

**HOUSE AMENDMENTS TO  
A-ENGROSSED SENATE BILL 812  
(INCLUDING AMENDMENTS TO RESOLVE CONFLICTS)**

By COMMITTEE ON ENERGY AND THE ENVIRONMENT

June 7

1 On page 2 of the printed A-engrossed bill, delete lines 41 through 44 and insert:

2 “(2) If a people’s utility district owns property jointly with a tax-exempt governmental or mu-  
3 nicipal entity, only the portion of the property used, operated or controlled by the people’s utility  
4 district shall be assessed and taxed pursuant to subsection (1) of this section.

5 **“SECTION 3a. If Senate Bill 838 becomes law, section 3 of this 2007 Act (amending ORS  
6 261.050) is repealed and ORS 261.050, as amended by section 32, chapter \_\_\_\_\_, Oregon Laws  
7 2007 (Enrolled Senate Bill 838), is amended to read:**

8 “261.050. (1) All property, real and personal, owned, used, operated or controlled by any people’s  
9 utility district, in or for the production, transmission, distribution or furnishing of electricity or  
10 electric service for or to the public, shall be assessed and taxed in the same manner and for the  
11 same purposes, and the district and the directors and officers thereof shall be subject to the same  
12 requirements, as are provided by law in respect to assessment and taxation of similar property  
13 owned, used, operated or controlled by private corporations or individuals for the purpose of fur-  
14 nishing electricity or electric service to the public.

15 *“(2) If a people’s utility district owns property jointly with a tax-exempt governmental or municipal  
16 entity, only that portion of the property, or that proportion of the property rights, directly owned, used,  
17 operated or controlled by the people’s utility district shall be assessed and taxed pursuant to subsection  
18 (1) of this section.]*

19 **“(2) If a people’s utility district owns property jointly with a tax-exempt governmental  
20 or municipal entity, only the portion of the property used, operated or controlled by the  
21 people’s utility district shall be assessed and taxed pursuant to subsection (1) of this  
22 section.”.**

23 On page 3, after line 13, insert:

24 **“SECTION 4a. If Senate Bill 838 becomes law, section 4 of this 2007 Act (amending ORS  
25 261.235) is repealed and ORS 261.235, as amended by section 33, chapter \_\_\_\_\_, Oregon Laws  
26 2007 (Enrolled Senate Bill 838), is amended to read:**

27 “261.235. As used in ORS 261.235 to 261.255, unless the context requires otherwise:

28 “(1) ‘City’ means a city organized under the law of California, Idaho, Montana, Nevada, Oregon  
29 or Washington and owning and operating an electric light and power system.

30 “(2) ‘Common facilities’ means any property used for the generation, transmission, distribution  
31 or marketing of electricity and related goods and services that are owned or operated jointly by a  
32 people’s utility district organized under this chapter and at least one other city, district, [or] electric  
33 cooperative **or person.**

34 “(3) ‘District’ means a people’s utility district organized under this chapter or a similar public

1 utility district organized under the law of California, Idaho, Montana, Nevada or Washington.

2 “(4) ‘Electric cooperative’ means a cooperative corporation organized under the law of  
3 California, Idaho, Montana, Nevada, Oregon or Washington and owning and operating an electric  
4 distribution system.”.

5 On page 4, after line 13, insert:

6 “**SECTION 8a. If Senate Bill 838 becomes law, section 8 of this 2007 Act (amending ORS  
7 261.253) is repealed.**”.

8 On page 8, after line 3, insert:

9 “**SECTION 12a. If Senate Bill 838 becomes law, section 12 of this 2007 Act (amending ORS  
10 261.355) is repealed and ORS 261.355, as amended by section 41, chapter \_\_\_\_\_, Oregon Laws  
11 2007 (Enrolled Senate Bill 838), is amended to read:**

12 “261.355. (1) For the purpose of carrying into effect the powers granted in this chapter, any  
13 district may issue and sell revenue bonds, when authorized by a majority of its electors voting at  
14 any primary election, general election or special election.

15 “(2) All revenue bonds issued and sold under this chapter shall be so conditioned as to be paid  
16 solely from that portion of the revenues derived by the district from the sale of water, waterpower  
17 and electricity, or any of them, or any other service, commodity or facility which may be produced,  
18 used or furnished in connection therewith, remaining after paying from those revenues all expenses  
19 of operation and maintenance, including taxes.

20 “(3) Notwithstanding subsection (1) of this section and subject to subsection (4) of this section,  
21 any district may, by a duly adopted resolution of its board, issue and sell revenue bonds for the  
22 purpose of financing betterments and extensions of the district, including renewable energy facilities  
23 or the purchase or sale of electricity, electrical capacity or renewable energy certificates, but the  
24 amount of revenue bonds so issued shall be limited to the reasonable value of the betterments and  
25 extensions plus an amount not to exceed 10 percent thereof for administrative purposes. Revenue  
26 bonds shall not be issued and sold for the purpose of acquiring an initial utility system or acquiring  
27 property or facilities owned by another entity that provides electric utility service unless:

28 “(a) The acquisition is a voluntary transaction between the district and the other entity that  
29 provides electric utility service; or

30 “(b) The electors within the district have approved issuance of the bonds by a vote.

31 “(4) Not later than the 30th day prior to a board meeting at which adoption of a resolution  
32 under subsection (3) of this section will be considered, the district shall:

33 “(a) Provide for and give public notice, reasonably calculated to give actual notice to interested  
34 persons including news media which have requested notice, of the time and place of the meeting and  
35 of the intent of the board to consider and possibly adopt the resolution; and

36 “(b) Mail to its customers notice of the time and place of the meeting and of the intent of the  
37 board to consider and possibly adopt the resolution.

38 “(5) Except as **otherwise** provided in [*subsection (3)(a) of*] this section, any authorizing resolu-  
39 tion adopted for the purposes of subsection (3) of this section shall provide that electors residing  
40 within the district may file a petition with the district asking to have the question of whether to  
41 issue such bonds referred to a vote.

42 “(6) If within 60 days after adoption of a resolution under subsection (3) of this section the dis-  
43 trict receives petitions containing valid signatures of not fewer than five percent of the electors of  
44 the district, the question of issuing the bonds shall be placed on the ballot at the next date on which  
45 a district election may be held under ORS 255.345 (1).

1           “(7) When petitions containing the number of signatures required under subsection (6) of this  
2 section are filed with the district within 60 days after adoption of a resolution under subsection (3)  
3 of this section, revenue bonds shall not be sold until the resolution is approved by a majority of the  
4 electors of the district voting on the resolution.

5           “(8) Any district issuing revenue bonds may pledge that part of the revenue which the district  
6 may derive from its operations as security for payment of principal and interest thereon remaining  
7 after payment from such revenues of all expenses of operation and maintenance, including taxes, and  
8 consistent with the other provisions of this chapter.

9           “(9) Prior to any district board taking formal action to issue and sell any revenue bonds **under**  
10 **this section**, the board shall have on file with the secretary of the district a certificate executed  
11 by a qualified engineer that the net annual revenues of the district, including the property to be  
12 acquired or constructed with the proceeds of the bonds, shall be sufficient to pay the maximum  
13 amount that will be due in any one fiscal year for both principal of and interest on both the bonds  
14 then proposed to be issued and all bonds of the district then outstanding.

15           “(10) Except as **otherwise** provided in [*subsection (3)(a) of*] this section, the district shall order  
16 an election for the authorization of revenue bonds to finance the acquisition or construction of an  
17 initial utility system, including the replacement value of the unreimbursed investment of an investor  
18 owned utility in energy efficiency measures and installations within the proposed district, as early  
19 as practicable under ORS 255.345 after filing the certificate required under subsection (9) of this  
20 section. An election [*under this subsection*] **for the authorization of revenue bonds to finance the**  
21 **acquisition or construction of an initial utility system** shall be held no more than twice in any  
22 one calendar year for any district. In even-numbered years no election shall be held on any other  
23 date than the date of the primary election or general election.

24           “(11) **A district may issue revenue bonds under ORS 288.805 to 288.945 without an election**  
25 **authorizing the issuance, except that revenue bonds shall not be issued under ORS 288.805**  
26 **to 288.945 for the purpose of acquiring an initial utility system or acquiring property or fa-**  
27 **ilities owned by another entity that provides electric utility service unless:**

28           “(a) **The acquisition is a voluntary transaction between the district and the other entity**  
29 **that provides electric utility service; or**

30           “(b) **The electors within the district have approved issuance of the bonds by a vote.”.**  
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