



Eugene Central Services
Finance

February 22, 2016

The Honorable Senator Mark Hass, Chair
Senate Finance and Revenue Committee 900
Court Street
Salem, OR 97301

Routed to: lro.exhibits@state.or.us

RE: SB 1545 -Relating to an authorization to form children's special districts to levy property taxes to fund programs that offer services provided outside of school hours to students in kindergarten through grade 12.

Dear Chair Hass and members of the committee:

The City of Eugene opposes SB 1545, the authorization to form children's special districts to levy property taxes to fund programs and services for students outside school hours. Eugene recognizes the importance of children's services, which is why the City currently offers a range of after school programs at our community and recreation centers, libraries and in partnership with schools. The types of services proposed in SB 1545 would therefore be duplicative, circumventing current programs and services offered through the City or in partnership with schools. An additional board of directors exerting control over taxpayer resources outside of the pre-existing partnerships between schools and cities is unnecessary and inefficient.

As defined in SB 1545, children's special districts would provide a broad array of services including, "education, civics, culture, arts and music, physical recreation, health and well-being, technology and the development of skills." Such services are similar to education and general government services, posing potential problems for the City's current revenue system under current Measure 5 property tax limits. Property taxes represent about 2/3 of the City's operating revenues in the General Fund and pay for critical services like police patrols, fire suppression, libraries and planning. Any negative impacts on the City's property tax collections caused by children's special districts could pose challenges for these other critical services and/or restrict voter's ability to approve property tax levies for additional services. Therefore, proposals to add another taxing jurisdiction under SB 1545 may inhibit the City's ability to finance the level of services demanded by citizens.

We very much appreciate the concerns the legislature has for children's services and programs. However, children's special districts represents duplication of services, greater inefficiency, and may negatively impact the City of Eugene's most vital revenue source.

Thank you for your consideration of our comments regarding SB 1545.

Sincerely,


Sue Cutsogeorge
Finance Director