

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 901 - A

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Authorizes translator district board to establish property tax permanent rate limit and impose operating taxes, following elector approval.

Government Unit(s) Affected:

Translator Districts, Counties, Cities

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

The measure would authorize the board of a translator district, upon approval by electors, to establish a property tax permanent rate limit and impose operating taxes. The board would only have authority to call for an election on whether to establish a permanent rate limit during a November general election in a presidential election year. The measure would also authorize the board of a translator district, upon approval by electors, to impose a local option tax. A translator district would be authorized to negotiate enforcement agreements with cities entirely surrounded by the district to permit code enforcement officers to determine if a property occupant is intentionally receiving and using a district signal. A translator district would be required to negotiate fees to reimburse Cities for the reasonable costs associated with property inspections conducted by municipal code enforcement officers.

Translator Districts

The Blue Mountain Translator District (BMTD) is the only translator district in Oregon. A translator district is authorized to construct, maintain, and operate translator stations to transmit and receive television broadcast signals in areas of the state too remote to otherwise receive and transmit those signals.

The measure would permit BMTD to move from a revenue stream dependent on service charges to one based on property taxes, the latter of which is more predictable. BMTD believes the measure would nearly double its annual expenditures. By way of example, BMTD will have approximately \$167,250 in fiscal year 2019-20. Assuming voter approval in the 2020 November election, BMTD anticipates \$374,000 in expenditures in fiscal year 2021-22, including a \$10,000 increase in personal services costs to hire a full-time manager; increasing its capital outlay for deferred maintenance by 50 percent; and increasing its engineering services line item by 50 percent.

The costs of establishing the permanent rate limit would involve legal fees to write ballot measures, holding elections, and staff time to write the annual taxing resolutions. While these costs are likely minimal, they are indeterminate at this time because election officials in Baker and Union counties have been unable to provide an estimate of BMTD’s election costs.

Cities

The measure would authorize a translator district to enter into enforcement agreements with cities within the translator district to permit code enforcement officers to determine if a property occupant is intentionally

receiving and using the translator district's signals. However, these would be optional agreements and participating cities would be entitled to 10 percent of the revenue collected to defray their collection costs. While the measure might slightly increase revenues, it would otherwise have no fiscal impact on these cities.

Counties

The Baker and Union county clerks would conduct the voting process for establishing the BMTD permanent tax rate. If the permanent tax rate were established, the Baker and Union county assessors would apply the permanent tax rate to properties within the translator district. Since these costs would be absorbable within existing budgetary resources, the measure would have a minimal fiscal impact on these counties.