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TESTIMONY TO SENATE FINANCE AND REVENUE COMMITTEE

March, 8, 2017

Opposition to SB 202 and SB 840

Chairman Hass and members of the Senate Finance and Revenue Committee, good morning. My name is Craig Honeyman and I am speaking today on behalf of the League of Oregon Cities. We represent all 241 cities in Oregon. Many of those cities are represented in the audience behind me and have also submitted written testimony for the record.

It is not an exaggeration to say that SB 202 and SB 840 turn upside down existing law and relationships between cities and those providing critical energy, water and communications services to local citizens. Consequently, the League and cities throughout Oregon are emphatically opposed to these bills and this morning you will hear why. Let me briefly summarize some of the messages and themes you will hear in subsequent testimony.

- Oregon is a Home Rule State.
- Local control is paramount for cities in Oregon.
- Local authority in regards to rights of way management and the receipt of fair and reasonable compensation for the occupancy of local rights of way being held in public trust by cities has been upheld by the courts every step of the way.
- The negative impact of both bills on a revenue source that is second only to property taxes in support of city services is enormous.
- Especially in the case of SB 202, this is about local issues being addressed locally as has just occurred in Washington County.
- Cities afford providers with a very efficient, relatively inexpensive and linear means of accessing rights of way, providing them with a single source for gaining access (a city) as opposed to having to negotiate with a myriad of individual property owners.
- This discussion needs to be about taxpayer fairness, and less about ratepayer fairness.
- Cities need the energy, water and communications services provided by occupants of our rights of way, so it is not in their interest to charge usurious fees, and I would submit to you that they do not.

So, those are some of the messages that you are about to hear and I wanted to underscore in my testimony. Thank you for the opportunity to make our case for preserving local authority to manage these very important public assets.