

SB 454 -2 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Prepared By: Chris Allanach, Legislative Revenue Officer

Meeting Dates: 6/2

WHAT THE MEASURE DOES:

Requires the Legislative Revenue Officer to conduct a study on the revenue raised for rural fire protection districts. Require the report be submitted to the interim revenue committees by September 15, 2026.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Replaces the bill

Requires the Department of the State Fire Marshal to create an advisory committee to advise the department on funding options for rural fire protection districts (RFPDs). Requires the advisory committee to consider the services provided by, funding mechanisms available to, and funding limitations on RFPDs. Requires the advisory committee to develop funding recommendations based on the review, exclusive of amending ORS 478.010(2)(c). Requires the advisory committee to report results to the Legislature by December 31, 2026. Takes effect upon passage.

BACKGROUND:

Rural Fire Protection Districts (RFPDs) are one type of local government special district. For Fiscal Year 2023-24, there were approximately 250 RFPDs in Oregon that imposed some amount of property taxes. Collectively, they imposed just over \$550M in property taxes if FY24, roughly a 10% increase over the prior year. Of that total roughly \$24M were from bonds. Approximately \$2M was lost due to Measure 5 compression.