

# House Bill 2760

Sponsored by Representatives C EDWARDS, P SMITH, KRUMMEL, CLEM, Senator WALKER; Representatives BOQUIST, GARRARD, GREENLICK, HUNT, NATHANSON, WITT, Senator AVAKIAN

## 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**.

Modifies requirements and procedure for city to annex territory surrounded by city.

## A BILL FOR AN ACT

1  
2 Relating to annexation; creating new provisions; and amending ORS 222.750.

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

4 **SECTION 1.** ORS 222.750 is amended to read:

5 222.750. (1) **As used in this section:**

6 (a) **"Municipal services" includes, but is not limited to, urban services as defined in ORS**  
7 **195.065.**

8 (b) **"River" means a large, continuous and natural stream of water emptying into an**  
9 **ocean, lake or other body of water and fed along its course by converging tributaries.**

10 (c) **"Stream" means an intermittent natural stream of water that is smaller than, and**  
11 **often tributary to, a river.**

12 (2) **If the governing body of a city finds by clear and convincing evidence that annexation**  
13 **is necessary to provide essential municipal services that are not otherwise available to real**  
14 **property in territory that** [*When territory not within a city*] **is surrounded by the corporate**  
15 **boundaries of the city, or by the corporate boundaries of the city and the ocean shore or a**  
16 **[stream] river, creek, bay[,], or lake, [or other body of water, it is within the power and authority of**  
17 **that city to annex such territory. However,] but not a stream or other shallow or intermittent**  
18 **course of water, the city may annex the territory pursuant to this section after holding at**  
19 **least one public hearing on the subject for which notice has been mailed to each record**  
20 **owner of real property in the territory proposed to be annexed.**

21 (3) This section does not apply when the territory not within a city:

22 (a) Is surrounded entirely by water; or

23 (b) **Is surrounded in part by a portion of the city that consists only of a public right of**  
24 **way.**

25 (4) Unless otherwise required by its charter, annexation by a city under this section [*shall*]  
26 **must** be by ordinance or resolution subject to referendum, with or without the consent of any owner  
27 of property within the territory or resident in the territory.

28 (5) **Annexation by a city under this section must provide for a phase-in of the rate of**  
29 **taxation over 10 fiscal years. The rate of taxation may not exceed:**

30 (a) **In the first fiscal year, 10 percent of the highest rate of taxation for city purposes**  
31 **that applies to property in the city.**

**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       **(b) In the second fiscal year, 20 percent of the highest rate of taxation for city purposes**  
2 **that applies to property in the city.**

3       **(c) In the third fiscal year, 30 percent of the highest rate of taxation for city purposes**  
4 **that applies to property in the city.**

5       **(d) In the fourth fiscal year, 40 percent of the highest rate of taxation for city purposes**  
6 **that applies to property in the city.**

7       **(e) In the fifth fiscal year, 50 percent of the highest rate of taxation for city purposes**  
8 **that applies to property in the city.**

9       **(f) In the sixth fiscal year, 60 percent of the highest rate of taxation for city purposes**  
10 **that applies to property in the city.**

11       **(g) In the seventh fiscal year, 70 percent of the highest rate of taxation for city purposes**  
12 **that applies to property in the city.**

13       **(h) In the eighth fiscal year, 80 percent of the highest rate of taxation for city purposes**  
14 **that applies to property in the city.**

15       **(i) In the ninth fiscal year, 90 percent of the highest rate of taxation for city purposes**  
16 **that applies to property in the city.**

17       **(j) In the 10th fiscal year, 100 percent of the highest rate of taxation for city purposes**  
18 **that applies to property in the city.**

19       **SECTION 2. The amendments to ORS 222.750 by section 1 of this 2007 Act apply to**  
20 **annexation ordinances or resolutions adopted on or after the effective date of this 2007 Act.**

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