

HOUSE AMENDMENTS TO HOUSE BILL 3617

By COMMITTEE ON AGRICULTURE, NATURAL RESOURCES AND RURAL
COMMUNITIES

February 10

1 On page 1 of the printed updated sponsors bill, line 2, after “services,” insert “creating new
2 provisions;”.

3 In line 16, after “corporation,” insert “a park and recreation district.”.

4 In line 21, after the period insert “At any time after incorporation, a city may cause a district
5 to be extinguished and succeed to all the assets and become charged with all the liabilities, obli-
6 gations and functions of the district if:

7 “(a) The governing body of the city holds a public hearing on the question of the extinguishment,
8 hears objections to the extinguishment at the hearing, determines that the extinguishment is in the
9 best interest of the city and adopts an ordinance extinguishing the district;

10 “(b) After the hearing, the governing body of the city refers the ordinance extinguishing the
11 district to the electors of the city; and

12 “(c) The majority of all votes cast favors that the district be extinguished.

13 “(3) For the public hearing required in subsection (2)(a) of this section, the governing body shall
14 fix a date, time and place for the hearing and cause notice of the date, time, place and purpose of
15 the hearing to be published once each week for two successive weeks prior to the date of the
16 hearing in a newspaper of general circulation in the city, and shall cause notices of the hearing to
17 be posted in four public places in the city for a like period.”.

18 On page 3, line 2, after the period insert “At any time after incorporation, a city may cause a
19 district to be extinguished and succeed to all the assets and become charged with all the liabilities,
20 obligations and functions of the district if:

21 “(a) The governing body of the city holds a public hearing on the question of the extinguishment,
22 hears objections to the extinguishment at the hearing, determines that the extinguishment is in the
23 best interest of the city and adopts an ordinance extinguishing the district;

24 “(b) After the hearing, the governing body of the city refers the ordinance extinguishing the
25 district to the electors of the city; and

26 “(c) The majority of all votes cast favors that the district be extinguished.

27 “(3) For the public hearing required in subsection (2)(a) of this section, the governing body shall
28 fix a date, time and place for the hearing and cause notice of the date, time, place and purpose of
29 the hearing to be published once each week for two successive weeks prior to the date of the
30 hearing in a newspaper of general circulation in the city, and shall cause notices of the hearing to
31 be posted in four public places in the city for a like period.”.

32 In line 3, delete “(3)” and insert “(4)”.

33 After line 9, insert:

34 **“SECTION 4. (1) For the purposes of this section, ‘rate-setting authority’ means a county
35 service district authorized under ORS 451.410 to 451.610 that controls sewage works for a**

1 county that:

2 “(a) Is within a metropolitan service district;

3 “(b) Has a population of less than 600,000; and

4 “(c) Has a majority of its territory located east of the Willamette River.

5 “(2) Prior to June 1 of each year, a rate-setting authority shall adopt a proposed rate for
6 sewer service provided to each city or portion of a city located outside of the boundaries of
7 the rate-setting authority, or to each city that is considered a wholesale purchaser of sewer
8 service from the rate-setting authority, to be effective on or after July 1 of the same year.
9 The rate-setting authority shall transmit the proposed rate to the governing body of the city
10 affected by the proposed rate by first class mail within five working days of the rate-setting
11 decision.

12 “(3) Within 10 working days of receipt of the notice of a proposed rate from the rate-
13 setting authority, a city may notify the rate-setting authority by first class mail that the
14 city:

15 “(a) Objects to the proposed rate; and

16 “(b) Intends to submit the dispute to an arbitrator of the American Arbitration Associ-
17 ation under the provisions of ORS 190.710 to 190.800.

18 “(4) Within 10 working days of receipt of the notice of objection from the city, the rate-
19 setting authority shall either:

20 “(a) Change the proposed rate to its previous amount; or

21 “(b) Agree to arbitrate the dispute under the provisions of ORS 190.710 to 190.800 and
22 notify the city of this decision by first class mail.

23 “(5) The city shall pay the rate-setting authority the previous rate for sewer service
24 during the duration of the arbitration process. If the arbitrator grants a rate different from
25 the previous rate, the arbitrator’s opinion and award must include reimbursement of one
26 party by the other of the difference between the amount of moneys collected during the ar-
27 bitration process and the amount of moneys that would have been collected based upon the
28 arbitrator’s granted rate.

29 “(6) If a rate-setting authority agrees to arbitration under subsection (4)(b) of this sec-
30 tion, the rate-setting authority is prohibited from terminating sewer service or canceling a
31 contract to provide sewer service to a city outside of the boundaries of the rate-setting au-
32 thority or to a city that is considered a wholesale purchaser of sewer service from the
33 rate-setting authority prior to completing the arbitration process.”.

34 In line 10, delete “4” and insert “5”.