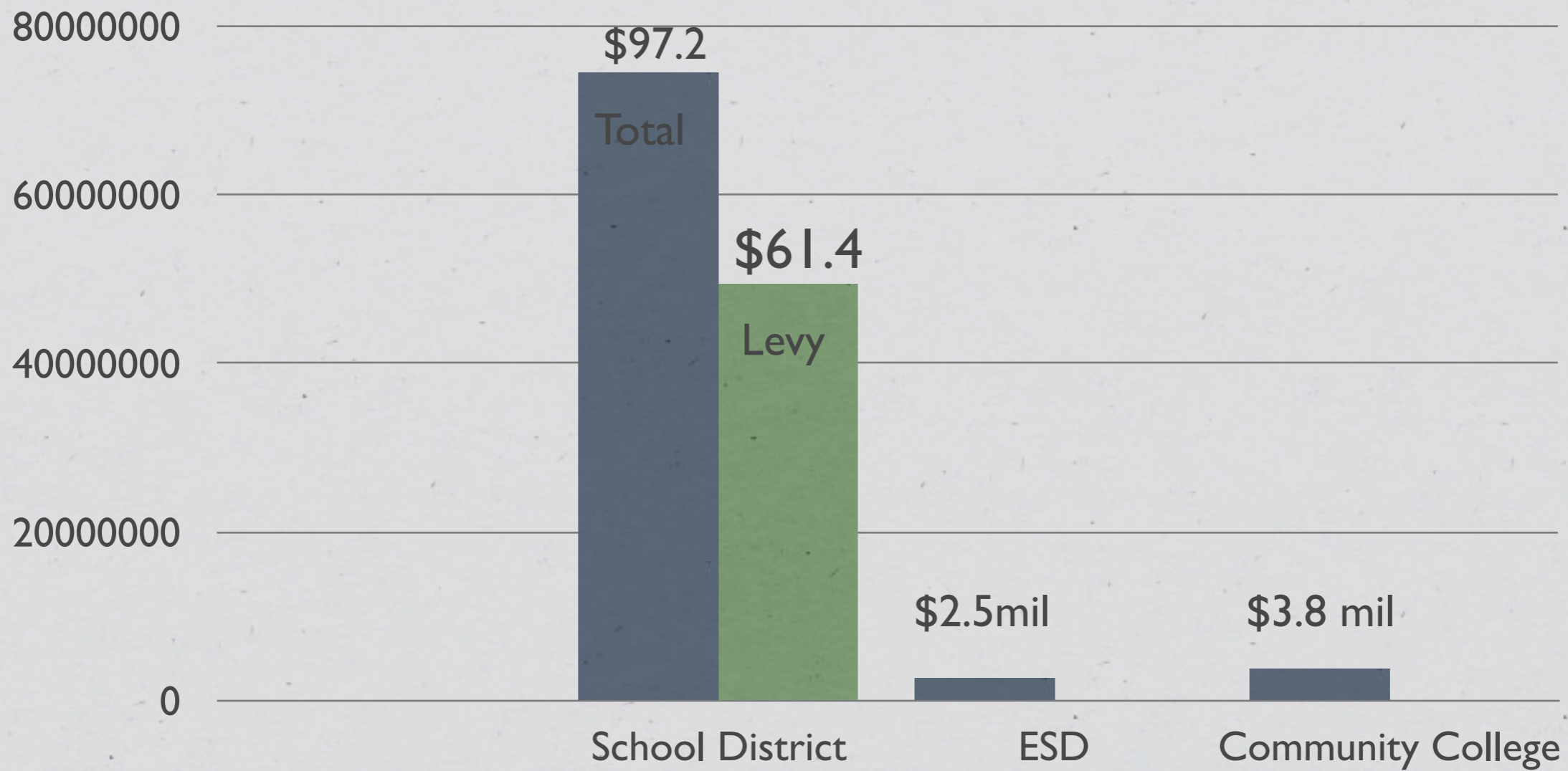
2012-13 Estimated Compression Losses (School District)



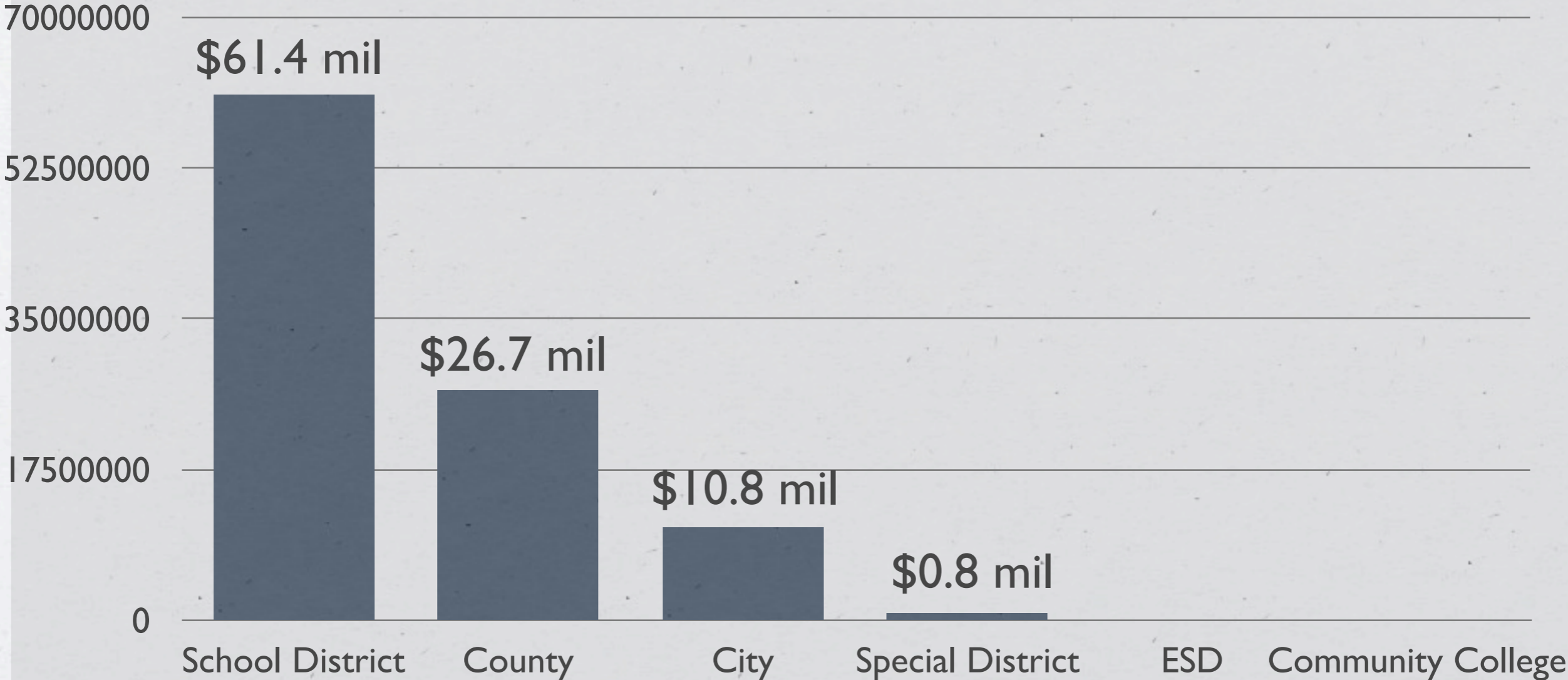
Compression Loss Comparison



HJR 7 Compression Revenue

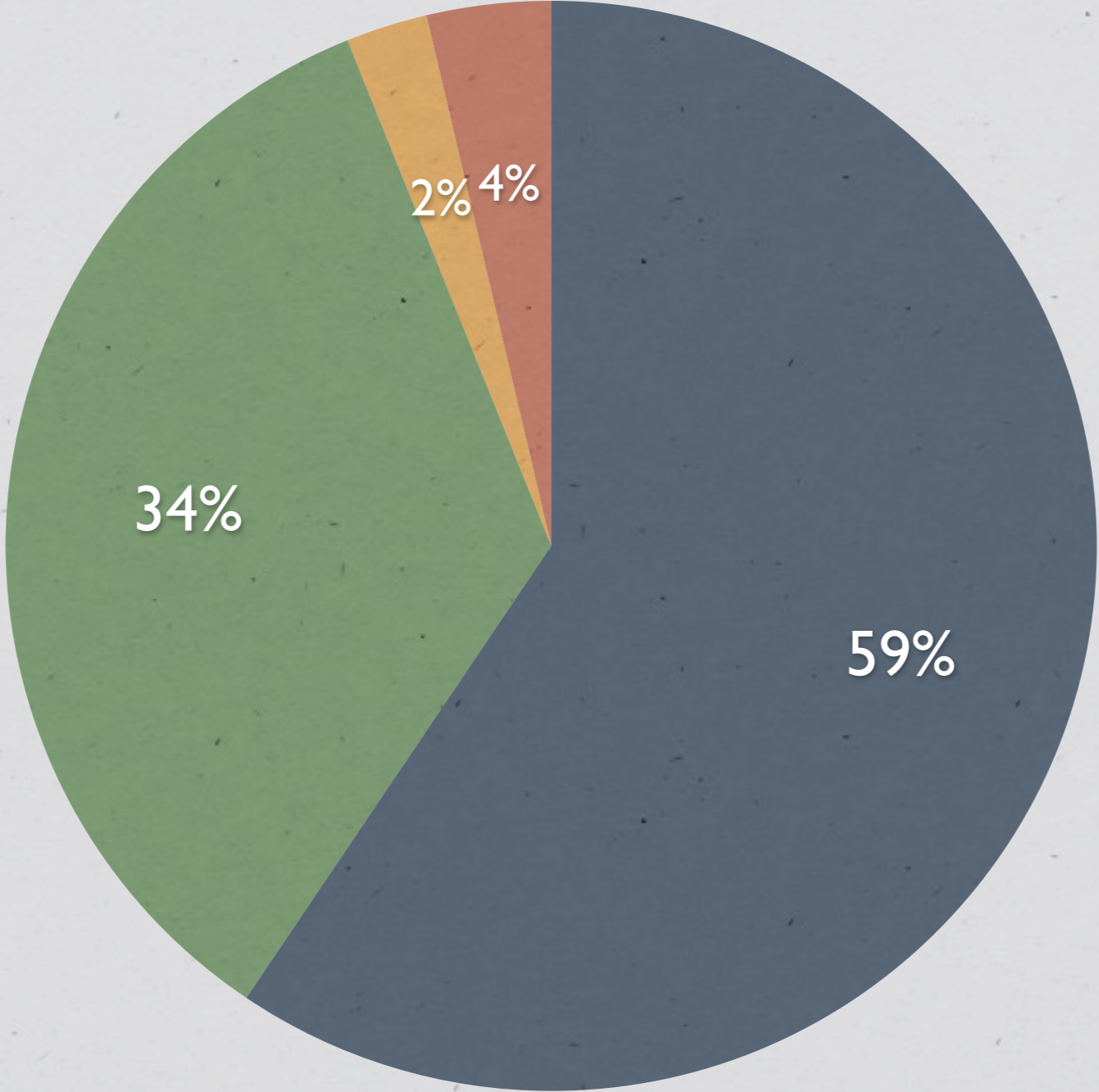


Potential Revenue from Levy Compression



Distribution of HJR 7 proceeds

● Districts with Levies ● All Districts ● ESDs ● Community Colleges



Total Levy Compression in Cities: \$10.8 million

Source: LRO Preliminary 12-13 Compression Loss Spreadsheet

Albany: \$900,000

Ashland: \$1.41

Bay City: \$0.20

Canby: \$15,239

Corvallis: \$102.21

Gladstone: \$48.27

Grants Pass: \$7.68

Happy Valley: \$41,816

Hillsboro: \$2.70

King City: \$0.42

Lexington: \$14.08

Milton Freewater: \$20.79

Portland: \$8,900,000

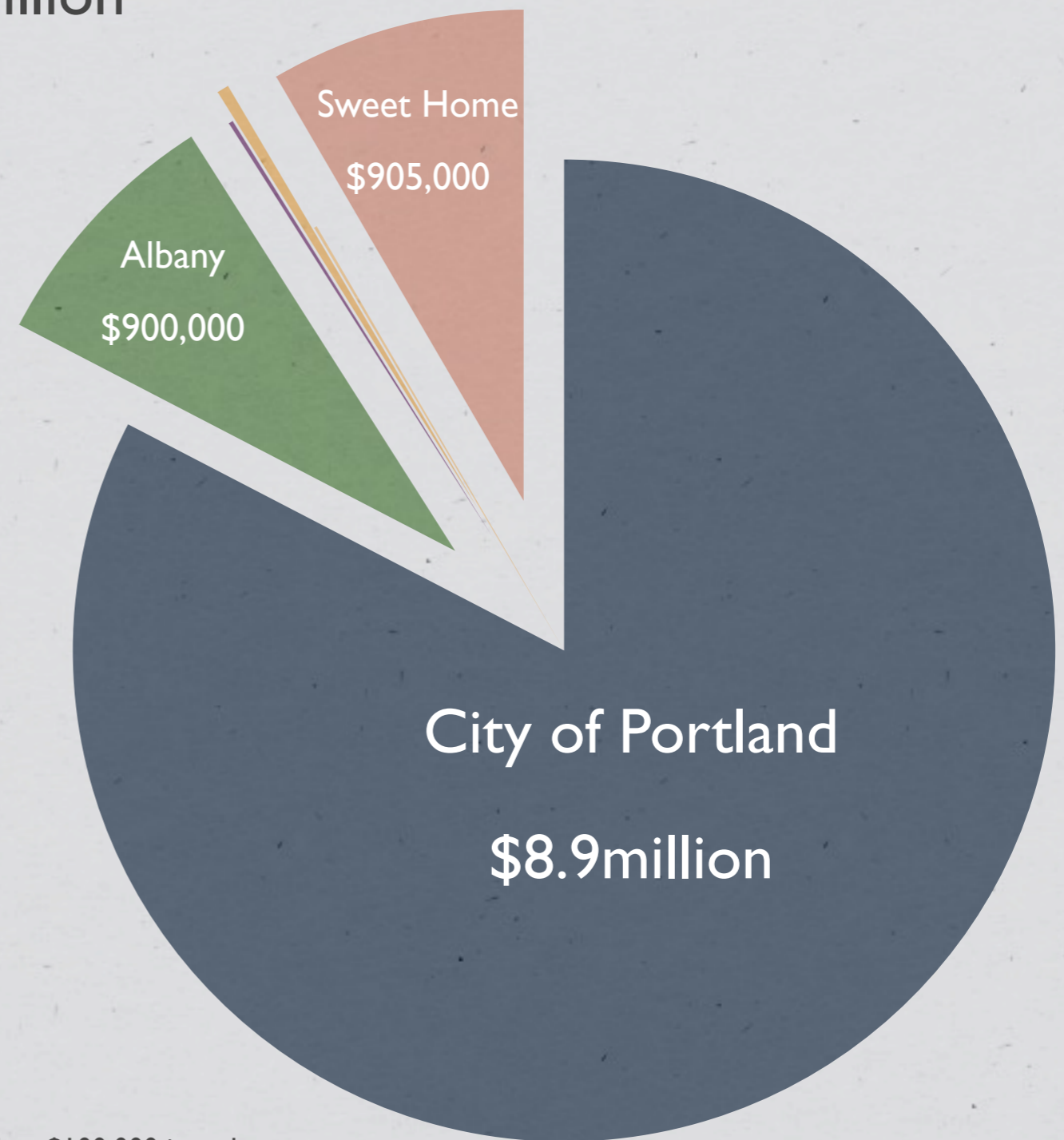
Seaside: \$32.51

Springfield: \$9,900

Sweet Home: \$905,000

Union City: \$0.45

Warrenton: \$0.81



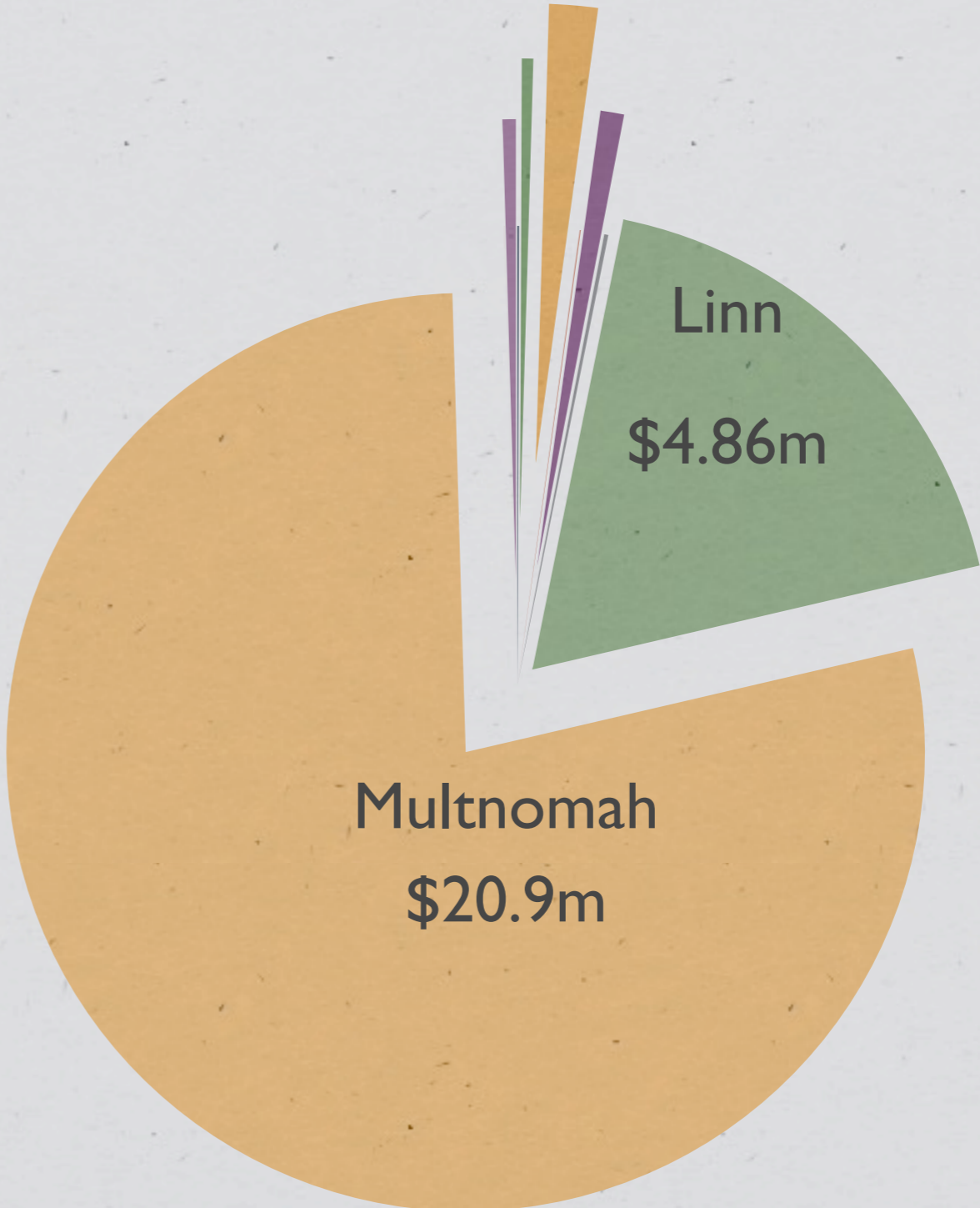
Compression loss of greater than \$100,000 in red

Compression loss of less than \$100 in green

Total Levy Compression Revenue in Counties: \$26.7m

Source: LRO Preliminary 12-13 Compression Loss Spreadsheet

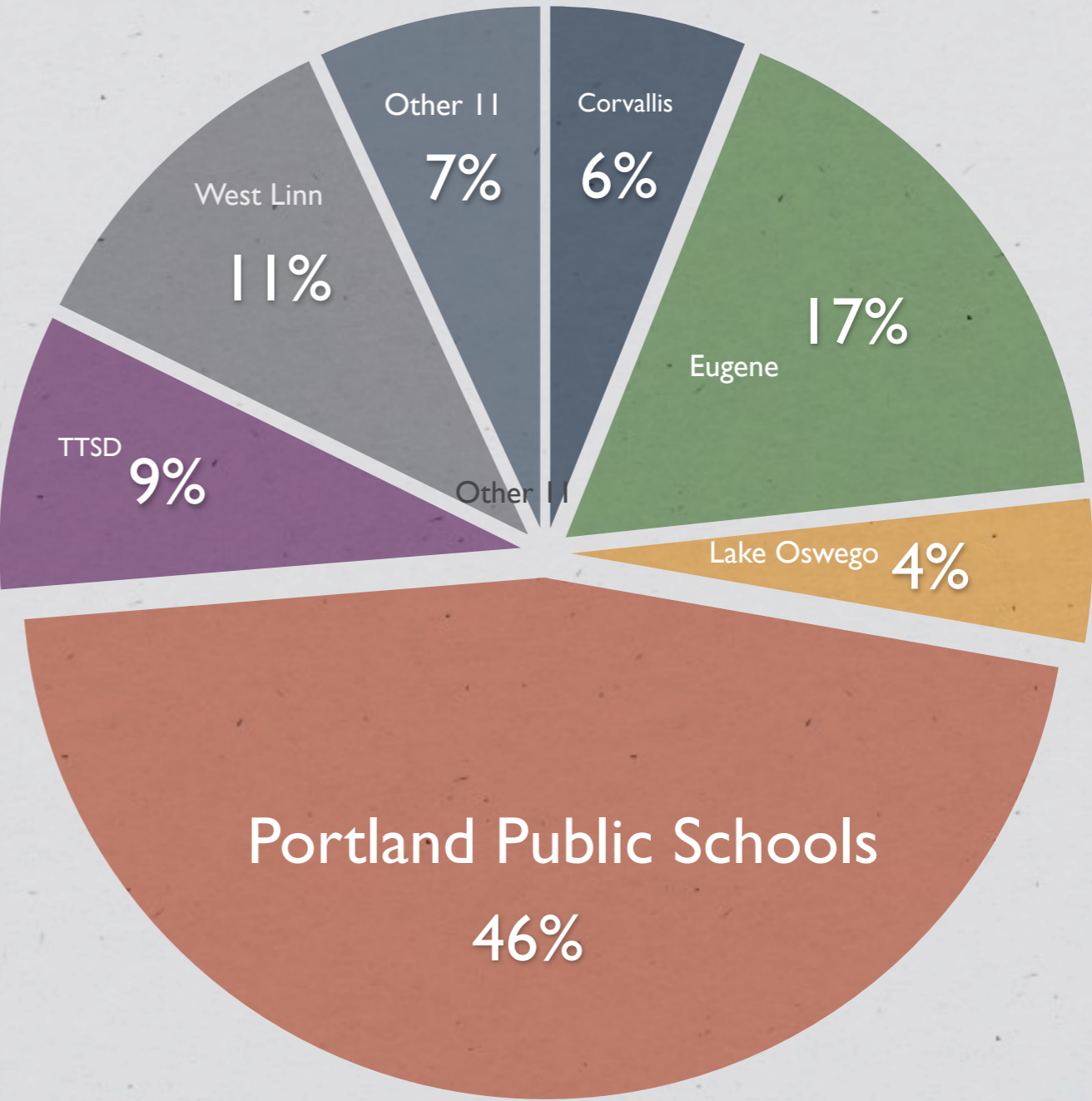
- Baker: \$15,503
- Benton: \$107,404**
- Clackamas: \$458,028**
- Clatsop: \$8617
- Jefferson: \$222,080**
- Klamath: \$3775.40
- Lincoln: \$241.02
- Linn: \$4,869,373**
- Multnomah: \$20,930,611**
- Tillamook: \$399.14
- Washington: \$123,454**



Compression loss of greater than \$100,000 in red

Proceeds of School Levy-only Compression Release

- Ashland: \$1,221,510
- Condon: \$38,822
- Corvallis: \$3,742,317
- Crow-Applegate-Lorraine: \$207,920
- Eugene: \$10,565,888
- Falls City: \$32,793
- Hood River: \$566,601
- Lake Oswego: \$2,758,221
- Morrow: \$1,020,361
- Pendleton: \$200,417
- Portland Public Schools: \$28,069,664
- Riverdale: \$163,452
- Seaside: \$268,113
- Sisters: \$278,861
- Siuslaw: \$282,436
- Sweet Home: \$147,093
- Tigard-Tualatin: \$5,234,720
- West Linn: \$6,616,246



Only 21% of Oregon students attend school
in a district with a Local Option Levy

Total Compression Release HJR 7 v Levy Compression

Schools Cities Counties Special District ESD Community College



- * HJR 7 benefits all public schools and all students by increasing the size of the state school fund through the release of base compression
- * HJR 7 additionally benefits districts with local option levies because it releases levy revenue from compression
- * HJR 7 is the only current property tax proposal that provides relief for community colleges and ESDs
- * HJR 7 provides communities with the opportunity to vote for more stability for their schools. It allows voters to decide whether to increase the permanent rate for their local schools, with all proceeds staying within the local district.
- * HJR 7 is flexible. Voters can choose between a temporary local option, no local option or a permanent rate increase
- * HJR 7 provides immediate relief. Upon voter approval of the constitutional amendment, compression relief will occur immediately for existing levies and for compression of the base rate.

Considerations in Tax Policy

- Fairness
- Adequacy
- Stability
- Simplicity
- Political Feasibility

