

REVENUE:

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SUBSEQUENT REFERRAL TO:

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Action:

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Prepared By: James LaBar, Administrator

Meeting Dates: 2/16

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**WHAT THE MEASURE DOES:** Authorizes a city and an airport to enter into an agreement pursuant to which the city provides sewer and water to the airport without requiring the annexation, or consent to eventual annexation, to the city of the territory where the airport is located. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

**BACKGROUND:** Oregon’s airport network consists of 97 public-use airports, including 15 privately-owned public use airports. Rural airports are currently defined in ORS 836.640 as principally serving a city with a population of 75,000 or fewer. Some of these rural airports have the potential to provide economic development and job growth, but lack the funds to cover infrastructure upgrades that might attract business or industry. One of the airports where this challenge exists is the Aurora State Airport. The Legislative Assembly attempted to address this issue in 2005 with Senate Bill 680 (“Through the Fence”) and in 2007 with Senate Bill 807 (Tax Increment Financing). Neither measure was enacted.

Senate Bill 534 creates a possible pathway for cities to provide water and sewer services to rural airports without annexation.