

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	7 - 0 - 0
Yeas:	Berger, Buckley, Esquivel, Hunt, Roblan, Thatcher, Rosenbaum
Nays:	-
Exc.:	-
Prepared By:	Jim Stenbridge, Administrator
Meeting Dates:	4/23, 4/27

WHAT THE MEASURE DOES: Authorizes creation of heritage districts in the manner set by statute for the creation of other local service district government entities. Provides for governing boards of five members and sets the election procedure for board members by zone or at-large. Authorizes heritage district boards to assess, levy, and collect taxes to pay the costs of acquiring, constructing, altering, operating, and maintaining heritage sites and structures; to establish and maintain heritage society programs; and to issue general obligation bonds, not to exceed two and one-half percent of the market value of taxable property within the district. Limits taxation to maximum of one-fourth of one percent of market value of taxable property within the district.

ISSUES DISCUSSED:

- Hearing on the issue in Medford, which included discussion of economic development and possibility of multiple, overlapping districts
- “Compression” issue regarding shared tax limitations among local entities
- Sinking fund budgets
- Consolidation of individual tax rates into undedicated permanent rate as consequence of Ballot Measure 50

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 198.010 and 198.335 provide for the creation of 28 types of local service (“special”) districts, including water control, irrigation, ports, regional air quality control, fire, hospital, mass transit, sanitary, people’s utility, domestic water supply, cemetery, park and recreation, metropolitan service, road, highway lighting, health, vector control, weather modification, chemical control, weed control, diking, and soil and water conservation. The most recently-authorized local service districts are geothermal heating (1975), transportation (1977), library (1981), 9-1-1 communications (1987 & 1989), joint water and sanitary authority (1993), fair (2003), and airport (2003). Legislation in 2001 changed their over-all name from “special districts” to “local service districts”. Local service districts are financed through property taxes or fees for services, or some combination thereof. The majority of local service districts are directed by a governing body elected by voters of the district.

There are 250 city, county, regional or ethnic historical societies in Oregon. HB 3538 (heritage districts) is similar to HB 2647 (historical districts), which was heard by the Committee twice, including once in Medford.