

# Senate Bill 324

Sponsored by Senator OLSEN (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows governing body of local government to withdraw all or part of territory of local government from Tri-Met. Prohibits increase in payroll tax to extent increase is intended to offset revenue lost due to withdrawal of territory.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to the withdrawal of territory from mass transit district; creating new provisions; amending  
3 ORS 267.387; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS 267.250 to**  
6 **267.263.**

7 **SECTION 2. (1) The governing body of a local government, as defined in ORS 174.116,**  
8 **may by ordinance or resolution withdraw all or part of the territory of the local government**  
9 **from the Tri-County Metropolitan Transportation District of Oregon.**

10 **(2) A governing body that adopts an ordinance or resolution under this section shall give**  
11 **the district written notice and a copy of the ordinance or resolution within 30 days after**  
12 **adoption of the ordinance or resolution.**

13 **(3) An ordinance or resolution adopted pursuant to this section may not become opera-**  
14 **tive until at least 180 days after the governing body of the local government provides the**  
15 **written notice required under subsection (2) of this section.**

16 **SECTION 3. ORS 267.387 is amended to read:**

17 **267.387. (1) Notwithstanding ORS 267.385 (1) and subject to ORS 267.260 (3) and (6), an increase**  
18 **in any tax imposed on wages or on net earnings from self-employment that is authorized by a mass**  
19 **transit district under ORS 267.385 (1) [*on or after January 1, 2010,*] must be phased in over a 10-year**  
20 **period. The district shall by ordinance set forth the increments by which the increase in tax is**  
21 **phased in. Subject to ORS 267.260 (3) and (6), each annual increment may not increase the rate of**  
22 **tax by more than 0.02 percent of the wages or net earnings from self-employment.**

23 **(2) Following the withdrawal of territory by a local government from the Tri-County**  
24 **Metropolitan Transportation District of Oregon pursuant to section 2 of this 2017 Act, the**  
25 **district may not increase the rate of a tax authorized under ORS 267.385 (1) that is imposed**  
26 **on employers remaining within the boundaries of the district to the extent the increase is**  
27 **intended to offset revenue lost due to the withdrawal of the territory.**

28 **SECTION 4. This 2017 Act takes effect on the 91st day after the date on which the 2017**  
29 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**

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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.