## Testimony by Wilsonville Mayor Tim Knapp to Amend SB 611 – "Central Assessment of Telecoms"

## Support LOC Amendments that Reduce the Revenue Loss to Cities



For Public Hearing Scheduled on March 10, 2015, Before the House Committee on Revenue

## To Chair Barnhart, Vice-Chairs Bentz and Vega Pederson, and Members of the Committee:

The City of Wilsonville supports amendments proposed by the League of Oregon Cities to SB 611 that reduce the projected revenue loss to cities and other local governments. The City supports SB 611's proposed fixes for siting data-centers in Oregon and the new high-tech fiber-optic installation incentive; however, the City supports LOC's technical amendments as well as amendments to lower the revenue loss to local governments.

The Legislative Revenue Office estimates that changes made to SB 611 in the Senate would cost local governments and education districts about \$16 million annually, with that amount climbing by about \$1 million a year by 2021. Additionally, \$84.7 million owed by telecoms in deferred billing credits to local governments going back to 2009-10 is in jeopardy by the Senate's amendments to SB 611. In Clackamas and Washington Counties alone where Wilsonville is located, \$30.45 million in deferred billing credits is at stake, with \$6.4 million of that earmarked for cities.

Property taxes are the major source of revenue for local governments, accounting for 60% of resources that cities have to provide urban services. Further reducing a significant component of the municipal property-tax base harms our community's ability to provide key urban services that further economic-development and job-creation efforts.

The City of Wilsonville respectfully urges adoption of the proposed LOC amendments to SB 611 by the House Committee on Revenue. Thank you for your time and consideration.

Sincerely,

Knapp

Tim Knapp, Mayór City of Wilsonville