

# House Bill 3047

Sponsored by COMMITTEE ON REVENUE

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies provisions authorizing counties to levy specific ad valorem tax for local public roads. Modifies apportionment requirements for road taxes, including local option taxes for roads, to account for effects of compression.

## A BILL FOR AN ACT

1  
2 Relating to taxation for local public roads; amending ORS 368.011, 368.705, 368.710 and 376.385; and  
3 repealing ORS 368.707 and 382.205.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 368.705 is amended to read:

6 368.705. (1) *[In addition to a tax authorized by the electors of a county as provided by ORS 280.040*  
7 *to 280.145 and by subsection (3) of this section, the county governing body of each county may levy an*  
8 *ad valorem tax on all taxable property within the county, which shall be set apart in the county*  
9 *treasury as a general road fund. The tax shall be paid in money. The tax shall be levied and collected*  
10 *in the same manner as other county taxes and subject to the limits set forth in ORS 310.150.]* **As used**  
11 **in this section and ORS 368.710, "county road fund" means a separate fund in the county**  
12 **treasury designated to receive deposit of revenues that are dedicated to roads or road im-**  
13 **provements.**

14 (2) The *[general]* **county** road fund *[mentioned in subsection (1) of this section shall]* **must** be  
15 used[:]

16 *[(a)]* in establishing, laying out, opening, surveying, altering, improving, constructing, maintain-  
17 ing and repairing county roads and bridges on county roads[: or].

18 *[(b)]* *In like manner alone or in cooperation with the state on roads within the county known as*  
19 *state roads, or such roads or any portion thereof built in cooperation with the United States in ac-*  
20 *cordance with the Act of July 11, 1916, entitled "An act to provide that the United States shall aid the*  
21 *states in the construction of rural post roads and for other purposes," or any other Act of Congress,*  
22 *rule or regulation of any department of the United States.]*

23 *[(3)]* *Taxes levied pursuant to ORS 369.020 may be levied under the authority of this section if the*  
24 *county governing body transmits to the county assessor and county clerk with its notice of levy a cer-*  
25 *tificate of the levy made pursuant to ORS 369.020 for the previous tax year together with its request*  
26 *to continue the former levy for market road purposes as a levy for county road purposes.]*

27 *[(4)]* **(3)** *[No]* County funds derived from any ad valorem tax levy *[other than those mentioned in*  
28 *subsections (1) and (3) of this section shall]* **may not** be used or expended by the county governing  
29 body upon any roads or bridges *[except]* **unless the funds are derived from:**

30 **(a) A voter-approved levy that was used in determining the permanent rate limit of a**  
31 **county under section 11, Article XI of the Oregon Constitution, or a statutory rate limit**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 **under ORS 310.236 (4) or 310.237; or**

2 (b) Local option taxes levied under ORS 280.040 to 280.145.

3 **SECTION 2.** ORS 368.710 is amended to read:

4 368.710. (1) The *[tax imposed under ORS 368.705 shall]* **local option taxes imposed under ORS**  
5 **280.040 to 280.145 must** be apportioned as follows:

6 (a) Not less than 50 percent of the tax *[shall]* **assessed and levied must** be apportioned to the  
7 several road districts, including districts composed of incorporated cities *[and towns]*, in *[such]* **the**  
8 **same** proportion as the amount of taxable property in each district bears to the whole amount of  
9 taxable property in the county. The amount apportioned to any incorporated city *[or town shall]*  
10 **must** be transferred to it to be expended under the management of its officials for the improvement  
11 and repair of county roads and for the improvement, repair and maintenance of improved streets  
12 within the boundaries of the city *[or town]*.

13 (b) The entire remaining revenue *[shall]* **must** be applied to roads in such locality in the county  
14 as the county governing body directs.

15 *[(2) No road tax shall be included in any general fund levy or in any other fund in such a manner*  
16 *that it cannot be readily ascertained for apportionment as provided in this section.]*

17 **(2) If a local option tax levy is reduced due to compression under ORS 310.150, the**  
18 **amounts apportioned under subsection (1) of this section must be based on the amount of**  
19 **taxes actually levied under the limits of compression.**

20 **(3) A county, road districts with territory in the county and incorporated cities with**  
21 **territory in the county may modify, by agreement, the apportionment of local option taxes**  
22 **provided for in this section to fund more effectively and efficiently projects within the county**  
23 **to construct, maintain, improve and repair public roads.**

24 **SECTION 3.** ORS 368.011 is amended to read:

25 368.011. (1) Except as otherwise provided in this section, a county may supersede any provision  
26 in this chapter by enacting an ordinance pursuant to the charter of the county or under powers  
27 granted the county in ORS 203.030 to 203.075.

28 (2) A county *[shall]* **may** not enact an ordinance to supersede *[any of the following provisions:*  
29 *This section and]* **a provision of this section or** ORS 368.001, 368.016, 368.021, 368.026, 368.031,  
30 368.051, 368.705, *[368.707,]* 368.710, 368.720 *[and]* **or** 368.722.

31 **SECTION 4.** ORS 376.385 is amended to read:

32 376.385. All fines and penalties collected, or security deposits forfeited, under ORS 376.990, shall  
33 be paid by the court or judicial officer collecting the same to the county treasurer of the county  
34 within which the violation occurred. The county treasurer shall credit moneys so received to the  
35 *[general]* **county** road fund of the county.

36 **SECTION 5. ORS 368.707 and 382.205 are repealed.**

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