

HB 2745 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Kyle Easton, Economist

Meeting Dates: 5/4

WHAT THE MEASURE DOES:

Allows an intergovernmental entity created to operate, maintain, repair and modernize transportation facilities and that qualifies as recipient of Federal Transit Administration funding, to issue general obligation bonds and assess, levy and collect ad valorem property taxes, including operating taxes and local option levies. Allows intergovernmental entity to provide nonrail public transportation and terminal facilities for public transportation. Provides intergovernmental entity ability to divide territory of entity into zones for the purpose of imposing and levying property taxes at different rates in each zone based upon qualitative differences in services provided. Specifies procedure to be followed allowing intergovernmental entity authority to tax; specified procedure includes requirements for local government body and voter approval. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Enacted in 2001, Senate Bill 933 authorized intergovernmental entities to operate, maintain, repair, and improve transportation facilities. An intergovernmental entity is not the same as a mass transit district, however, intergovernmental entities are subject to local budget law statutes ORS 294.305 to 294.565. A notable difference between a mass transit district and a transportation intergovernmental entity with authorities provided by measure, is the ability of the intergovernmental entity to impose property taxes at different rates in different zones of the intergovernmental entity and expend those revenues within the zone in which collections are derived.

The Central Oregon Intergovernmental Council (COIC) provides regional transit service in Deschutes, Jefferson, and Crook Counties via Cascades East Transit (CET).