

**PRELIMINARY STAFF MEASURE SUMMARY****CARRIER:**

Senate Committee on Senate Health Care

**REVENUE: No revenue impact****FISCAL: No fiscal impact****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Zena Rockowitz, Administrator**Meeting Dates:** 3/9

**WHAT THE MEASURE DOES:** Authorizes electors in affected territory to propose plan for abating health hazard other than annexation of territory or extraterritorial extension of city or district services to territory. Requires cost effectiveness as criteria to consider by Oregon Health Authority or Environmental Quality Commission before approving or rejecting alternative plan. Alters number of residents necessary to petition local board of health to initiate annexation proceedings to abate health hazard. Permits withdrawal of petition of annexation before annexation is final. Applies to proceedings in which annexation of affected territory is not final. Declares emergency, effective on passage.

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

**BACKGROUND:** Under ORS 222.885 and 222.890, if the Oregon Health Authority (OHA) determines that conditions dangerous to public health exist (failing water and septic systems), a petition may be signed by a majority of electors registered in the affected territory to annex a district to gain access to facilities, or with the approval of a city or district, a city's or district's sewer or water lines can be extended. A city council or governing body of a district of the affected territory may adopt a resolution for an alternative plan to annexation. OHA and the Environmental Quality Commission review alternative plans, and may reject them in favor of the best, most expeditious method. There is another mechanism in place to annex territory (ORS 222.905) which allows 11 percent of residents of a territory to apply to the local board of health or boundary commission if it believes there is a danger to public health.

For people living outside of a city these laws are in place to help protect against poor water quality. This method has traditionally been used to move people out of independent septic systems and onto district water and sewer systems. Cities use local improvement districts (LIDs) to finance the extension of infrastructure. LIDs allow property owners to pay back the city overtime using low interest rate government bonds. Proponents state that this structure leaves few solutions apart from annexation which can be costly to cities. Further, residents cannot remove themselves from the petition in order to stop the process if they do not wish to annex the property.

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***This summary has not been adopted or officially endorsed by action of the committee.***