

**PROPOSED AMENDMENTS TO
HOUSE BILL 3453**

1 On page 1 of the printed bill, line 2, delete “and”.

2 Delete line 3 and insert “appropriating money; and prescribing an effective date.”.

4 In line 5, delete “8” and insert “10”.

5 Delete lines 11 through 28 and delete pages 2 through 4 and insert:

6 **“SECTION 2. (1) If the Governor determines that fiscal conditions**
7 **exist or are imminent in one or more counties that compromise the**
8 **ability of the affected counties to provide a minimally adequate level**
9 **of public safety services, the Governor may proclaim a public safety**
10 **fiscal emergency.**

11 **“(2) Prior to declaring a public safety fiscal emergency, the Governor**
12 **shall consult with the Senate President, the Majority and Minority**
13 **Leaders of the Senate, the Speaker of the House of Representatives,**
14 **the Majority and Minority Leaders of the House of Representatives and**
15 **each Senator and Representative whose district is wholly or partially**
16 **within a county that is proposed to be subject to the public safety**
17 **fiscal emergency.**

18 **“(3) The Governor shall specify in a proclamation made pursuant**
19 **to this section each county in which the public safety fiscal emergency**
20 **has occurred or is imminent. The area specified in the proclamation**
21 **shall be as small as necessary to allow for an effective response to the**
22 **emergency, but may not be smaller than a single county.**

1 “(4) As used in sections 2 to 10 of this 2013 Act, ‘local government’
2 means a county.

3 “SECTION 3. (1) Whenever the Governor has proclaimed a public
4 safety fiscal emergency pursuant to section 2 of this 2013 Act, the
5 Governor may, on behalf of a unit of local government within the area
6 covered by the proclamation and only after obtaining written author-
7 ization signed by a majority of the governing body of each local gov-
8 ernment subject to the proclamation, enter into a written
9 intergovernmental agreement with any other unit of local govern-
10 ment, whether inside or outside the area covered by the proclamation,
11 for the performance of functions and activities related to public safety
12 that a unit of local government that is party to the agreement or its
13 officers or agencies have authority to perform.

14 “(2) ORS 190.010 applies to the performance of a function or activity
15 pursuant to an intergovernmental agreement entered into under sub-
16 section (1) of this section.

17 “(3)(a) The state shall bear 50 percent of the cost of public safety
18 services provided under the intergovernmental agreement entered into
19 under subsection (1) of this section.

20 “(b) The counties that are parties to the intergovernmental agree-
21 ment entered into under subsection (1) of this section shall bear the
22 remaining 50 percent, which may be funded through:

23 “(A) An income tax as provided in section 7 of this 2013 Act;

24 “(B) A tax on telecommunications services with access to the 9-1-1
25 emergency reporting system under section 8 of this 2013 Act;

26 “(C) Any assessment the county governing body is lawfully capable
27 of imposing, to the extent the governing body determines that the
28 other assessment is necessary to satisfy the county’s funding obli-
29 gations;

30 “(D) Existing sources of county revenue; or

1 “(E) Any combination of funding described in this paragraph.

2 “SECTION 4. (1) An intergovernmental agreement entered into un-
3 der section 3 of this 2013 Act must specify the functions or activities
4 to be performed and by what means the functions or activities shall
5 be performed.

6 “(2) Where applicable and subject to section 3 of this 2013 Act, the
7 intergovernmental agreement shall provide for:

8 “(a) Apportionment among the parties to the agreement of the re-
9 sponsibility for providing funds to pay for expenses incurred in the
10 performance of the functions or activities.

11 “(b) Apportionment of fees or other revenue derived from the
12 functions or activities and the manner of accounting for the fees or
13 other revenue.

14 “(c) The transfer of personnel and the preservation of their em-
15 ployment benefits.

16 “SECTION 5. (1) A unit of local government that is designated, in
17 an intergovernmental agreement entered into under section 3 of this
18 2013 Act, to perform functions or activities is vested with all powers,
19 rights and duties relating to those functions and activities that are
20 vested by law in each party to the agreement and its officers and
21 agencies.

22 “(2) An officer designated in an intergovernmental agreement en-
23 tered into under section 3 of this 2013 Act to perform duties, functions
24 or activities of two or more public officers shall be considered to be
25 holding one office.

26 “SECTION 6. (1) An intergovernmental entity created by an inter-
27 governmental agreement entered into under section 3 of this 2013 Act
28 may, according to the terms of the agreement, adopt all rules neces-
29 sary to carry out the intergovernmental entity’s powers and duties
30 under the intergovernmental agreement.

1 **“(2) Except as provided in section 3 (3) of this 2013 Act, the debts,**
2 **liabilities and obligations of an intergovernmental entity shall be,**
3 **jointly and severally, the debts, liabilities and obligations of the parties**
4 **to the intergovernmental agreement that created the intergovern-**
5 **mental entity, unless the agreement specifically provides otherwise.**

6 **“(3) A party to an intergovernmental agreement creating an inter-**
7 **governmental entity may assume responsibility for specific debts, li-**
8 **abilities or obligations of the intergovernmental entity.**

9 **“(4)(a) Moneys collected by or credited to an intergovernmental**
10 **entity may not inure to the benefit of any private person. Upon dis-**
11 **solution of the intergovernmental entity, title to all assets of the**
12 **intergovernmental entity shall vest in the parties to the intergovern-**
13 **mental agreement that created the intergovernmental entity.**

14 **“(b) The intergovernmental agreement creating the intergovern-**
15 **mental entity must provide a procedure for:**

16 **“(A) The disposition, division and distribution of any assets ac-**
17 **quired by the intergovernmental entity during the term of the inter-**
18 **governmental agreement that created the intergovernmental entity;**
19 **and**

20 **“(B) The assumption of any outstanding indebtedness or other li-**
21 **abilities of the intergovernmental entity by the parties to the inter-**
22 **governmental agreement that created the intergovernmental entity.**

23 **“(5) ORS 190.110 applies to all parties to, and all intergovernmental**
24 **entities created by, an intergovernmental agreement entered into un-**
25 **der section 3 of this 2013 Act.**

26 **“SECTION 7. (1) To carry out the purposes of sections 2 to 6 of this**
27 **2013 Act, counties within the area covered by the proclamation made**
28 **pursuant to section 2 of this 2013 Act may impose a tax:**

29 **“(a) Upon the entire taxable income of every resident of the area**
30 **who is subject to tax under ORS chapter 316 and upon the taxable in-**

1 come of every nonresident that is derived from sources within the area
2 which income is subject to tax under ORS chapter 316; or

3 “(b) On or measured by the net income of a mercantile, manufac-
4 turing, business, financial, centrally assessed, investment, insurance
5 or other corporation or entity taxable as a corporation doing business,
6 located, or having a place of business or office or having income de-
7 rived from sources, within the area which income is subject to tax
8 under ORS chapter 317 or 318.

9 “(2) A tax imposed pursuant to this section shall require the
10 adoption of an ordinance by the governing body of each county au-
11 thORIZING a tax under this section. The Governor may not act on behalf
12 of a county governing body in authorizing a tax under this section.

13 “(3) The tax may be imposed and collected as a surtax upon the
14 state personal income or corporate income or excise tax.

15 “(4) Any tax imposed pursuant to this section shall require a non-
16 resident, corporation or other entity taxable as a corporation having
17 income from activity both within and without the area taxable under
18 subsection (1) of this section to allocate and apportion such net income
19 to the area in the manner required for allocation and apportionment
20 of income under ORS 314.280 and 314.605 to 314.675.

21 “(5) If a county governing body adopts an ordinance under this
22 section, the ordinance shall be compatible with any state law estab-
23 lishing taxable income or relating to the administration, collection or
24 enforcement of any tax law of this state, and with any rules adopted
25 by the Department of Revenue under ORS 305.620 or otherwise.

26 “(6) An ordinance adopted under this section may not declare an
27 emergency.

28 “(7) This section does not apply to a county that is subject to a
29 charter that prohibits the imposition of county income taxes.

30 **SECTION 8.** (1) To carry out the purposes of sections 2 to 6 of this

1 2013 Act, counties within the area covered by the proclamation made
2 pursuant to section 2 of this 2013 Act may impose a tax on each paying
3 retail subscriber who has telecommunication services with access to
4 the 9-1-1 emergency reporting system, to the extent the governing
5 body determines that the tax is necessary to satisfy the county's
6 funding obligations under section 3 (3)(b) of this 2013 Act.

7 “(2) A county governing body that elects to impose a tax under this
8 section may do so by adopting an ordinance that establishes the rate
9 and duration of the tax, but in all other respects the tax must be im-
10 posed in accordance with ORS 403.200 to 403.230, except that:

11 “(a) The tax may be imposed on subscriber lines of subscribers
12 whose place of primary use, as defined under 4 U.S.C. 124, is within
13 the county imposing the tax; and

14 “(b) Net revenues, after the payment of refunds, from the tax im-
15 posed under authority of this section shall be transferred from the
16 suspense account described in ORS 403.235 as prescribed in section 8a
17 of this 2013 Act.

18 “(3) The Governor may not act on behalf of a county governing
19 body in authorizing a tax under this section.

20 “SECTION 8a. Moneys in the suspense account described in ORS
21 403.235 that are attributable to a county tax imposed under section 8
22 of this 2013 Act, after the payment of refunds, are continuously ap-
23 propriated to the Department of Revenue for distribution to the
24 counties that imposed the tax.

25 “SECTION 8b. To carry out the purposes of sections 2 to 6 of this
26 2013 Act, counties within the area covered by the proclamation made
27 pursuant to section 2 of this 2013 Act may impose any other assess-
28 ment the governing body is lawfully capable of imposing, to the extent
29 the governing body determines that the assessment is necessary to
30 satisfy the county's funding obligations under section 3 (3)(b) of this

1 2013 Act. The Governor may not act on behalf of a county governing
2 body in authorizing an assessment under this section.

3 **“SECTION 9. (1) A public safety fiscal emergency proclaimed pur-**
4 **suant to section 2 of this 2013 Act terminates after 18 months unless**
5 **the Governor extends the public safety fiscal emergency for a stated**
6 **amount of time up to 18 additional months. The Governor shall con-**
7 **sult with the Senate President, the Majority and Minority Leaders of**
8 **the Senate, the Speaker of the House of Representatives, the Majority**
9 **and Minority Leaders of the House of Representatives and each Sen-**
10 **ator and Representative whose district is wholly or partially within a**
11 **county that is subject to the public safety fiscal emergency.**

12 **“(2) The Governor shall terminate a public safety fiscal emergency**
13 **by proclamation when the emergency no longer exists or the threat**
14 **of an emergency has passed.**

15 **“(3) The public safety fiscal emergency proclaimed by the Governor**
16 **may be terminated at any time by action of the Legislative Assembly.**

17 **“(4) A termination of a public safety fiscal emergency shall apply**
18 **to:**

19 **“(a) Income and excise tax years beginning on or after January 1**
20 **following the termination; and**

21 **“(b) Other tax or assessment reporting periods beginning on or after**
22 **the first day of the first calendar quarter following the termination.**

23 **“(5) Prior to the termination of a public safety fiscal emergency, the**
24 **local governments that are parties to an intergovernmental agreement**
25 **entered into under section 3 of this 2013 Act may adopt an ordinance**
26 **ratifying the creation of the intergovernmental entity to continue the**
27 **entity beyond the termination of the emergency. The ratifying ordi-**
28 **nance shall be consistent with ORS 190.085.**

29 **“SECTION 10. The Legislative Assembly finds and declares that**
30 **providing a coordinated and comprehensive response to a local or re-**

1 **gional public safety fiscal emergency is a matter of state concern. The**
2 **Legislative Assembly also finds that the imposition of a tax or as-**
3 **essment described in section 7, 8 or 8b of this 2013 Act is an integral**
4 **component of any coordinated and comprehensive response, but the**
5 **Legislative Assembly further finds that an income tax imposed under**
6 **section 7 of this 2013 Act may not be imposed if the imposition would**
7 **contradict a county charter that expressly prohibits a county income**
8 **tax under any circumstance.**

9 **“SECTION 11.** ORS 203.055 is amended to read:

10 **“203.055. (1) Except as provided in subsection (2) of this section,** any
11 ordinance, adopted by a county governing body under ORS 203.035 and im-
12 posing, or providing an exemption from, taxation shall receive the approval
13 of the electors of the county before taking effect.

14 **“(2) A tax or assessment may be imposed under section 7, 8 or 8b**
15 **of this 2013 Act upon the taking effect of an ordinance adopted by the**
16 **governing body of the county that so provides. An emergency may not**
17 **be declared in an ordinance described in this subsection.**

18 **“SECTION 12.** ORS 203.055, as amended by section 11 of this 2013 Act,
19 is amended to read:

20 **“203.055. [(1) Except as provided in subsection (2) of this section,]** Any or-
21 dinance, adopted by a county governing body under ORS 203.035 and impos-
22 ing, or providing an exemption from, taxation shall receive the approval of
23 the electors of the county before taking effect.

24 **“[(2) A tax or assessment may be imposed under section 7, 8 or 8b of this**
25 **2013 Act upon the taking effect of an ordinance adopted by the governing body**
26 **of the county that so provides. An emergency may not be declared in an ordi-**
27 **nance described in this subsection.]**

28 **“SECTION 13.** The amendments to ORS 203.055 by section 12 of this
29 **2013 Act become operative on January 2, 2018.**

30 **“SECTION 14.** Sections 1 to 10 of this 2013 Act are repealed on

1 **January 2, 2018.**

2 **“SECTION 15. Nothing in the repeal of sections 1 to 10 of this 2013**
3 **Act by section 14 of this 2013 Act affects the validity of any of the**
4 **following entered into before the repeal of sections 1 to 10 of this 2013**
5 **Act:**

6 **“(1) A proclamation of a public safety fiscal emergency pursuant to**
7 **section 2 of this 2013 Act;**

8 **“(2) An intergovernmental agreement entered into under section 3**
9 **of this 2013 Act;**

10 **“(3) A tax or assessment entered into under section 7, 8 or 8b of this**
11 **2013 Act; or**

12 **“(4) An extension of a proclamation made under section 9 of this**
13 **2013 Act.**

14 **“SECTION 16. This 2013 Act takes effect on the 91st day after the**
15 **date on which the 2013 regular session of the Seventy-seventh Legis-**
16 **lative Assembly adjourns sine die.”.**

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