

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 04-109**

Calling an Election and Approving Ballot Title and Explanatory Statement on Repealing 2004, 2005 County Income Tax for Schools and Other Services

**The Multnomah County Board of Commissioners Finds:**

- a. On March 20, 2003, by Resolution 03-041, the Board referred Measure 26-48 entitled "Three-Year Income Tax For Schools, Human Services, Public Safety" to the voters.
- b. Measure 26-48 was approved by voters at the May 20, 2003, Primary Election.
- c. On March 16, 2004, a prospective initiative petition was filed with the county Elections Division to repeal Measure 26-48 for tax years 2004 and 2005.
- d. As required under MCC § 5.102, a ballot title and explanatory statement were prepared and forwarded to the Director of Elections and chief petitioner on March 23, 2004.
- e. Under § 5.102(F), within seven business days after the ballot title is received by the director, an elector may petition the county circuit court to challenge the ballot title or explanatory statement. On April 1, 2004, a petition for review of the ballot title and explanatory statement was filed in the circuit court. On May 7, 2004, the circuit court certified the revised ballot title and explanatory statement attached as Exhibit 1.
- f. After the requirements of § 5.102(F) were met, the chief petitioners circulated the petition for the measure among the electors. The signatures were verified; and on July 16, 2004, the Director of Elections certified the petition contained a sufficient number of qualified signatures as required under § 5.104.
- g. Upon receiving the director's certification, the Board may either adopt the proposed legislation or call an election on the measure (§ 5.106). The Board must call the election on the next available election date that is not sooner than the 90<sup>th</sup> day after the director's certification of qualified signatures.

**The Multnomah County Board of Commissioners Resolves:**

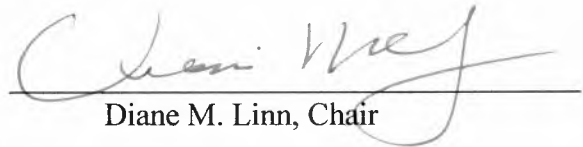
1. The question of repealing the 2004 and 2005 county income tax for schools and other services shall be submitted to voters at the November 2, 2004, election.
2. The Director of Multnomah County Division of Elections shall publish the notices required by law and place the question on the November 2, 2004 ballot.

3. The ballot title and explanatory statement attached as Exhibit 1 are approved and certified to the Elections Director.
4. The Board Clerk shall submit this Resolution, ballot title and explanatory statement to the Elections Director for further action as required by law.

ADOPTED this 5th day of August 2004.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

## **BALLOT TITLE**

### **CAPTION:**

**MEASURE NO. 26-64**

REPEALS 2004, 2005 COUNTY INCOME TAX FOR SCHOOLS, OTHER SERVICES.

### **QUESTION:**

*Shall Multnomah County's voter approved three-year 1.25% income tax for schools and services be repealed for 2004 and 2005?*

### **SUMMARY:**

On May 20, 2003, Multnomah County voters approved Measure 26-48 enacting a three year 1.25% income tax for county schools, health and senior care and public safety. The tax is on income earned in 2003, 2004, and 2005. Law creates citizen's oversight committee to review how school districts spend county tax revenues and requires independent performance audits. Citizen's committee issued report and audits are ongoing.

This initiative measure would repeal the county's temporary income tax for 2004 and 2005, with tax on personal income earned during calendar year 2003 remaining due and payable. Provides no replacement funding.

The major effect of this initiative measure would be

- a loss to Multnomah County public schools of about \$90 million in 2004-2005 and \$90 million in 2005-2006 school years for services such as teachers, programs and instructional days;
- a loss of approximately \$32 million each year for public safety and health and senior care (including prescription drug benefits for low income seniors, senior and disabled housing and mental health care for low income people).

## **EXPLANATORY STATEMENT:**

This initiative measure would repeal the temporary 1.25% personal income tax Multnomah County voters approved in 2003 (Measure 26-48) for county schools, health and senior care and public safety for 2004 and 2005. The county tax on personal income earned during calendar year 2003 would remain due and payable, but no county tax would be assessed on personal income earned during calendar years 2004 and 2005.

Measure 26-48 requires performance audits on how money raised through the county tax is spent. Those audits are ongoing. Measure 26-48 also created a School Efficiency and Quality Advisory Council made up of parents, educators, taxpayers, business, labor and government leaders to review expenditures by county schools districts. The Council reported in March 2004 that Multnomah County school districts received approximately \$67 million from the county tax during the 2003-2004 schools years. Those funds were used to restore or maintain over 780 teachers and to restore or maintain a full schools year in all county school districts.

About 70% of the county income tax revenues are used to assist county public schools, including Centennial, Corbett, David Douglas, Gresham-Barlow, Parkrose, Portland, Reynolds, Riverdale Districts, with their funding gaps and restore some local services such as:

- Retaining teacher positions to maintain or improve student-teacher ratios;
- Maintaining instructional days to help ensure a full, 180 day school year;
- Funding programs and services that prepare students for college and the workforce;
- Communicating with citizens about achievement and accounting for the use of these tax dollars.

The measure provides no replacement funding.

As a result of this initiative measure, county schools would lose about \$90 million for the 2004-2005 school year and \$90 million for the 2005-2006 school year.

About 25% of revenues provide funds for health care, mental health, senior services, and public safety such as:

- Housing and living assistance to seniors and the disabled;
- Prescription drug assistance for low-income seniors;
- Emergency mental health services;
- Health, mental health and addiction treatment for offenders to help reduce recidivism;
- Prosecution of identity theft, stolen vehicles, theft, vandalism, criminal trespass and possession of controlled substances;
- Support for community courts;
- Restoration of jail beds;
- Juvenile justice and gang services - day reporting center, juvenile diversion, skill development, probation, gang outreach, receiving center/homeless youth;
- Community supervision of adult offenders;
- Restore alcohol and drug treatment for repeat offenders.

This initiative measure would also result in a loss of \$32 million each year for public safety and health and senior services.

The effects of this initiative measure would be a loss of about \$127 million in 2004 and \$127 million in 2005. About 5% of revenues are for tax collection.