

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

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| <b>Action:</b>        | Do Pass the A-Engrossed Measure                 |
| <b>Vote:</b>          | 5 - 0 - 0                                       |
| <b>Yeas:</b>          | Baertschiger, Burdick, Close, Prozanski, Roblan |
| <b>Nays:</b>          | 0   |
| <b>Exc.:</b>          | 0   |
| <b>Prepared By:</b>   | Racquel Rancier, Administrator                  |
| <b>Meeting Dates:</b> | 5/14  |

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**WHAT THE MEASURE DOES:** Allows city to withdraw portion of district annexed or incorporated into city only if city provides for service previously provided by district. Applies to areas incorporated or annexed on or after effective date of Act. Effective on 91<sup>st</sup> day after adjournment sine die.

**ISSUES DISCUSSED:**

- City of Keizer’s attempt to transfer area from one fire district to another and corresponding ballot measure and court case
- Fire standards are statewide standards set by Fire Marshal
- Existing law requiring approval by each districts’ governing board for transfer of service between districts
- City considered to provide for service in accordance with bill if city collects taxes and contracts for the service to be provided

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Annexation is the process of incorporating a piece of property into the boundaries of a city, making the property and those who live there eligible for services provided by the city. Annexation can be initiated by the city or property owner and is a locally driven process guided by state statutes. ORS 222.520 allows a city to withdraw portions of a rural fire protection district, water district, park and recreation district, highway lighting district, county service district, special road district, road assessment district, or sanitary district from the district upon annexation or incorporation of the area into the city.

In 2012, the Marion County Circuit Court issued a decision in *Marion County Fire District #1 v. City of Keizer and Keizer Fire District* concluding, upon review of the legislative history and the text and context of the statute, that a city is only authorized to withdraw an area from a district when the city will be responsible for providing the fire service. House Bill 2618 A clarifies the statute, authorizing a city to withdraw an area from a district only if the city will provide for the services formerly provided by the district.