



## **SENATE BILL 1554**

*Comments by Gil Riddell, AOC Policy Director,  
before the Senate Committee on Education and Workforce Development, February 13, 2014.*

The Association of Oregon Counties urges the Committee to **pass Senate Bill 1554**.

SB 1554 will authorize a county to adopt an education funding protection ordinance, tailored to its individual policy preferences and circumstances, which is intended to protect and enhance the percentage of private land within the county, thereby protecting its tax base. By our calculations, the threshold for this authority can be met by all counties except Linn, Marion, Multnomah, and Washington, with Clackamas and Jackson on the cusp.

SB 1554 grants this authority to counties; it is a county's decision to use the authority. Moreover, the county has the choice to select the provisions for its ordinance authorized by SB 1554 that make policy sense to that county. It gives the local governing body and its citizens some control over its potential for economic activity, private development, and property taxes.

There are Oregon counties overwhelmed by public lands. Five with 70% or more public ownership: Deschutes, Harney, Hood River, Lake, and Malheur. Ten with between 50% and 70% public ownership: Baker, Crook, Curry, Douglas, Grant, Josephine, Klamath, Lane, Tillamook, and Willowa.

Add to public lands the wide array of state programs that grant property tax expenditures – outright exemptions or special assessments – and the property tax base shrinks further.

Public land and private lands under exemption are not taxable. But these lands require delivery of county services, which is not without cost. And with loss of property taxes for schools, Oregon must rely more heavily on the state general fund to provide for education, drawing resources away from other critical needs in human services and public safety.

SB 1554 grants to counties more tools to help shape their own futures.

AOC asks for your approval of SB 1554.