

# Enrolled House Bill 3488

Sponsored by Representative JENSON, Senator HANSELL

CHAPTER .....

AN ACT

Relating to borrowing by community college districts; amending ORS 341.604, 341.608, 341.611, 341.613 and 341.616; and declaring an emergency.

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

**SECTION 1.** ORS 341.608 is amended to read:

341.608. (1) Subject to restrictions in the Oregon Constitution and subsection (2) of this section, any of the methods of financing authorized under this chapter or any other provision of law that is available to community college districts organized pursuant to this chapter may, in the discretion of the district board, be implemented in the district[, *in a specific service area*] or in one or more [*specific*] service areas simultaneously.

(2) The district may incur bonded indebtedness [*or other indebtedness*] **authorized by this section using the procedures prescribed in ORS chapter 287A** for the benefit of the district or a [*specific*] service area **or combination of service areas of the district** upon satisfaction of the conditions set forth in ORS 341.611 and 341.613.

**SECTION 2.** ORS 341.611 is amended to read:

341.611. (1) An election shall be held to determine if a district may contract a bonded indebtedness for the benefit of the district or [*for the benefit of a specific service area*] **a service area or combination of service areas of the district.**

(2) If the bonded indebtedness is for the benefit of the district, all district voters residing within the boundaries of the district are entitled to vote in the election. If the bonded indebtedness is for the benefit of a [*specific*] service area **or combination of service areas of the district**, only the district voters residing within the boundaries of the affected service area **or service areas** are entitled to vote in the election.

(3) The district board may order the election on its own motion, or shall order the election if a petition is filed as provided in ORS 341.678 on behalf of the voters of the district or the service area **or service areas**. The election shall be held in accordance with the provisions of ORS 341.356 to 341.379.

**SECTION 3.** ORS 341.613 is amended to read:

341.613. (1) Following authorization from the voters of a district or **a service area or combination of service areas of the district**, the district board may contract a bonded indebtedness to be paid by a tax levy on the taxable property within the district or **the service area or service areas** for any one or more of the purposes set forth in ORS 341.675. Any land acquired, college building or buildings or any additions to a building or buildings, and any real or personal property to be paid for with the proceeds of the bonded indebtedness must be located within the boundaries

of the district or the service area **or combination of service areas** that approved the bonded indebtedness.

(2) The aggregate amount of bonded indebtedness incurred for the benefit of a district or a service area **or combination of service areas**, when added to the aggregate amount of other bonded indebtedness payable from ad valorem property taxes levied within the district or **the** service area **or combination of service areas**, may not exceed one and one-half percent of the real market value of all taxable property within the district or **the affected** service area **or service areas**, computed in accordance with ORS 308.207.

**SECTION 4.** ORS 341.616 is amended to read:

341.616. (1) The district board shall ascertain and levy annually, in addition to all other taxes, a direct ad valorem tax on all the taxable property within the district if the district approved bonded indebtedness or within [*the territory of a service area if the service area*] **the affected service area or combination of service areas if the service area or combination of service areas** approved bonded indebtedness. The ad valorem tax shall be sufficient to pay promptly, when and as [*such*] payments become due, the maturing interest and principal of all bonds outstanding for the district or the service area **or combination of service areas** that were approved at an election held pursuant to ORS 341.611 or 341.678. The amount of the tax may be increased by an amount sufficient to retire any bonds that may be callable.

(2) Funds derived from a tax levy within the district or [*a*] **the service area or service areas** specifically for the purpose of paying bonded indebtedness shall be applied solely to the payment of the bonds for which the taxes were levied and may not be applied to the payment of any other indebtedness.

[*(3) Bonds authorized pursuant to the terms of this section, and any bonds refunding the bonds, shall be issued as prescribed in ORS chapter 287A.*]

**SECTION 5.** ORS 341.604 is amended to read:

341.604. (1) The Blue Mountain Community College District and the Rogue Community College District may expand as provided by this section.

(2) If expansion of the Blue Mountain Community College District or the Rogue Community College District is approved by the voters, the Legislative Assembly shall:

(a) For the Blue Mountain Community College District, classify and designate service areas within the district. The boundaries of the service areas shall be coterminous with the boundaries of the counties within the district.

(b) For the Rogue Community College District, initially classify and designate two service areas within the district. The first service area shall be coterminous with the boundaries of Jackson County or such portion thereof as is included in the expanded district approved by the voters. The second service area shall be coterminous with the boundaries of Josephine County.

(3) The district board of the Blue Mountain Community College District or the Rogue Community College District by resolution may designate as additional service areas any territory or territories within the district that are benefited by the acquisition, construction and installation of community college facilities. Each additional service area designated by the district board shall be located entirely within the territory of a service area designated in subsection (2) of this section. In no event shall the district board designate as a service area any portion of the district incorporating territory located within two or more service areas designated in subsection (2) of this section.

(4) The district board may not amend the boundaries of the service areas designated in subsection (2) of this section. The district board may by resolution amend the boundaries of any additional service area designated pursuant to subsection (3) of this section to conform to changes in the community college services provided by the district. However, the boundaries of a service area may not be amended if bonded indebtedness issued pursuant to ORS 341.611 [*or any other indebtedness*] for the benefit of [*such*] **the** service area is then outstanding.

**SECTION 6. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.**

---

**Passed by House June 21, 2013**

.....  
Ramona J. Line, Chief Clerk of House

.....  
Tina Kotek, Speaker of House

**Passed by Senate June 27, 2013**

.....  
Peter Courtney, President of Senate

**Received by Governor:**

.....M,....., 2013

**Approved:**

.....M,....., 2013

.....  
John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2013

.....  
Kate Brown, Secretary of State