

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass
Vote: 5 - 0 - 0
Yeas: Bonamici, Kruse, Metsger, Morse, Hass
Nays: 0
Exc.: 0
Prepared By: Dana Richardson, Administrator
Meeting Dates: 4/22

WHAT THE MEASURE DOES: Permits dissolution of county service district if it is no longer necessary for the purpose for which it was formed.

ISSUES DISCUSSED:

- Transfer of funds if district is dissolved
- Formation of districts intended to be dissolved after a specified period of time

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Senate Bill 560 adds to the current statutory grounds to dissolve a county service district without an election. Currently, ORS 198.940 permits the dissolution of county services districts without an election if it is required due to an absence of public need for the district.

An instance of a county service district no longer being necessary for its purpose has occurred in Lane County. In Lane County, a Metro Wastewater Service District (MWSD) was created in 1978 that provided funding for the Metro Wastewater Management Commission (MWMC) that did not have the authority to bond. The MWSD borrowed money in tax backed bonds and paid it back in 2002 through a property tax surcharge on residents of the district. In 2002, MWSD ceded all of its assets to the MWMC through a prior arrangement but has continued to exist since that time.