

HB 2745 A STAFF MEASURE SUMMARY

House Committee On Transportation Policy

Action Date: 03/22/17

Action: Do pass with amendments
and be referred to Revenue by prior reference. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Barreto, Evans, McKeown, McLain, Meek, Noble, Vial, Wilson, Witt

Fiscal: No fiscal impact

Revenue: Revenue impact issued

Prepared By: Tim Walker, LPRO Analyst

WHAT THE MEASURE DOES:

Allows intergovernmental entities, with consent of local jurisdictions, to levy property taxes for non-rail transit services that are tailored to the needs of individual communities. Requires the intergovernmental entity to obtain approval of governing bodies in affected cities and counties in the affected territory. Grants intergovernmental entity status as transportation district for purposes of transportation district and special district laws. Requires entity to obtain voter approval of measures authorizing bond issuance, imposing taxes or establishing tax zones. Takes effect on 91st day sine die.

ISSUES DISCUSSED:

- Allows autonomy for political subdivisions
- Separate funding source for transit
- Clarifies ORS 190 with respect to funding of operations
- Possible application to other regions of the state
- Potential for sustainable funding

EFFECT OF AMENDMENT:

Limits applicability to non-rail transportation and transportation facilities. States the estimated amount of the ad valorem taxes be stated in per \$1,000 of assessed value. Specifies that if the territory of an intergovernmental entity is divided into zones, the board shall declare the ad valorem property tax for each zone.

BACKGROUND:

The Central Oregon Intergovernmental Council (COIC) provides regional transit service in Deschutes, Jefferson, and Crook Counties via Cascades East Transit (CET). Current statute is unclear as to whether COIC can ask voters to fund transit operations by way of property taxes. House Bill 2745 A applies to intergovernmental entities organized under ORS 190 that are eligible for Federal Transit Administration funding. The measure applies only to non-rail transit services.