



Date: July 10, 2025
To: House Committee on Revenue
From: Mary Vuksich-Shafer, Assessor and Tax Collector
Re: HB 3518, Relating to Funding County Assessment Functions

Dear Chair Nathanson, Vice Chair Walters, and Reschke, and Members of the Committee:

Chair Nathanson, Vice Chairs Walters, and Reschke, members of the committee, for the Record, I am the Assessor and Tax Collector for Lane County and the Vice President of the Oregon Association of Tax Collectors, Mary Vuksich-Shafer.

Today, I'm before you in unified support of **HB 3518**, a measure **critical to the financial stability of counties and districts across Oregon**. This legislation has the backing of Lane County's Board of Commissioners, former Sheriff Harrold, present Interim Sheriff Wilkerson, District Attorney Parosa, fire chiefs Wooten and Bernard, city leaders, and school district administrators, including School District 4J Interim Superintendent Colt Gill all of Lane County—all recognizing its essential role in protecting the integrity of our local tax system.

Assessment and Taxation (A&T) not only supports district budgets, but it is also the backbone of affordable housing and the local real estate market, by maintaining accurate property records and establishing new tax lots—processing deeds, assigning tax lot numbers, and ensuring property valuations remain fair and equitable. Without timely updates to our records, disruptions ripple outward, affecting realtors, title companies, lenders, developers, buyers, and sellers alike.

HB 3518 will **re-enable County Assessors and Tax Collectors to maximize property tax collections on behalf of taxing districts**, stabilizing and diversifying the County Assessment Function Funding Assistance grant—better known as CAFFA. This is not just about Lane County. We are merely the **canary in the coal mine**, a warning of a statewide funding crisis. Counties across Oregon—are facing gaps that threaten their ability to administer property taxes effectively.

Since the passage of Measures 5 and 50, along with the effects of the 2009 recession, the Legislature's claw back of State General Fund support for CAFFA and the reduction of Secure Rural Schools payments, left county A&T offices underfunded, understaffed, and **unable to perform their essential functions at full capacity**. As a result, revenue is left on the table—money that should be supporting our schools, law enforcement, cities, libraries, fire protection, and other vital services.

Take Lane County as a prime example:

- Our staffing levels are among the **lowest per account in Oregon**, far below what is necessary for reasonable tax administration.
- The **Oregon Department of Revenue recommends 76 FTE for Lane County**, yet for FY 2025-26 we will operate with only **46.8 FTE**—a mere 61.5% of the recommended workforce for a county with our size and account complexities.

- In 2004-05 the DOR identified that we had a backlog of unprocessed lot line adjustments deeds and segregations that **left property transactions in limbo, causing financial risks, legal uncertainty, and disruption** to buyers, sellers, and lenders. Let's not let history repeat itself.

This current state of funding is **not sustainable, not equitable, and not what Oregonians deserve**. We cannot afford to ignore the problem any longer.

Stable, indexed funding is essential—not just to preserve experienced A&T staffing but to ensure fair and accurate property valuations and safeguard the current asset to secure tax revenue for our taxing districts.

County A&T plays a critical role in the **district formation and reorganization processes**. Lane County A&T was instrumental in the newly formed Row River Rural Fire Protection District and the merge of Pleasant Hill and Goshen Rural Fire Protection Districts.

Key responsibilities include:

- Ensuring accurate boundary mapping and alignment with tax lot lines.
- Creating code splits for affected parcels so the appropriate taxing districts receive their revenue.
- Estimating property values and tax revenue for district budgeting.
- Educating stakeholders and affected property owners about tax implications.

Beyond logistics, A&T dedicates significant time to educating interested parties, ensuring districts understand the complexities of taxation and boundary alignment. Then there is educating property owners on the tax implications if the ballot measure were to pass.

Let's remember this fundamental truth: **the property tax base is a district's most stable and valuable asset**. To see a meaningful return, **all districts must invest in it**. We simply cannot expect results **without resources**.

I urge you to act decisively. The financial health of our counties—and the communities they serve—depend on it.

Thank you for your time and consideration.