

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3086

By COMMITTEE ON RULES

June 12

1 On page 1 of the printed A-engrossed bill, delete lines 5 through 16 and delete pages 2 and 3
2 and insert:

3 **“SECTION 1. (1) As soon as practicable after the operative date determined under section**
4 **2 of this 2015 Act and until the 60th day following the operative date, the City of Damascus**
5 **shall post notices in at least two public locations in the city and on the website of the city**
6 **stating that:**

7 **“(a) Under subsection (2) of this section, the city is required to satisfy all current and**
8 **pending debts and obligations for which the city is liable; and**

9 **“(b) Persons believing themselves to be creditors of the city should present claims to the**
10 **city as soon as possible to ensure that all valid debts and obligations for which the city is**
11 **liable will be timely paid.**

12 **“(2) Notwithstanding ORS 221.650, during the period that begins on the 30th day following**
13 **the operative date determined under section 2 of this 2015 Act and ends on the 60th day fol-**
14 **lowing the operative date:**

15 **“(a) The City of Damascus shall expend moneys in the funds of the city to satisfy:**

16 **“(A) Current and pending debts and obligations for which the city is liable, including, but**
17 **not limited to, debt service payments, lease obligations, financing arrangements and similar**
18 **obligations;**

19 **“(B) Outstanding obligations relating to employment of city employees, including pension**
20 **and other employee benefit obligations; and**

21 **“(C) Other debts, obligations, liabilities and expenses requiring financial satisfaction by**
22 **a disincorporating city.**

23 **“(b) As soon as practicable after making the expenditures required under paragraph (a)**
24 **of this subsection, the city shall transfer:**

25 **“(A) All moneys in the city road fund to Clackamas County for deposit in a separate ac-**
26 **count in the county road fund created for purposes of this subparagraph. Moneys in the**
27 **separate account shall be expended by the county for the purposes for which moneys in the**
28 **county road fund may be expended, solely in the territory within the corporate boundaries**
29 **of the City of Damascus as they existed on the operative date determined under section 2**
30 **of this 2015 Act.**

31 **“(B) An amount not to exceed \$3 million to Clackamas County for deposit in a separate**
32 **account in the county general fund created for purposes of this subparagraph. Moneys in the**
33 **separate account shall be expended by the county for expenses related to the employment**
34 **of employees of the City of Damascus by Clackamas County pursuant to ORS 236.605 to**
35 **236.640, contracted law enforcement services within the territory of the disincorporated city**

1 and other current service expenses in the budget of the City of Damascus on the operative
2 date determined under section 2 of this 2015 Act, and the administration by the county of
3 this subparagraph, including but not limited to the processing of expenditures under this
4 subparagraph.

5 “(c) The City of Damascus shall transfer all moneys in the funds of the city in excess of
6 the moneys required to be expended under paragraph (a) of this subsection and transferred
7 under paragraph (b) of this subsection to Clackamas County for deposit in a separate account
8 in the county general fund created for purposes of this paragraph. Excess moneys in the
9 separate account shall be distributed by the county as provided in subsection (3) of this
10 section.

11 “(3)(a) Excess moneys transferred to Clackamas County under subsection (2)(c) of this
12 section shall be distributed by the county on or as soon as practicable after January 1, 2018,
13 to each person that owned taxable property as of June 30, 2016, for which property taxes
14 were paid in full to the City of Damascus for the property tax year beginning on July 1, 2015,
15 in an amount determined by multiplying the amount of all excess moneys to be distributed
16 under this subsection by the ratio of the cumulative amount of ad valorem property taxes
17 certified by the city and paid with respect to the property owned by the person for the
18 property tax years beginning on July 1, 2013, and ending on June 30, 2016, to the cumulative
19 amount of ad valorem property taxes certified by the city and paid with respect to property
20 owned by all persons eligible for the distribution under this subsection for the property tax
21 years beginning on July 1, 2013, and ending on June 30, 2016.

22 “(b) Notwithstanding paragraph (a) of this subsection, amounts that would otherwise be
23 distributed under paragraph (a) of this subsection to a taxpayer with respect to a homestead
24 granted deferral under ORS 311.666 to 311.701 shall be paid to the credit of the account
25 maintained for the deferred property by the Department of Revenue pursuant to ORS 311.676.
26 The county shall notify the taxpayer upon making a payment to the department under this
27 paragraph.

28 “(c) A distribution is not required under this subsection if the amount of the distribution
29 would be \$10 or less.

30 “(d) Before making the distributions described in this subsection, the county may retain
31 an amount of the excess moneys equal to the actual costs of the county in making the dis-
32 tributions.

33 “(e) Excess moneys to be distributed under this subsection that remain unclaimed on
34 January 1, 2019, shall be transferred to the general fund of Clackamas County and may be
35 expended by the county in the same manner as other moneys in the general fund.

36 “(4)(a) Notwithstanding any other provision of law, in order to compensate Clackamas
37 County for the distribution of excess moneys under subsection (3) of this section, for the
38 period that begins on the 61st day following the operative date determined under section 2
39 of this 2015 Act, and ending 10 years later, funds that would otherwise have been distributed
40 to the City of Damascus under ORS 323.455, 366.785 to 366.820, 403.240 and 471.810 shall be
41 distributed to Clackamas County for deposit in a separate account in the general fund of the
42 county created for purposes of this subsection.

43 “(b) Moneys described in paragraph (a) of this subsection shall be expended by the county
44 on costs, including the actual costs of the county in administering this subsection, related
45 to public safety and law enforcement, urban comprehensive planning, code enforcement and

1 waste water and surface water management that are incurred solely in the territory within
2 the corporate boundaries of the City of Damascus as they existed on the operative date de-
3 termined under section 2 of this 2015 Act. Territory that is removed from the Metro urban
4 growth boundary or that is annexed to another city during the period described in paragraph
5 (a) of this subsection shall, from the effective date of the removal or annexation, be consid-
6 ered outside the corporate boundaries of the City of Damascus for purposes of this sub-
7 section.

8 **“SECTION 2.** Section 1 of this 2015 Act does not become operative until the earlier of the
9 date on which:

10 **“(1)** Chapter _____, Oregon Laws 2015 (Enrolled House Bill 3085), is approved by a ma-
11 jority of the voters of the City of Damascus voting on chapter _____, Oregon Laws 2015
12 (Enrolled House Bill 3085), pursuant to section 2, chapter _____, Oregon Laws 2015 (En-
13 rolled House Bill 3085); or

14 **“(2)** An appellate court of this state issues a final decision that is not subject to further
15 appeal holding that the question of the disincorporation of the City of Damascus voted on
16 at the November 5, 2013, election was effectively approved.

17 **“SECTION 3.** If an appellate court of this state issues a final decision described in section
18 2 (2) of this 2015 Act before the date of the next primary election:

19 **“(1)** Chapter _____, Oregon Laws 2015 (Enrolled House Bill 3085), is repealed;

20 **“(2)** The Secretary of State may not submit chapter _____, Oregon Laws 2015 (Enrolled
21 House Bill 3085), to the people of the City of Damascus for their approval or rejection at a
22 special election held on the same date as the next primary election; and

23 **“(3)** If chapter _____, Oregon Laws 2015 (Enrolled House Bill 3085), is submitted to the
24 people of the City of Damascus for their approval or rejection at a special election held on
25 the same date as the next primary election, the ballots on the question of chapter _____,
26 Oregon Laws 2015 (Enrolled House Bill 3085), may not be counted.

27 **“SECTION 4.** This 2015 Act being necessary for the immediate preservation of the public
28 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
29 on its passage.”.

30 _____