

**SB 123 -A3 STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Meeting Dates:** 2/28, 4/3, 5/15

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**WHAT THE MEASURE DOES:**

Authorizes formation of children's special districts and provides districts the authority to assess, levy and collect taxes to pay the cost of children's services within the boundaries of the district. Defines children's services as services provided outside of school hours to children who are school-aged or younger and includes, but is not limited to, services related to civics, culture, arts and music, physical recreation, health and well-being, technology and the development of skills. Requires petition for formation of children's special district to be signed by greater of 15 percent or more of electors in territory or 100 electors. Aligns formation and changes of organization of children's special districts with existing special district statutes.

**ISSUES DISCUSSED:**

2/28/2017

- Mechanics of what would happen if measure were to become law
- Potential gap in existing services available to kids provided by existing districts
- Availability of services for children, especially during the summer.

**EFFECT OF AMENDMENT:**

-A3 For purposes of children's special districts, defines "children" as individuals who are not more than 18 years old and "children's services" as services that support children's total health and well-being that are provided to children outside of school hours". Requires a children's special district that dedicates any revenue of children's special district to be used for educational services, including support services, as determined in a final decision of a court, to discontinue the project and instead use the revenue for a project that does not constitute education services, including support services.

**BACKGROUND:**

Changes to current law provided by the measure will allow for the creation of children's special districts, however, no children's special districts will be created directly because of the measure. ORS 198.705 - 198.955 provide the general requirements for formation of new special districts. ORS 198.815 requires proposals for formation that include a permanent rate limit for operating taxes of a proposed district to be voted on in either a May or November election.

Article XI, Section 11b. of the Oregon Constitution states in part:

Property tax revenues are deemed to be dedicated to funding the public school system if the revenues are to be used exclusively for educational services, including support services, provided by some unit of government, at any level from pre-kindergarten through post-graduate training.