

**SB 901 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Bentz

**Senate Committee On Finance and Revenue**

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**Action Date:** 06/05/19

**Action:** Do pass the A-Eng bill.

**Vote:** 5-0-0-0

**Yeas:** 5 - Bentz, Boquist, Hass, Riley, Taylor

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Prepared By:** Jaime McGovern, Economist

**Meeting Dates:** 5/21, 6/5

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**WHAT THE MEASURE DOES:**

Authorizes translator district board to establish ad-valorem property tax permanent rate limit and annually impose, assess and collect operating taxes, following elector approval during regular general election held in presidential election year. Authorizes translator district board to impose local option taxes following elector approval. Allows translator district to negotiate agreements with cities entirely surrounded by the district for the inspection of properties to verify reasonable grounds to believe that property is intentionally receiving and using translator district signal. Requires district to negotiate fees to reimburse cities for reasonable costs associated with inspections.

**ISSUES DISCUSSED:**

- Current structure.
- The interaction of SB 393 and SB 901.
- Whether the legislature or voters decide charges.
- The inability to detect properties that are using the service without paying the fee.

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Current statute allows for the creation of a translator district to ensure the transmission and reception of television broadcast signals in remote areas of the state where regular transmission of television programming is not otherwise available to the public. Boundaries for a translator district are subject to the statutory standards for a special district. Owners of property within the district and receiving transmissions are liable to the district for service charges. Owners of property within an area entirely surrounded by the translator district intentionally receiving service from the district are also liable to the district for service charges.

According to the Oregon Department of Revenue, over 1,200 local taxing districts currently use property tax as their primary source of revenue. Property taxes are based on the county-assessed value of privately owned real property, manufactured homes, and personal property used in the operation of a business. Taxing districts have constitutional and statutory limitations on the amount of taxes they can impose. Districts that haven't levied in the past can ask voters to choose a permanent rate limit for the district; once established, a permanent rate limit can not be changed by any action of the district or its patrons. Taxing districts can also ask voters for temporary taxing authority above the permanent rate limitation in a local option tax, which is limited to five years for operation and ten years for capital construction purposes.

## **SB 901 A STAFF MEASURE SUMMARY**

Senate Bill 901-A allows a translator district to establish a property tax permanent rate limit and annually impose, assess, and collect operating taxes following approval in an election held in a presidential election year. A translator district can also impose local option taxes following approval in an election. The measure allows a translator district to contract with a city entirely surrounded by the district to identify properties intentionally receiving service from the district.