

SB 1068 -1 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Prepared By: Beau Olen, Economist

Meeting Dates: 3/28, 4/4

WHAT THE MEASURE DOES:

Authorizes board of directors of rural fire protection district (RFPD) to annex to district, under certain circumstances, lands within coverage area of district. Prior to annexation, district must identify coverage area of district. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- An intention of the program is to close a potential loophole that allows "islands of untaxed land" and untaxed "border property". Untaxed land can receive fire protection services, related to lack of technology to identify uncovered land timely
- Whether potential loophole is a statewide issue
- Whether potential loophole is an incentive to build on uncovered land
- Map of some untaxed properties that received fire protection services
- Whether there is incentive to build a fire station at district boundary to expand district "coverage area"
- Whether special district laws apply to fire districts. For example, whether fire districts are only special district that doesn't automatically annex property in district

EFFECT OF AMENDMENT:

-1 Complicates identification of coverage area and ability to annex lands to a rural fire protection district (RFPD). Specifically, in section 2 of the introduced bill:

- Removes definition of "Annex"
- Removes "established by a district pursuant to this section" from the definition of "coverage area"
- Removes process for a district to identify coverage area of district prior to annexation
- Removes that a "district may establish the coverage area of the district one or more times"
- Removes process for preventing annexation of land already in other districts
- Removes the process for the board of directors to confirm that the lands are within the coverage area of the district, prior to annexation
- Removes requirement for the issuance of an order of annexation to include an attestation that the coverage area of the district has been identified
- Removes requirement, upon request by a district, for a county to provide information possessed by the county to the district, including mailing addresses the district might need to send notice to landowners or a legal description or map showing the change or proposed change

BACKGROUND:

Senate Bill 1068 defines "coverage area" as an area established by a district that consists of: (A) Lands that are included in the district; and (B) Some or all of the lands that are within seven road miles of a fire station in the district and are not included in any other district.

Per ORS 478.010, a rural fire protection districts (RFPD) may not include territory within a city, water supply district, forestlands in a forest protection district, railway rights of way, and ocean shores.

In 2021, a similar bill passed the senate (Senate Bill 605-A). In 2022, a similar bill passed the senate (Senate Bill 1582-A).

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According to the Department of Revenue's Oregon Property Tax Statistics report supplement, there are 260 fire districts in Oregon, including 251 that are labeled as RFPDs. Douglas County has 25 fire districts, 23 of which are labeled as RFPDs, both more than any other county. Out of 36 counties, 34 have an RFPD. Crook County is the only county with a fire district that does not have at least 1 labeled as an RFPD.

PRELIMINARY