75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: HB 2074 B
CARRIER: Sen. Burdick

REVENUE: Revenue Impact Issued
FISCAL: Minimal Fiscal Impact, no statement issued

Action:	Do Pass with Amendments and be Printed B-Engrossed	
Vote:	5-0-0	
	Yeas:	Hass, Morse, Rosenbaum, Telfer, Burdick
	Nays:	0
	Exc.:	0
Prepared By:		Dae Baek, Economist
Meeting Dates:		5/12, 5/28, 6/1

WHAT THE BILL DOES: Divides responsibility for funding a Tax Supervising and Conservation Commission (TSCC) between a county and the other municipal corporations within the county. Permits the county to receive reimbursement for the apportioned net cost of the TSCC from the amounts scheduled to be paid to municipal corporations as part of the distribution of tax collection moneys. Increases the TSCC's maximum operating budget by three percent a year, beginning with the fiscal year starting July 1, 2011. Allows a municipal corporation with a population not exceeding 200,000 to opt out of the TSCC jurisdiction. Takes effect upon passage.

ISSUES DISCUSSED:
- Benefits for various taxing districts
- Value of annual report

EFFECT OF COMMITTEE AMENDMENTS: Clarifies that urban renewal agencies are subject to apportionment in funding the TSCC. Allows a municipal corporation with a population not exceeding 200,000 to opt out of the TSCC jurisdiction. Takes effect upon passage.

BACKGROUND: The Tax Supervising and Conservation Commission (TSCC) is an independent, impartial panel of citizen volunteers established to monitor and report on the financial affairs of local government.

The TSCC's net cost in HB 2074A is defined as actual expenditures from the prior year as specified in ORS 294.630, plus office space expense as required by ORS 294.620, less reimbursement from the Assessment and Taxation grant attributable to the TSCC's activities. Currently the county is responsible for paying all of these costs. Under this bill the county would be responsible for the first 50% of the cost. The remaining 50% would be apportioned to the municipal corporations other than the county, using two separate apportionment methods: (1) budgeted expenditures of taxing districts for the current fiscal year, and (2) property taxes imposed for the prior fiscal year from taxing district's permanent tax rate limitations. Each method will contribute equally, that is 25% each, to fulfill the 50% funding obligation of other municipal corporations. Each method would have a $250 minimum apportionment, for a total minimum of $500.