

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
82nd Oregon Legislative Assembly
2024 Regular Session
Legislative Revenue Office

Bill Number:	SB 1517 - A
Revenue Area:	Local Government Finance
Economist:	Beau Olen
Date:	2.16.24

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

Measure Description:

Allows the urban flood safety and water quality district to levy an annual charge to fund operations and maintenance in the managed floodplain of the district, based on assessment of costs in the succeeding year. Allows the district to levy a fee to fund certain fixed costs and operation and maintenance costs not funded by the annual charge. Takes effect on the 91st day after sine die.

Revenue Impact (in \$Millions):

The bill has no direct revenue impact because the annual charge to fund district operations and maintenance and the flood safety intergovernmental fee are both permissive, as they are optional for the district board. Any revenue impact depends on future actions of the district board. Any impacts due to the fee would be limited to the area of the urban flood safety and water quality district (the portion of Multnomah County within the urban growth boundary). Any impacts due to the charge would be limited to the areas of four legacy drainage districts, which are fully contained in the urban flood safety and water quality district.

Impact Explanation:

Although the bill has no direct revenue impact, the district will need approximately \$6.5 million per year for the flood safety intergovernmental fee, increased by at least three percent per year. Property owners within the district will experience increased property taxes if such property is not subject to compression under the general government property tax limits. For properties that will be, or are already in compression (those with taxes imposed above the general government tax rate limit of \$10 per \$1,000 of real market value), property tax revenue may be reduced for other general government property tax districts to which such property is subject to taxation. Public lands that are subject to the charge are less likely to be compressed because public properties are subject to few rates, if any. In FY 2022-23, general government compression reduction in Multnomah County was higher than any other county, at 5.2% of property taxes imposed.

Creates, Extends, or Expands Tax Expenditure: Yes No