

**HB 2174 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Golden

**Senate Committee On Natural Resources and Wildfire Recovery**

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**Action Date:** 05/10/21

**Action:** Do pass the A-Eng bill.

**Vote:** 4-1-0-0

**Yeas:** 4 - Golden, Kennemer, Patterson, Prozanski

**Nays:** 1 - Heard

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Beth Patrino, LPRO Analyst

**Meeting Dates:** 5/3, 5/10

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**WHAT THE MEASURE DOES:**

Requires the Oregon Department of Administrative Services (DAS), upon request of a county governing body, to credit forest reserve funds that would otherwise be credited to the county road fund to instead be credited to one of the following public bodies if the service territory of the body includes the entire county: an intergovernmental entity created by intergovernmental agreement, a county road district, or a road service district. Requires moneys to be used in same manner and subject to same restrictions as would have applied to moneys in hand of county that made the request, including but not limited to requirements related to the use of road fund moneys. At request of county governing body, directs DAS to resume crediting 75 percent to road fund and 25 percent to school fund not later than 30 days after receiving request.

**ISSUES DISCUSSED:**

- History of Secure Rural Schools (SRS) program and current distribution
- What is deducted from federal Payment in Lieu of Taxes amounts to counties
- Local entities eligible to receive SRS payments

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Under state law, all sums received by the state from the federal government as its share of the amounts collected for forest reserve rentals, sales of timber, and other sources from forest reserves within Oregon, must be distributed among the counties in which the forest reserves are located. State law requires that counties divide these funds, allocating 75 percent to the county's road fund and 25 percent to the school fund. Certain counties are allowed to adjust these allocations.

House Bill 2174 A would allow a county governing body to request that the Oregon Department of Administrative Services credit forest reserve moneys that would otherwise be credited to the county road fund to certain public bodies whose service areas include the entire county.