

TO: Members of the House Revenue Committee

FROM: Hasina E. Squires, Special Districts Association of Oregon

DATE: April 10, 2017

RE: **Testimony in Opposition to HB 2363**

INTRODUCTION

Members of the House Revenue Committee, thank you for the opportunity to appear before you today. For the record my name is Hasina Squires and I appear before you today on behalf of the Special Districts Association of Oregon (SDAO) to provide testimony in opposition to House Bill 2363. Our association was formed in 1978 and our membership consists of approximately 950 special service districts that provide a range of services (including but not limited to water, wastewater, irrigation, parks and recreation, 9-1-1 and rural fire protection) statewide to citizens who reside within cities and in unincorporated communities.

There are 31 types of special districts and some are highly dependent on property tax revenue—in some cases 95% of their revenue comes solely from property taxes. Districts that tend to be very dependent on property taxes are rural fire protection districts, libraries, 9-1-1 and parks and recreation districts.

36% of special districts have 5 or fewer employees and 45% have budgets of \$100,000 or less. HB 2363 districts located in four counties (Polk, Josephine, Douglas and Curry) would not receive the full amount of property tax collections and would be required to fund part of a county function—Assessment and Taxation (A&T).

BACKGROUND

In 1997, HB 2049 dedicated an additional 25% of interest revenue on delinquent property taxes to the A&T fund for local governments (excluding schools) and cities. Special districts still provide 25% of their delinquent interest to A&T while schools continue to be excluded from this delinquent interest reallocation.

In 1999, the Legislature appropriated \$5 million to fund the Assessment and Taxation via the Department of Revenue's budget to support collection of property taxes for the state-funded school system. Statewide, K-12 and Education Service Districts receive around 40% of property taxes collected. Special districts account for the smallest amount of property tax collected state wide at only 14%. In 2009 the legislature eliminated the biennial appropriation to the A&T fund. Thankfully during the 2015 session the legislature appropriated \$1.8 million to backfill a shortfall in the County Assessment Function Funding Assistance Account (CAFFA).

CONCLUSION

Cities and special districts already provide 25% of interest revenue on delinquent property taxes to fund A&T functions. School districts do not share in this funding effort which results in inequity between local government's funding requirements.

I have attached a chart that includes all taxing districts in Polk, Josephine, Douglas and Curry Counties. Members of SDAO's association are highlighted in yellow. The information contained includes total assessed value; total permanent rate authority imposed; local option levy authority imposed; and those districts reported total budgets, FTEs and volunteers. As you can see from the chart many of these districts are rural fire protection districts and have very small operating budgets.

Special districts are single-service providers who, unlike cities and counties, don't have the opportunity to choose to shift revenue losses off to different departments or other program areas. When special districts receive less revenue they are forced to make the appropriate corresponding reduction to service levels.

SDAO appreciates the work that our county assessors do to collect taxing districts' revenue. However, A&T is a county function and should be funded by counties.

Thank you for the opportunity to testify before you today. SDAO encourages your opposition to HB 2363. I would be pleased to answer any question the committee has.

District Name	County	District Type	Total Assessed Value	Permanent Authority Imposed	Local Option Authority Imposed	Permanent Tax Rate Levied	Local Option Tax Rate Levied	Budget	Employees	Volunteers
Curry County	Curry	County	2,800,498,255	1,653,463	0	0.0005996	0.0000000			
Brookings City	Curry	City	718,984,753	2,543,815	0	0.0037630	0.0000000			
Gold Beach City	Curry	City	234,136,187	546,943	59,986	0.0023360	0.0002562			
Port Orford City	Curry	City	116,134,298	263,486	220,656	0.0022688	0.0019000			
Brookings-Harbor 17 School	Curry	School	1,714,623,745	5,431,859	0	0.0032494	0.0000000			
Central Curry 1 School	Curry	School	738,631,415	2,881,118	0	0.0039171	0.0000000			
Port Orford-Langlois 2J School	Curry	School	409,042,001	1,612,131	0	0.0039596	0.0000000			
Langlois Cemetery	Curry	Cemetery	94,901,662	8,038	0	0.0000847	0.0000000			
Pistol River Cemetery	Curry	Cemetery	55,486,810	6,958	0	0.0001254	0.0000000			
Port Orford Cemetery	Curry	Cemetery	252,413,083	11,384	0	0.0000451	0.0000000	22,750	1	3
Rogue River Cemetery	Curry	Cemetery	649,766,203	50,162	0	0.0000772	0.0000000			
South Curry Cemetery	Curry	Cemetery	1,719,009,625	61,724	0	0.0000368	0.0000000	168,700	0	3
Agness Illahe Rfpd	Curry	Fire	16,585,318	0	0	0.0000000	0.0000000	23,982	0	14
Cape Ferrero Rfpd	Curry	Fire	151,782,889	73,023	0	0.0004811	0.0000000	42,800	0	10
Cedar Valley- North Bank Rfpd	Curry	Fire	0	0	0	0.0000000	0.0000000	61,925	0	10
Curry Sixes Rfpd	Curry	Fire	25,808,552	13,291	25,292	0.0005150	0.0009800	109,766	0	14
Gold Beach- Wedderburn Rfpd	Curry	Fire	122,923,384	154,994	0	0.0012609	0.0000000	0	0	5
Harbor Rfpd	Curry	Fire	478,726,361	111,639	0	0.0002332	0.0000000	177,500	2	20
Langlois Rfpd	Curry	Fire	48,639,259	77,696	0	0.0015974	0.0000000	92,200	2	10
Ophir Rfpd	Curry	Fire	103,832,840	71,312	0	0.0006868	0.0000000	67,352	0	12
Pistol River Rfpd	Curry	Fire	39,001,553	38,506	0	0.0009873	0.0000000	5,375	0	12
Port Orford Rfpd	Curry	Fire	72,796,102	96,106	0	0.0013202	0.0000000	0	1	11
Squaw Valley North Bank Rfpd	Curry	Fire	34,647,284	21,869	0	0.0006312	0.0000000			
Suburban Rfpd	Curry	Fire	166,699,578	55,761	0	0.0003345	0.0000000			
Upper Chetco Rfpd	Curry	Fire	23,382,736	16,663	0	0.0007126	0.0000000			
Winchuck Rfpd	Curry	Fire	40,976,530	36,760	0	0.0008971	0.0000000	0	0	12
Curry Health	Curry	Health	946,611,201	702,860	0	0.0007425	0.0000000	37,276,794	263	65
Brookings Port	Curry	Port	1,719,009,62	220,633	0	0.0001316	0.0000000	2,998,684	11	0
Gold Beach Port	Curry	Port	675,945,076	279,301	0	0.0004132	0.0000000	711,809	5	0
Port Orford Port	Curry	Port	252,413,083	90,643	0	0.0003591	0.0000000	633,596	6	0
Road-Mountain Drive	Curry	Road	19,200,300	28,224	0	0.0014700	0.0000000	30,495	0	3
Cam. Park Sanitary	Curry	Sanitary	7,984,470	0	0	0.0000000	0.0000000	21,253	0	4

Harbor Sanitary	Curry	Sanitary	269,884,181	0	0	0.0000000	0.0000000	2,746,215	6	5
Wedderburn Sanitary	Curry	Sanitary	65,945,222	44,190	0	0.0006701	0.0000000	0	2	3
Curry County Public Transit Service District	Curry	Transit	0	0	0	0.0000000	0.0000000	438,369	0	0
Harbor Water	Curry	Water Supply	482,122,631	0	0	0.0000000	0.0000000	0	5	0
Langlois Water	Curry	Water Supply	13,818,639	19,918	0	0.0014414	0.0000000	94,601	3	25
Nb-Ophir Water	Curry	Water Supply	81,814,646	0	0	0.0000000	0.0000000	276,368	3	5
Curry Soil & Water	Curry	Water Control	2,800,498,255	0	0	0.0000000	0.0000000	110,179	13	6
Curry Co 4H Service	Curry	Service	2,800,498,255	281,601	0	0.0001021	0.0000000	533,770	0	0
Agness Library	Curry	Other	25,607,892	16,988	0	0.0006634	0.0000000	21,134	2	5
Chetco Community Library	Curry	Other	1,719,009,625	633,057	0	0.0003777	0.0000000	712,400	9	18
Curry Public Library	Curry	Other	630,836,413	416,920	0	0.0006609	0.0000000	456,254	7	15
Langlois Library	Curry	Other	94,480,982	72,816	0	0.0007707	0.0000000			
Port Orford Library	Curry	Other	252,413,083	125,577	0	0.0004975	0.0000000	203,309	6	16
Douglas County	Douglas	County	8,576,128,28	9,199,548	0	0.0011124	0.0000000			
Canyonville City	Douglas	City	86,305,682	278,793	0	0.0032303	0.0000000			
Drain City	Douglas	City	54,466,183	82,979	0	0.0015235	0.0000000			
Elkton City	Douglas	City	17,942,379	41,765	0	0.0023277	0.0000000			
Glendale City	Douglas	City	26,407,377	124,442	0	0.0047127	0.0000000			
Myrtle Creek City	Douglas	City	164,858,867	1,099,153	0	0.0065088	0.0000000			
Oakland City	Douglas	City	50,042,369	320,750	0	0.0064096	0.0000000			
Reedsport City	Douglas	City	247,266,938	1,332,053	0	0.0061882	0.0000000			
Riddle City	Douglas	City	44,917,324	291,417	0	0.0064885	0.0000000			
Roseburg City (Downtown)	Douglas	City	22,725,530	184,581	0	0.0084774	0.0000000			
Roseburg City (Outside Downtown)	Douglas	City	1,752,186,551	12,582,417	0	0.0084774	0.0000000			
Roseburg City (Serafin)	Douglas	City	1,884,008	13,238	0	0.0084774	0.0000000			
Sutherlin City	Douglas	City	481,750,152	2,713,880	0	0.0056335	0.0000000			
Winston City	Douglas	City	236,550,682	971,989	0	0.0042718	0.0000000			
Yoncalla City	Douglas	City	42,247,185	61,626	0	0.0014587	0.0000000			
Camas Valley 21 School	Douglas	School	57,022,263	256,206	0	0.0046977	0.0000000			
Days Creek 15 School	Douglas	School	96,920,518	445,186	0	0.0048367	0.0000000			
Elkton 34 School	Douglas	School	169,112,126	725,122	0	0.0043624	0.0000000			
Glendale 77 School	Douglas	School	203,481,794	903,923	0	0.0047431	0.0000000			
Glide 12 School	Douglas	School	848,166,583	3,611,358	0	0.0045037	0.0000000			
North Douglas 22 School	Douglas	School	190,703,168	865,144	0	0.0047844	0.0000000			
Oakland 1 School	Douglas	School	284,281,251	1,260,014	0	0.0046397	0.0000000			
Reedsport 105 School	Douglas	School	460,207,946	1,933,476	0	0.0043788	0.0000000			

Riddle 70 School	Douglas	School	197,530,076	852,908	0	0.0046635	0.0000000			
Roseburg 4 School	Douglas	School	3,901,750,089	14,764,665	0	0.0040327	0.0000000			
South Umpqua 19 School	Douglas	School	667,321,173	2,987,493	0	0.0047091	0.0000000			
Sutherlin 130 School	Douglas	School	645,891,444	2,625,383	0	0.0040815	0.0000000			
Winston-Dillard 116 School	Douglas	School	639,084,676	2,713,852	0	0.0043994	0.0000000			
Yoncalla 32 School	Douglas	School	200,978,923	895,986	0	0.0046884	0.0000000			
Douglas Esd	Douglas	Education	8,102,244,084	4,071,307	0	0.0005296	0.0000000			
Umpqua Community College	Douglas	Education	8,104,967,202	3,499,976	0	0.0004551	0.0000000			
Riddle Cemetery	Douglas	Cemetery	197,530,076	8,138	0	0.0000412	0.0000000			
Azalea Rfpd	Douglas	Fire	57,490,315	68,184	0	0.0011860	0.0000000	104,00	0	7
Calapooya Rfpd	Douglas	Fire	42,700,430	66,421	0	0.0015555	0.0000000	44,600	0	0
Camas Valley Rfpd	Douglas	Fire	36,559,248	0	64,257	0.0000000	0.0017576	0	0	15
Canyonville/South Umpqua Rfpd	Douglas	Fire	140,570,061	96,389	0	0.0006857	0.0000000	182,150	0	28
Days Creek Rfpd	Douglas	Fire	30,934,429	24,379	0	0.0007881	0.0000000	36,00	0	10
Douglas 2 Rfpd	Douglas	Fire	2,006,407,090	6,350,476	0	0.0031651	0.0000000	8,568,675	49	24
Elkton Rfpd	Douglas	Fire	67,107,801	74,013	0	0.0011029	0.0000000	56,200	0	11
Fair Oaks Rfpd	Douglas	Fire	97,278,313	107,570	0	0.0011058	0.0000000	0	1	25
Gardiner Rfpd	Douglas	Fire	10,838,409	21,704	0	0.0020026	0.0000000	31,160	0	12
Glendale Rfpd	Douglas	Fire	67,138,364	38,390	0	0.0005718	0.0000000	86,200	0	14
Glide Rfpd	Douglas	Fire	303,875,299	325,390	0	0.0010708	0.0000000	318,200	6	24
Kellogg Rfpd	Douglas	Fire	69,476,749	56,276	0	0.0008100	0.0000000	0	0	11
Lookingglass Rfpd	Douglas	Fire	125,433,111	63,682	0	0.0005077	0.0000000	73,010	0	22
Milo Volunteer Rfpd	Douglas	Fire	16,198,586	27,287	0	0.0016845	0.0000000	0	0	15
Myrtle Creek Rfpd	Douglas	Fire	77,002,515	38,016	0	0.0004937	0.0000000	0	0	45
No Douglas Fire & Ems	Douglas	Fire	288,887,448	352,154	285,999	0.0012190	0.0009900	1,045,735	8	67
Oakland Rfpd	Douglas	Fire	101,042,164	103,174	0	0.0010211	0.0000000	0	0	20
Riddle Rfpd	Douglas	Fire	166,269,764	243,130	0	0.0014623	0.0000000	200,170	0	31
Scottsburg Rfpd	Douglas	Fire	43,034,188	42,905	0	0.0009970	0.0000000	110,000	0	26
Ten-Mile Rfpd	Douglas	Fire	82,731,255	129,797	0	0.0015689	0.0000000	374,115	3	0
Tiller Rfpd	Douglas	Fire	14,883,574	41,796	0	0.0028082	0.0000000	34,400	0	11
Tri-City Rfpd	Douglas	Fire	192,032,354	244,764	0	0.0012746	0.0000000	296,820	1	26
Winchester Bay Rfpd	Douglas	Fire	28,708,277	47,501	0	0.0016546	0.0000000	83,780	0	14
Winston-Dillard 5 Rfpd	Douglas	Fire	415,210,250	1,886,894	0	0.0046453	0.0000000	2,039,466	13	3
Glendale Ambulance	Douglas	Health	203,481,794	238,072	0	0.0011700	0.0000000	461,656	16	0
Lower Umpqua Health	Douglas	Health	504,697,472	1,877,935	0	0.0039729	0.0000000	26,258,212	147	20
Lower Umpqua Park & Rec	Douglas	Park	460,207,946	103,465	0	0.0002416	0.0000000	164,300	19	0

North Douglas Park & Rec	Douglas	Park	190,703,168	89,669	0	0.0004702	0.0000000	215,450	11	113
Riddle Park & Rec	Douglas	Park	197,530,076	0	0	0.0000000	0.0000000			
River Bend Park & Rec	Douglas	Park	381,542,558	0	0	0.0000000	0.0000000			
Sutherland Park & Rec	Douglas	Park	645,891,444	0	0	0.0000000	0.0000000	46,000	0	0
Yoncalla Park	Douglas	Park	200,978,923	31,192	0	0.0001552	0.0000000	49,400	1	6
Umpqua Port	Douglas	Port	606,609,724	197,740	0	0.0003441	0.0000000	578,269	3	0
Bar L Ranch Road	Douglas	Road	9,598,096	24,999	0	0.0026046	0.0000000	25,000	0	0
Humphrey Add Road	Douglas	Road	1,040,775	700	0	0.0006725	0.0000000			
Joelson Road	Douglas	Road	1,555,023	3,888	0	0.0025000	0.0000000			
Moorea Drive Road	Douglas	Road	33,343,927	0	0	0.0000000	0.0000000			
Oakwood Road	Douglas	Road	4,802,495	0	0	0.0000000	0.0000000			
Overlook-Scotview Road	Douglas	Road	4,964,664	4,965	0	0.0010000	0.0000000			
Raccoon Road	Douglas	Road	2,433,111	4,866	0	0.0020000	0.0000000			
Rd Darley Drive	Douglas	Road	9,886,109	0	0	0.0000000	0.0000000	3,100	0	0
Rd Elkton Estates Ph II	Douglas	Road	3,600,357	8,281	0	0.0023000	0.0000000	0	0	0
Roaring Camp Road	Douglas	Road	878,308	0	0	0.0000000	0.0000000			
Sable Drive Road	Douglas	Road	15,136,158	9,000	0	0.0005946	0.0000000			
Se Booth Ave Rd	Douglas	Road	6,827,335	6,827	0	0.0010000	0.0000000			
Spring Brook Road	Douglas	Road	5,644,065	14,042	0	0.0024881	0.0000000			
Standley Road	Douglas	Road	12,468,715	21,526	0	0.0017264	0.0000000			
Sunshine Acres Road	Douglas	Road	5,254,144	5,254	0	0.0010000	0.0000000			
Terrace Drive Road	Douglas	Road	6,776,955	9,473	0	0.0013978	0.0000000			
Upper Cleveland Rapid Road	Douglas	Road	6,734,781	13,560	0	0.0020134	0.0000000	0	0	3
Canyonville Sanitary	Douglas	Sanitary	6,872,290	0	0	0.0000000	0.0000000			
Gardiner Sanitary	Douglas	Sanitary	21,951,225	31,151	0	0.0014191	0.0000000	378,402	2	5
Glide Idlelyd Sanitary	Douglas	Sanitary	0	0	0	0.0000000	0.0000000	421,300	0	1
Green Sanitary	Douglas	Sanitary	450,671,422	0	0	0.0000000	0.0000000	1,781,850	5	0
Oak Hill Sanitary	Douglas	Sanitary	8,830,642	0	0	0.0000000	0.0000000			
Roseburg Urban Sanitary	Douglas	Sanitary	2,215,490,375	0	0	0.0000000	0.0000000	4,412,000	15	0
Union Gap Sanitary	Douglas	Sanitary	6,491,551	0	0	0.0000000	0.0000000	75,930	0	5
Winchester Bay Sanitary	Douglas	Sanitary	36,984,346	0	0	0.0000000	0.0000000	506,000	4	0
Canyonville Water	Douglas	Water Supply	6,343,390	0	0	0.0000000	0.0000000			
Indian Spring Water	Douglas	Water Supply	528,900	0	0	0.0000000	0.0000000			
Lawson Acres Water	Douglas	Water Supply	1,287,931	0	0	0.0000000	0.0000000			
Ridgewood Water	Douglas	Water Supply	11,257,086	0	0	0.0000000	0.0000000			
Roberts Creek Water	Douglas	Water Supply	528,875,065	0	0	0.0000000	0.0000000	1,393,625	9	0

Tri City Water And Sanitation	Douglas	Water Supply	183,987,404	135,746	0	0.0007378	0.0000000	1,617,750	7	0
Union Gap Water	Douglas	Water Supply	6,481,266	0	0	0.0000000	0.0000000			
Winchester Water	Douglas	Water Supply	40,837,450	0	0	0.0000000	0.0000000			
Winston-Dillard Water	Douglas	Water Supply	309,611,346	0	0	0.0000000	0.0000000	2,279,432	8	0
Douglas County SWCD	Douglas	Water Control	0	0	0	0.0000000	0.0000000	0	10	2
Lookinglass-Olalla Water	Douglas	Water Control	256,826,434	0	0	0.0000000	0.0000000	15,250	0	0
Sutherland Water Control	Douglas	Water Control	417,771,661	212,181	0	0.0005079	0.0000000	374,115	3	0
Umpqua S.W.C.D.	Douglas	Water Control	0	0	0	0.0000000	0.0000000	122,252	1	5
SV 4H Extension Service	Douglas	Service	8,242,555,662	478,225	0	0.0000600	0.0000000			
Apple Rogue District Improvement County	Douglas	Other	0	0	0	0.0000000	0.0000000	16,320	0	0
Josephine County	Josephine	County	6,944,418,847	4,075,487	555,716	0.0005867	0.0000800			
Josephine County 911 Agency	Josephine	County	0	0	0	0.0000000	0.0000000	0	0	0
Cave Junction City	Josephine	City	122,065,518	231,425	0	0.0018959	0.0000000			
Grants Pass City	Josephine	City	2,899,453,819	11,993,293	5,193,658	0.0041335	0.0017900			
Grants Pass 7 School	Josephine	School	3,030,267,007	13,319,702	0	0.0045248	0.0000000			
Three Rivers Sd #401	Josephine	School	4,044,078,331	15,069,047	0	0.0037262	0.0000000			
Illinois Valley 1 Rfpd	Josephine	Fire	590,673,460	1,104,618	147,674	0.0018701	0.0002500	1,256,036	7	32
Williams Rfpd	Josephine	Fire	166,567,190	175,762	88,281	0.0010552	0.0005300	280,950	2	1
Wolf Creek Rfpd	Josephine	Fire	32,935,884	72,014	19,432	0.0021865	0.0005900	109,375	2	18
Merlin Community Park District	Josephine	Park	0	0	0	0.0000000	0.0000000	14,550	0	4
Illinois Valley SWCD	Josephine	Water Control	0	0	0	0.0000000	0.0000000	0	4	1
Josephine SWCD	Josephine	Water Control	0	0	0	0.0000000	0.0000000	317,422	2	0
Grants Pass Irrigation	Josephine	Water Supply	0	0	0	0.0000000	0.0000000	1,951,243	17	0
Kirby Water	Josephine	Water Supply	12,208,460	0	0	0.0000000	0.0000000	63,000	0	4
Josephine Co Extension	Josephine	Service	6,944,418,847	318,844	0	0.0000459	0.0000000	358,946	0	0
Polk County	Polk	County	5,358,664,931	8,987,145	1,633,273	0.0017160	0.0003048			
Dallas City	Polk	City	902,199,252	3,735,636	0	0.0041954	0.0000000			
Falls City	Polk	City	37,477,833	109,443	0	0.0029202	0.0000000			
Independence City	Polk	City	415,094,690	1,763,643	0	0.0045897	0.0000000			
Monmouth City	Polk	City	447,163,110	1,547,630	0	0.0036107	0.0000000			
Central 131 School	Polk	School	1,245,551,736	5,679,200	0	0.0048834	0.0000000			
Dallas 2 School	Polk	School	1,430,374,800	6,324,434	0	0.0045527	0.0000000			
Falls City 57 School	Polk	School	81,546,508	341,551	70,461	0.0042052	0.0012500			
Perrydale 21 School	Polk	School	100,975,700	451,676	0	0.0045657	0.0000000			
Dallas Cemetery	Polk	Cemetery	1,246,821,866	67,569	0	0.0000547	0.0000000	159,435	3	0
Fir Crest Cemetery	Polk	Cemetery	582,875,387	26,662	0	0.0000472	0.0000000			

Hillkop Cemetery	Polk	Cemetery	489,455,914	51,937	0	0.0001132	0.0000000			
Pedee Cemetery	Polk	Cemetery	32,787,418	4,984	0	0.0001520	0.0000000			
Polk JJ Rfpd	Polk	Fire	1,185,702,759	1,688,398	222,679	0.0015038	0.0001900	3,952,201	15	60
Southwest Rfpd	Polk	Fire	573,723,989	477,214	0	0.0008612	0.0000000	521,440	1	20
Spring Valley Rfpd	Polk	Fire	107,286,361	57,570	0	0.0005366	0.0000000			
Ash Creek Water Control	Polk	Water Control	449,701,845	44,780	0	0.0001069	0.0000000	115,780	0	0
Polk Soil/Water Cd	Polk	Water Control	5,358,664,931	261,949	0	0.0000500	0.0000000	1,180,926	6	4
Rock Creek Water	Polk	Water Supply	0	0	0	0.0000000	0.0000000	153,694	5	0
Grande Ronde Sanitary	Polk	Sanitary	0	0	0	0.0000000	0.0000000	130,000	1	0
4-H/M Garden/Ag/Forest Ext Dist	Polk	Service	5,358,664,931	392,898	0	0.0000750	0.0000000			