



OFFICERS

Roger Kaye
President

Joe Kuehn
Vice-President

Richard van Pelt
Secretary

Susan Watkins
Treasurer

BOARD OF DIRECTORS

Laurel Hines
Carla Mikkelson
Linda Peterson
Kasia Quillinan

April 10, 2019

Joint Committee on Transportation
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

RE: Opposition to SB 413 - Authorizes governing bodies of cities and counties to jointly form district for purposes of acquisition, design, construction, reconstruction, installation, operation, maintenance and repair of limited-access public highway projects within district boundaries. Specifies powers of district. Provides civil penalty and collection mechanism for failure to pay toll established by limited-access public highway project district on tollway project. Requires county that receives application for limited-access public highway project submitted by limited-access public highway project district to review and approve application subject only to standards for construction of highways as prescribed by Department of Transportation. Prohibits county from denying application based on finding that project is inconsistent with local intergovernmental agreement or law limiting use or development of land designated rural reserve.

Dear Committee Members:

Friends of Marion County is an independent 501(c)(3) farmland protection organization founded in 1998. Our mission is to protect farm and forestland, parks, and open space.

There are a number of questions and concerns about the feasibility of the bill and reasons for the committee to vote "NO".

They are:

1. Pg 1 ln 16-21:

(3)(a) A hearing or hearings on the question of the formation of the district shall be held in the manner provided in this subsection.
(b) Each city and county proposing formation of a district may hold a separate hearing or all the cities and counties may hold a consolidated hearing in the county seat of the most populous county or in the most populous city proposing formation of the district or in the county seat closest to the geographic center of the proposed district.

Concern: This section provides for consolidated hearings on the question of district formation but if held in a city or cities without the county in which the city or cities is contained may generate a discontinuous district in the county.

2. Pg 2 In 1-6:

(4)(a) After consideration of the testimony given at the public hearing or hearings, the governing body of each city or county proposing formation of the district shall adopt a resolution or ordinance approving or rejecting the formation.

(b) After the initial votes, if any city or county has rejected formation of the district, the proposed boundaries of the district shall be amended and resubmitted to the governing bodies of the cities and counties that approved formation for approval or rejection.

Concern: Once again the district may be generated in a discontinuous form making governance difficult to administer.

3. Pg 3 In 7-10:

(5) Upon a final vote of all cities and counties approving formation of the district, an election shall be ordered for the purpose of electing the first members of the district board in accordance with ORS 198.825. All powers of the district shall be exercised and performed by and through the board.

Concern: A major concern is that the governing board will exercise its powers without being elected by those persons within the district if the district is discontinuous. In other words, the district may be represented by a particular city interest yet not by another city, perhaps neighboring, through which the public highway project is built.

Pg 2 In 11-34

(6)(a) Upon formation, a district does not have authority to impose ad valorem property taxes.

(b) After formation of the district, if the board determines that it is necessary for the purposes for which the district was formed to impose ad valorem property taxes, the board shall propose a permanent rate limit and all the cities and counties that constitute the district shall hold an election on the same date on the question of the rate limit. The rate limit may be approved only by a majority of the voters voting on the question in each of the cities and counties that constitute the district.

(c) Upon approval of a permanent rate limit for the district, the board shall file a description of the boundaries of the district with the Department of Revenue and the assessor of each county that contains territory within the district.

(7)(a) The board may propose annexation into the district of additional cities and counties.

(b) Except as provided in paragraph (c) of this subsection, the proposed annexation shall be approved if the governing bodies of all the cities and counties currently within the district approve the annexation, but only with respect to those cities and counties proposed to be annexed whose governing bodies approve the annexation.

(c) If the proposed annexation occurs after the district has received authority to impose ad valorem property taxes, the proposed annexation may be approved only by a majority of the voters of each of the cities and counties that will be within the district if the annexation is approved.

April 10, 2019

Page 3

(8) After annexation of additional territory into the district, the board shall order an election for the purpose of electing new members of the board to ensure that the membership is representative of all the territory included within the district.

Concern: Although this section prohibits ad valorem property tax assessment upon district formation, it's very possible that the board may impose them after district formation. There are several problems here; (1) the imposition of ad valorem property taxes may not be sufficient in the district within a county to sufficiently fund the project even if tolling is adopted, and (2) there is a good possibility that discontinuous regions of the district will be disproportionally taxed. This is a violation of one man/one vote in the US Constitution and Oregon Constitution, and (3) Measures 5/50 may very well compress the tax base in a county to squeeze out other districts.

This bill will ignore the years of planning that MPOs and ODOT have spent to protect our valuable farmland, transportation system and taxpayer interests. We urge a "NO" vote on this bill.

Thank you for listening.

Roger Kaye, President
Friends of Marion County | P.O. Box 3274 | Salem, OR 97302
(503)743-4567 | rkaye2@gmail.com

c: Jason Miner, Office of the Governor
Senate President Peter Courtney
House Speaker Tina Kotek
Representative Brian Clem