

Requested by HOUSE COMMITTEE ON REVENUE

**PROPOSED AMENDMENTS TO
B-ENGROSSED SENATE BILL 123**

1 On page 2 of the printed B-engrossed bill, delete lines 17 and 18 and in-
2 sert:

3 “(2)(a) A children’s special district may be formed in a county with a
4 population greater than 550,000 and less than 700,000 at the time of formation
5 to provide funding for programs that offer children’s services.”.

6 Delete lines 26 through 29 and insert:

7 “(3)(a) ORS 198.705 to 198.955 apply to children’s special districts.

8 “(b) Notwithstanding paragraph (a) of this subsection, the petition for
9 formation of a children’s special district:

10 “(A) Must be signed by not less than 15 percent of the electors or 100
11 electors, whichever is greater, registered in the territory subject to the pe-
12 tition.

13 “(B) May not include a proposed permanent rate limit for operating taxes
14 and a children’s special district may not have a permanent rate limit for
15 operating taxes.

16 “(4)(a) A children’s special district may impose a local option ad valorem
17 property tax by submitting the question of the levy to voters in the children’s
18 special district and obtaining a majority of the voters voting on the question.

19 “(b) A local option tax imposed under this subsection:

20 “(A) May be imposed for no more than five years.

21 “(B) For purposes of the limitations imposed under Article XI, section 11b,

1 of the Oregon Constitution, shall be proportionally reduced with local option
2 ad valorem property taxes imposed by other taxing districts.”.

3 On page 3, line 11, after “taxes” insert “in accordance with section 2 (4)
4 of this 2017 Act”.

5 After line 24, insert:

6 **“SECTION 7. (1) A children’s special district may be formed under
7 section 2 of this 2017 Act on or after the effective date of this 2017 Act
8 and before January 1, 2024.**

9 **“(2) Notwithstanding the sunset date specified in subsection (1) of
10 this section, a children’s special district that is formed in accordance
11 with ORS 198.705 to 198.955 before January 1, 2024, may continue to
12 operate in accordance with sections 2 to 6 of this 2017 Act and any
13 other applicable law.**

14 **“SECTION 8. (1) Within two years after the beginning of the first
15 property tax year for which a children’s special district imposes a tax
16 under section 2 (4) of this 2017 Act, the Legislative Revenue Officer
17 shall conduct a study of issues including, but not limited to, the
18 amount of property taxes imposed by all children’s special districts,
19 programs funded by the children’s special districts’ property tax reve-
20 nues and a comparison of children’s special district programs with
21 similar programs provided by other taxing districts that impose taxes
22 on property located within the code areas subject to the property taxes
23 imposed by the children’s special districts.**

24 **“(2) The Legislative Revenue Officer shall prepare a report on the
25 findings from the study and submit the report in the manner provided
26 in ORS 192.245 to the interim committees of the Legislative Assembly
27 related to revenue.”.**

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