

House Bill 3291

Sponsored by Representatives CLEM, GIROD

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**.

Removes water control districts from list of districts automatically extinguished or from which territory is automatically withdrawn by annexation of district territory by city.

A BILL FOR AN ACT

1
2 Relating to annexation of districts by cities; amending ORS 222.510 and 222.540.

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

4 **SECTION 1.** ORS 222.510 is amended to read:

5 222.510. Whenever the entire area of a rural fire protection district, a water district, including
6 a domestic water supply corporation [*or a water control district*], a park and recreation district, a
7 highway lighting district, a county service district, a special road district, road assessment district
8 or a sanitary district or authority, lawfully organized and existing, becomes incorporated in or an-
9 nexed to a city in accordance with law, the district [*shall be*] **is** extinguished and the city shall, upon
10 the effective date of [*such*] **the** incorporation or annexation, succeed to all the assets and become
11 charged with all the liabilities, obligations and functions of the district. The district officers shall
12 forthwith deliver to the city officers the district assets and records. Uncollected taxes theretofore
13 levied by [*such*] **the** district [*shall*] become the property of the city and **must** be delivered to it by
14 the county treasurer upon collection.

15 **SECTION 2.** ORS 222.540 is amended to read:

16 222.540. (1) When a part of a water district, including [*a water control district or*] a domestic
17 water supply corporation, is [*thus*] withdrawn, the district shall, by action of its governing body,
18 turn over to the city, of which the withdrawn area becomes a part, its water mains, service instal-
19 lations, structures, facilities, improvements and other property in the area withdrawn from the dis-
20 trict that are not necessary for the operation of the remainder of the water control or water supply
21 system of the district. All water mains, service installations, reservoirs, structures, facilities, im-
22 provements and other property [*which*] **that** are necessary for the district to continue maintenance
23 and operation of its water control or water supply system [*shall*] remain the property of the district,
24 regardless of whether they are located within or without the city. If the city is not satisfied with
25 [*such*] **the** property division made by the district governing body, or if, within 90 days from the ef-
26 fective date of the withdrawal, the district governing body has failed to make a division, the city's
27 governing body may request the county court or board of county commissioners of the county in
28 which the property is situated to decide upon [*such a*] **the** division.

29 (2) After giving 10 days' notice and an opportunity to be heard to the district governing body,
30 the court or board shall, in accordance with the standards of guidance provided in this section for
31 the district governing board, divide the property.

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 (3) The decision of the county court or board of commissioners [*shall be*] **is** binding upon all
2 parties in interest, except that an appeal may be taken therefrom for abuse of discretion in arriving
3 at the decision to the circuit court of the county in which the property withdrawn is located within
4 30 days from the announcement of the decision. The functions of the district [*shall*] **must** be con-
5 tinued in the entire preexisting area [*thereof*] by the district until the final determination of the di-
6 vision of property.

7 (4) This section [*shall*] **does** not prevent the governing bodies of the city and the district from
8 arriving at a binding agreement for a joint operation of the water or other facilities of each that
9 will be beneficial to and equitable for the inhabitants and property owners of each after the with-
10 drawal of part of the water district.

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