

Requested by Representative SMITH DB

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 3374**

1 On page 1 of the printed A-engrossed bill, delete lines 4 through 24 and
2 delete page 2 and insert:

3 **“SECTION 1. (1) This section applies to a county if:**

4 **“(a) The county received payments for Oregon and California Rail-**
5 **road Revested Lands or Coos Bay Wagon Road Lands under the federal**
6 **Secure Rural Schools program for the property tax year beginning on**
7 **July 1, 2008, in an amount that was greater than 15 percent of the total**
8 **ad valorem property taxes imposed by the county for the property tax**
9 **year beginning on July 1, 2008; and**

10 **“(b) The voters of the county approve a county service district to**
11 **provide law enforcement services on or after the effective date of this**
12 **2017 Act and before January 1, 2020.**

13 **“(2) The Department of Revenue shall make a grant on a first-come,**
14 **first-served basis to a county service district described in subsection**
15 **(1)(b) of this section, for the first four property tax years in which the**
16 **county service district imposes operating taxes as defined in ORS**
17 **310.055, in an amount per year determined under subsection (5) of this**
18 **section.**

19 **“(3)(a) As soon as practicable after formation of a county service**
20 **district described in subsection (1)(b) of this section, the assessor of**
21 **the county in which the district is formed shall notify the department**

1 of the information necessary for the department to determine whether
2 the county service district is entitled to a grant under this section.

3 “(b) If, upon receipt of notice under this subsection, the department
4 determines that the county service district is not entitled to a grant,
5 the department shall notify the governing body of the district and the
6 county assessor of the determination.

7 “(c) If the department determines that the county service district
8 is entitled to a grant, the department shall make the grant as provided
9 in subsection (5) of this section.

10 “(4) For the property tax years for which a county service district
11 is entitled to a grant under this section, the district shall, for purposes
12 of ORS 310.060, certify a rate of operating taxes that equals:

13 “(a) For the first property tax year, 20 percent of the permanent
14 rate limit of the district.

15 “(b) For the second property tax year, 40 percent of the permanent
16 rate limit of the district.

17 “(c) For the third property tax year, 60 percent of the permanent
18 rate limit of the district.

19 “(d) For the fourth property tax year, 80 percent of the permanent
20 rate limit of the district.

21 “(5)(a) As soon as practicable after the assessor of the county has
22 made the certificate required under ORS 311.105 for a property tax year
23 for which a county service district is entitled to a grant under this
24 section, the assessor shall notify the department of the total amount
25 of operating taxes imposed by the district.

26 “(b) Upon receipt of the notice under this subsection, the depart-
27 ment shall make a grant to the county service district from moneys
28 in the Oregon County Assistance Fund established under section 3 of
29 this 2017 Act in an amount per year equal to the lesser of 50 percent
30 of the federal Secure Rural Schools Program payments received by the

1 county as described in subsection (1) of this section or:

2 “(A) For the first property tax year for which the county service
3 district is entitled to a grant, four times the amount of operating taxes
4 imposed by the district.

5 “(B) For the second property tax year for which the county service
6 district is entitled to a grant, one and one-half times the amount of
7 operating taxes imposed by the district.

8 “(C) For the third property tax year for which the county service
9 district is entitled to a grant, two-thirds of the amount of operating
10 taxes imposed by the district.

11 “(D) For the fourth property tax year for which the county service
12 district is entitled to a grant, one-quarter of the amount of operating
13 taxes imposed by the district.

14 “(6) The department may adopt rules governing the implementation
15 of this section.

16 “SECTION 2. (1) This section applies to a county if the county re-
17 ceived payments for Oregon and California Railroad Revested Lands
18 or Coos Bay Wagon Road Lands under the federal Secure Rural
19 Schools program for the property tax year beginning on July 1, 2008,
20 in an amount that was greater than 15 percent of the total ad valorem
21 property taxes imposed by the county for the property tax year be-
22 ginning on July 1, 2008.

23 “(2) The Department of Revenue shall make a grant to a county
24 described in subsection (1) of this section in an amount not to exceed
25 \$150,000 for each project described in subsection (3) of this section that
26 is approved by the department under subsection (5) of this section.

27 “(3) A county may receive a grant under this section for a project
28 for consolidation or sharing of services among the county and the
29 cities and special districts within the county.

30 “(4)(a) A county seeking a grant under this section must submit an

1 application to the department that describes in detail the proposed
2 project for consolidation or sharing of services. Preference shall be
3 given to an application that demonstrates the inclusion and support
4 of cities and special districts in the formulation of the project.

5 “(b) The county shall provide additional information upon request
6 of the department.

7 “(5)(a) Within 60 days of receiving an application under subsection
8 (4) of this section, the department shall reject or approve the applica-
9 tion and notify the county of the decision.

10 “(b) A rejection may not be appealed, but the county may apply for
11 a grant at any time.

12 “(c) If the department approves an application, the department
13 shall make the grant in an amount determined by the department in
14 its sole discretion from moneys in the Oregon County Assistance Fund
15 established under section 3 of this 2017 Act.

16 “(6) The department may adopt rules governing the implementation
17 of this section.

18 “SECTION 3. (1) The Oregon County Assistance Fund is established
19 in the State Treasury, separate and distinct from the General Fund.
20 Interest earned by the Oregon County Assistance Fund shall be cred-
21 ited to the fund.

22 “(2) Moneys in the Oregon County Assistance Fund shall consist of:

23 “(a) Amounts appropriated or otherwise transferred to the fund by
24 the Legislative Assembly;

25 “(b) Other amounts deposited in or donated to the fund from any
26 source, public or private; and

27 “(c) Interest earned on moneys in the fund.

28 “(3) Moneys in the fund are continuously appropriated to the De-
29 partment of Revenue for the purpose of making grants under sections
30 1 and 2 of this 2017 Act.

1 **SECTION 4.** (1) Sections 1 and 2 of this 2017 Act are repealed on
2 **July 1, 2025.**

3 **“(2) Section 3 of this 2017 Act is repealed on July 1, 2026.**

4 **SECTION 5.** There is appropriated to the Department of Revenue,
5 for the biennium beginning July 1, 2017, out of the General Fund, the
6 amount of \$37,380,492 for deposit in the Oregon County Assistance
7 Fund for the purpose of carrying out the provisions of sections 1 and
8 2 of this 2017 Act. This appropriation is available continuously until
9 expended for the purpose specified in this section.

10 **SECTION 6.** Any moneys in the Oregon County Assistance Fund
11 on July 1, 2026, that are uncommitted for the purpose specified in
12 section 5 of this 2017 Act shall revert to the General Fund and be
13 available for general governmental purposes.

14 **SECTION 7.** This 2017 Act takes effect on the 91st day after the
15 date on which the 2017 regular session of the Seventy-ninth Legislative
16 Assembly adjourns sine die.”.

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