

**PROPOSED AMENDMENTS TO
HOUSE BILL 3453**

1 On page 1 of the printed bill, delete line 3 and insert “prescribing an ef-
2 fective date.”.

3 In line 5, delete “8” and insert “10”.

4 Delete lines 11 through 28 and delete pages 2 through 4 and insert:

5 **“SECTION 2. (1) If the Governor determines that fiscal conditions**
6 **exist or are imminent in one or more counties that compromise the**
7 **ability of the affected counties to provide a minimally adequate level**
8 **of public safety services, the Governor may proclaim a public safety**
9 **fiscal emergency.**

10 **“(2) Prior to declaring a public safety fiscal emergency, the Gover-**
11 **nor shall consult with the Senate President, the Majority and Minority**
12 **Leaders of the Senate, the Speaker of the House of Representatives,**
13 **the Majority and Minority Leaders of the House of Representatives and**
14 **each Senator and Representative whose district is wholly or partially**
15 **within a county that is proposed to be subject to the public safety**
16 **fiscal emergency.**

17 **“(3) The Governor shall specify in a proclamation made pursuant**
18 **to this section each county in which the public safety fiscal emergency**
19 **has occurred or is imminent. The area specified in the proclamation**
20 **shall be as small as necessary to allow for an effective response to the**
21 **emergency, but may not be smaller than a single county.**

22 **“(4) As used in sections 2 to 10 of this 2013 Act, ‘local government’**

1 means a county or an incorporated city.

2 **“SECTION 3. (1) Whenever the Governor has proclaimed a public**
3 **safety fiscal emergency pursuant to section 2 of this 2013 Act, the**
4 **Governor may, on behalf of a unit of local government within the area**
5 **covered by the proclamation and only after obtaining written author-**
6 **ization signed by a majority of the governing body of each local gov-**
7 **ernment subject to the proclamation, enter into a written**
8 **intergovernmental agreement with any other unit of local govern-**
9 **ment, whether inside or outside the area covered by the proclamation,**
10 **for the performance of functions and activities related to public safety**
11 **that a unit of local government that is party to the agreement or its**
12 **officers or agencies have authority to perform.**

13 **“(2) ORS 190.010 applies to the performance of a function or activity**
14 **pursuant to an intergovernmental agreement entered into under sub-**
15 **section (1) of this section.**

16 **“(3)(a) The state shall bear 50 percent of the cost of public safety**
17 **services provided under the intergovernmental agreement entered into**
18 **under subsection (1) of this section.**

19 **“(b) The counties that are parties to the intergovernmental agree-**
20 **ment entered into under subsection (1) of this section shall bear the**
21 **remaining 50 percent, which may be funded through:**

22 **“(A) An income tax as provided in section 7 of this 2013 Act;**

23 **“(B) If an income tax is prohibited, an alternative means of as-**
24 **essment under section 8 of this 2013 Act;**

25 **“(C) Existing sources of county revenue; or**

26 **“(D) Any combination of funding described in this paragraph.**

27 **“SECTION 4. (1) An intergovernmental agreement entered into un-**
28 **der section 3 of this 2013 Act must specify the functions or activities**
29 **to be performed and by what means the functions or activities shall**
30 **be performed.**

1 “(2) Where applicable and subject to section 3 of this 2013 Act, the
2 intergovernmental agreement shall provide for:

3 “(a) Apportionment among the parties to the agreement of the re-
4 sponsibility for providing funds to pay for expenses incurred in the
5 performance of the functions or activities.

6 “(b) Apportionment of fees or other revenue derived from the
7 functions or activities and the manner of accounting for the fees or
8 other revenue.

9 “(c) The transfer of personnel and the preservation of their em-
10 ployment benefits.

11 “(d) The transfer of possession of or title to real or personal prop-
12 erty.

13 “SECTION 5. (1) A unit of local government that is designated, in
14 an intergovernmental agreement entered into under section 3 of this
15 2013 Act, to perform functions or activities is vested with all powers,
16 rights and duties relating to those functions and activities that are
17 vested by law in each party to the agreement and its officers and
18 agencies.

19 “(2) An officer designated in an intergovernmental agreement en-
20 tered into under section 3 of this 2013 Act to perform duties, functions
21 or activities of two or more public officers shall be considered to be
22 holding one office.

23 “SECTION 6. (1) An intergovernmental entity created by an inter-
24 governmental agreement entered into under section 3 of this 2013 Act
25 may, according to the terms of the agreement, adopt all rules neces-
26 sary to carry out the intergovernmental entity’s powers and duties
27 under the intergovernmental agreement.

28 “(2) Except as provided in section 3 (3) of this 2013 Act, the debts,
29 liabilities and obligations of an intergovernmental entity shall be,
30 jointly and severally, the debts, liabilities and obligations of the parties

1 to the intergovernmental agreement that created the intergovern-
2 mental entity, unless the agreement specifically provides otherwise.

3 “(3) A party to an intergovernmental agreement creating an inter-
4 governmental entity may assume responsibility for specific debts, li-
5 abilities or obligations of the intergovernmental entity.

6 “(4)(a) Moneys collected by or credited to an intergovernmental
7 entity may not inure to the benefit of any private person. Upon dis-
8 solution of the intergovernmental entity, title to all assets of the
9 intergovernmental entity shall vest in the parties to the intergovern-
10 mental agreement that created the intergovernmental entity.

11 “(b) The intergovernmental agreement creating the intergovern-
12 mental entity must provide a procedure for:

13 “(A) The disposition, division and distribution of any assets ac-
14 quired by the intergovernmental entity during the term of the inter-
15 governmental agreement that created the intergovernmental entity;
16 and

17 “(B) The assumption of any outstanding indebtedness or other li-
18 abilities of the intergovernmental entity by the parties to the inter-
19 governmental agreement that created the intergovernmental entity.

20 “(5) ORS 190.110 applies to all parties to, and all intergovernmental
21 entities created by, an intergovernmental agreement entered into un-
22 der section 3 of this 2013 Act.

23 “SECTION 7. (1) To carry out the purposes of sections 2 to 6 of this
24 2013 Act, counties within the area covered by the proclamation made
25 pursuant to section 2 of this 2013 Act may impose a tax:

26 “(a) Upon the entire taxable income of every resident of the area
27 who is subject to tax under ORS chapter 316 and upon the taxable in-
28 come of every nonresident that is derived from sources within the area
29 which income is subject to tax under ORS chapter 316; or

30 “(b) On or measured by the net income of a mercantile, manufac-

1 turing, business, financial, centrally assessed, investment, insurance
2 or other corporation or entity taxable as a corporation doing business,
3 located, or having a place of business or office or having income de-
4 rived from sources, within the area which income is subject to tax
5 under ORS chapter 317 or 318.

6 “(2) A tax imposed pursuant to this section shall require the
7 adoption of an ordinance by the governing body of each county au-
8 thorizing a tax under this section. The Governor may not act on behalf
9 of a county governing body in authorizing a tax under this section.

10 “(3) The tax may be imposed and collected as a surtax upon the
11 state personal income or corporate income or excise tax.

12 “(4) Any tax imposed pursuant to this section shall require a non-
13 resident, corporation or other entity taxable as a corporation having
14 income from activity both within and without the area taxable under
15 subsection (1) of this section to allocate and apportion such net income
16 to the area in the manner required for allocation and apportionment
17 of income under ORS 314.280 and 314.605 to 314.675.

18 “(5) If a county governing body adopts an ordinance under this
19 section, the ordinance shall be compatible with any state law estab-
20 lishing taxable income or relating to the administration, collection or
21 enforcement of any tax law of this state, and with any rules adopted
22 by the Department of Revenue under ORS 305.620 or otherwise.

23 “(6) An ordinance adopted under this section may not declare an
24 emergency.

25 “(7) This section does not apply to a county that is subject to a
26 charter that prohibits the imposition of county income taxes.

27 **“SECTION 8. (1) This section applies only to a county that is subject**
28 **to a charter that prohibits the imposition of county income taxes.**

29 “(2) The governing body of a county subject to a proclamation made
30 pursuant to section 2 of this 2013 Act may by ordinance impose any

1 other assessment the governing body is lawfully capable of imposing,
2 to the extent the governing body determines that the other assessment
3 is necessary to satisfy the county's funding obligations under section
4 3 (3)(b) of this 2013 Act. The Governor may not act on behalf of a
5 county governing body in authorizing an assessment under this sec-
6 tion.

7 **"SECTION 9. (1) A public safety fiscal emergency proclaimed pur-**
8 **suant to section 2 of this 2013 Act terminates after 18 months unless**
9 **the Governor extends the public safety fiscal emergency for a stated**
10 **amount of time up to 18 additional months. The Governor shall con-**
11 **sult with the Senate President, the Majority and Minority Leaders of**
12 **the Senate, the Speaker of the House of Representatives, the Majority**
13 **and Minority Leaders of the House of Representatives and each Sen-**
14 **ator and Representative whose district is wholly or partially within a**
15 **county that is subject to the public safety fiscal emergency.**

16 **"(2) The Governor shall terminate a public safety fiscal emergency**
17 **by proclamation when the emergency no longer exists or the threat**
18 **of an emergency has passed.**

19 **"(3) The public safety fiscal emergency proclaimed by the Governor**
20 **may be terminated at any time by action of the Legislative Assembly.**

21 **"(4) A termination of a public safety fiscal emergency shall apply**
22 **to:**

23 **"(a) Income and excise tax years beginning on or after January 1**
24 **following the termination; and**

25 **"(b) Other assessment reporting periods beginning on or after the**
26 **first day of the first calendar quarter following the termination.**

27 **"(5) Prior to the termination of a public safety fiscal emergency, the**
28 **local governments that are parties to an intergovernmental agreement**
29 **entered into under section 3 of this 2013 Act may adopt an ordinance**
30 **ratifying the creation of the intergovernmental entity to continue the**

1 entity beyond the termination of the emergency. The ratifying ordi-
2 nance shall be consistent with ORS 190.085.

3 **“SECTION 10.** The Legislative Assembly finds and declares that
4 providing a coordinated and comprehensive response to a local or re-
5 gional public safety fiscal emergency is a matter of state concern. The
6 Legislative Assembly also finds that the imposition of a tax or as-
7 sessment described in section 7 or 8 of this 2013 Act is an integral
8 component of any coordinated and comprehensive response, but the
9 Legislative Assembly further finds that an income tax imposed under
10 section 7 of this 2013 Act may not be imposed if the imposition would
11 contradict a county charter that expressly prohibits a county income
12 tax under any circumstance.

13 **“SECTION 11.** ORS 203.055 is amended to read:

14 **“203.055. (1) Except as provided in subsection (2) of this section,** any
15 ordinance, adopted by a county governing body under ORS 203.035 and im-
16 posing, or providing an exemption from, taxation shall receive the approval
17 of the electors of the county before taking effect.

18 **“(2) A tax or other assessment may be imposed under section 7 or**
19 **8 of this 2013 Act upon the taking effect of an ordinance adopted by**
20 **the governing body of the county that so provides. An emergency may**
21 **not be declared in an ordinance described in this subsection.**

22 **“SECTION 12.** This 2013 Act takes effect on the 91st day after the
23 date on which the 2013 regular session of the Seventy-seventh Legis-
24 lative Assembly adjourns sine die.”.

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