

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 605 - A13

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Allows a rural fire protection district to submit to a county board a request to annex to the district lands that are either within or brought within seven road miles of a fire station in the district and are not subject to tax assessment by the rural fire protection district.

Government Unit(s) Affected:

Special Districts, Counties

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

Senate Bill 605, as amended by the -A13 amendments, allows a rural fire protection district to submit to a county board a request to annex to the district lands that are either within or brought within seven road miles of a fire station in the district and are not subject to tax assessment by the district. A county board that receives such a request must either approve annexation of the territory or order an election on annexation of the territory. If a county board orders such an election, the electors who are eligible to vote in the election are the electors in the district and the electors in the territory. The county board must issue an order for annexation of the territory if the county board approves annexation of the territory, or the county board orders an election on annexation of the territory and a majority of the votes cast in the election are in favor of the annexation. The measure prohibits the district from submitting a second or subsequent request to annex the territory if a majority of the votes in an election are not in favor of annexation of the territory, unless lands are brought within seven road miles of a fire station in a district and the lands are not subject to tax assessment by the district. A county board must file duplicate copies of the order of annexation entered by the county board with the Department of Revenue, the Secretary of State, and the county clerk and county assessor of each county in which any district affected by the order of annexation is located within 10 days after the order is entered, adopted, or executed. The measure takes effect on passage.

Counties

The measure would have a minimal fiscal impact on counties. Because the measure is permissive to rural fire protection districts, this fiscal impact statement assumes that the districts would request annexation elections and that counties would conduct these elections.

While county clerks' offices would incur some costs to identify properties to be annexed, code properties separately in the Oregon Centralized Voter Registration database, and create a map for inclusion in the elections, these costs are anticipated to be negligible. The fiscal impact to counties will ultimately depend on how many annexations rural fire protection districts request from the counties, and the type and date of the elections, all of which is presently unknown. However, while the measure does not specify whether an election on annexation of a rural fire protection district territory would be conducted as part of one of four regularly scheduled elections or as a special election, this fiscal impact statement assumes that annexation elections would be held during one of the four regularly scheduled elections, in which case counties would seek reimbursement of the districts' proportionate share of the election costs. If, however, annexation elections were held on their own, counties

would seek reimbursement from the districts for the full election costs. There is also a possibility that a rural fire protection district could submit a second or subsequent request for annexation to a county board for lands brought within seven road miles of a fire station in a district that are not subject to tax assessment by the district, which could result in a county board ordering another annexation election.

Special Districts

The measure would have a minimal fiscal impact on special districts, specifically rural fire protection districts. Because the measure is permissive to rural fire protection districts, this fiscal impact statement assumes that the districts would request annexation.

Special districts pay for their own election costs. After counties hold the elections, the county clerks' offices bill special districts for their proportionate share of the election costs. The costs to rural fire protection districts would depend on the total number of electors within the district and the territory holding the elections and how many measures are included on the ballot. The more measures there are on the ballot, the more the cost of the election is shared among the different districts. Counties calculate the districts' share of the election costs based on a formula, which is the same for every county, though the total costs vary from county to county.

Assuming electors approve the rural fire protection annexation requests, rural fire protection districts would be able to collect additional revenue from tax assessments and service fees. Although rural fire protection districts might have increased expenditures from having to determine whether an improved structure is currently within seven miles of a fire station in the district or brought within seven miles of a fire station in the district by a new road, the districts would ultimately recoup these costs once an improved property is annexed and subject to tax assessment and service fees by the districts.

Department of Revenue

The measure would have no fiscal impact on the Department of Revenue.

Secretary of State

The measure would have no fiscal impact on the Secretary of State.