

Senate Bill 393: Revenue Impact

BLUE MOUNTAIN TRANSLATOR DISTRICT
ALEX MCHADDAD, EXECUTIVE DIRECTOR

Translator Districts in Oregon

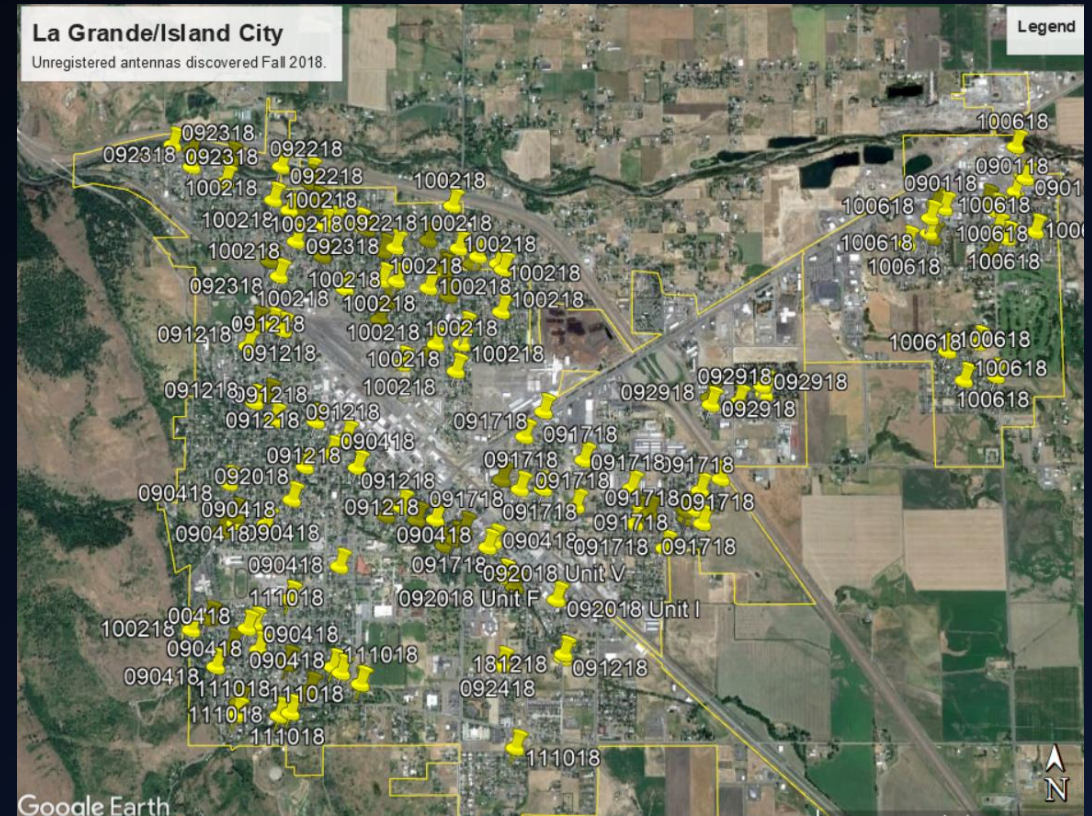
- TV translators are a “secondary transmission service” under the federal Copyright Act of 1976.
- Unlike full power and Class A low power TV, secondary transmission services may charge viewers a fee to fund operations.
- Oregon translator districts were funded by property taxes in 1978; in 1979, the legislature created the existing service charge system:
 - Service charge letters must be mailed annually requesting a voter-approved \$100 payment or exemption notice from district property owners. If the letter is not returned, the charge is placed on property taxes as a lien.
 - This was originally intended as an enforcement measure but has evolved into a preferred payment method for many viewers.
 - System was upheld in *Wilhelm v. Blue Mountain Translator District*, 2004.

SB 393 Provisions

- Permit voters in cities surrounded by BMTD to consider annexation.
- Permits service charge payers in cities to serve on BMTD's board.
- Exempts state properties from service charge liability.

City Annexation

- Translator district boundaries were drawn to include populated areas in range of BMTD signals.
- Cable companies did not want direct competition, so cities with cable were carved out of BMTD boundaries. BMTD entirely surrounds but does not include 10 cities.
- City properties can only receive a bill if BMTD discovers an antenna. BMTD does not have the resources to continuously police 10 cities for antennas.
- In fall 2018, BMTD discovered 320 unregistered antennas in local cities (La Grande and Island city on map).



Board Eligibility

- Only individuals registered to vote in BMTD boundaries can serve on the governing board.
- BMTD makes decisions that affect the property taxes of city residents, but they are excluded from our governance.
- Allowing all service charge payers to serve on the board makes the district accountable in every community we serve.

State Property Exemptions

- ODFW makes payments in lieu of tax for 2 properties in BMTD boundaries.
 - One city in incorporated Haines also makes these payments.
- ODFW rarely returns liability notices, increasing payments for these properties by \$100 per year.
- Exempting state properties can save ODFW \$400 over the next biennium, and prevents BMTD from billing the property in Haines if voters approve annexation.