

Senate Bill 437

Sponsored by Senator OLSEN (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows governing body of local government to withdraw all or part of territory under its jurisdiction from boundaries of Tri-Met. Prohibits increase in payroll tax solely to compensate for lost revenue due to loss of territory.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the withdrawal of territory from mass transit district; creating new provisions; amending
3 ORS 267.387; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 267.010 to**
6 **267.390.**

7 **SECTION 2. (1) The governing body of a local government, as defined in ORS 174.116,**
8 **may choose to withdraw all or part of the territory under its jurisdiction from the bounda-**
9 **ries of the Tri-County Metropolitan Transportation District of Oregon by adoption of an or-**
10 **dinance or resolution.**

11 **(2) If the governing body of a local government adopts an ordinance or resolution under**
12 **this section:**

13 **(a) The governing body of the local government shall give the mass transit district writ-**
14 **ten notice and a copy of the adoption of the ordinance or resolution within 30 days after**
15 **adoption of the ordinance or resolution; and**

16 **(b) The ordinance or resolution may not become operative until at least 180 days after**
17 **the governing body of the local government provides the written notice to the mass transit**
18 **district.**

19 **SECTION 3. ORS 267.387 is amended to read:**

20 **267.387. (1) Notwithstanding ORS 267.385 (1) and subject to ORS 267.260 (3) and (6), an increase**
21 **in any tax imposed on wages or on net earnings from self-employment that is authorized by a mass**
22 **transit district under ORS 267.385 (1) [*on or after January 1, 2010,*] must be phased in over a 10-year**
23 **period. The district shall by ordinance set forth the increments by which the increase in tax is**
24 **phased in. Subject to ORS 267.260 (3) and (6), each annual increment may not increase the rate of**
25 **tax by more than 0.02 percent of the wages or net earnings from self-employment.**

26 **(2) Following the withdrawal of territory from the Tri-County Metropolitan Transporta-**
27 **tion District of Oregon under section 2 of this 2015 Act, the mass transit district may not**
28 **increase the rate of a tax authorized under ORS 267.385 (1) that is imposed on employers that**
29 **remain within the boundaries of the district if the increase is intended solely to offset re-**
30 **venue lost due to the withdrawal of territory.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 4. This 2015 Act takes effect on the 91st day after the date on which the 2015**
2 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**
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