

House Bill 2040

Sponsored by Representative CLEM; Representative GILLIAM (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes district or city to require consent to eventual annexation of property before providing extraterritorial service to property. Creates exception if extraterritorial service is provided pursuant to certain intergovernmental agreements, if consent is not requirement of intergovernmental agreement or of comprehensive plan adopted for area in which property is situated and if extraterritorial service is service other than water service, sewer service, storm water service, constructing first paved access to property or service provided by municipal electric utility.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to consent to annexation for extraterritorial service; amending ORS 198.869 and 222.115;
3 and declaring an emergency.

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

5 **SECTION 1.** ORS 198.869 is amended to read:

6 198.869. (1) **As used in this section, "extraterritorial service" means a service provided**
7 **by:**

8 (a) **A district in an area outside the district's boundaries; or**

9 (b) **A municipal electric utility as defined in ORS 757.600 outside the incorporated**
10 **boundaries of the city that owns and operates the utility or on whose behalf the utility is**
11 **owned and operated.**

12 (2) **Except as provided in subsection (3) of this section, a district may require a land-**
13 **owner to consent to eventual annexation of property before providing an extraterritorial**
14 **service to the property.**

15 (3) **A district may not require a landowner to consent to eventual annexation before**
16 **providing an extraterritorial service if:**

17 (a) **The extraterritorial service is provided to the landowner's property pursuant to an**
18 **intergovernmental agreement described in ORS 190.010 with a county;**

19 (b) **The contract containing the landowner's consent to eventual annexation is not a re-**
20 **quirement of the intergovernmental agreement with the county or the comprehensive plan**
21 **adopted for the area in which the property is situated; and**

22 (c) **The extraterritorial service is a service other than water service, sewer service,**
23 **storm water service, constructing a road or street to provide the first paved access to a**
24 **landowner's property or service provided by a municipal electric utility.**

25 (4) **A contract between a district and a landowner [*relating to extraterritorial provision of service***
26 ***and consent to eventual annexation of property of the landowner shall*] containing the landowner's**
27 **consent to eventual annexation of the landowner's property in return for extraterritorial**
28 **service:**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (a) **Must** be recorded; and[,]

2 (b) When recorded, [*shall be binding on all successors with an*] **is binding on successors in**
3 interest in [*that*] **the** property.

4 **SECTION 2.** ORS 222.115 is amended to read:

5 222.115. (1) **As used in this section, “extraterritorial service” means a service provided**
6 **by:**

7 (a) **A city in an area outside the city’s incorporated boundaries; or**

8 (b) **A municipal electric utility as defined in ORS 757.600 outside the incorporated**
9 **boundaries of the city that owns and operates the utility or on whose behalf the utility is**
10 **owned and operated.**

11 (2) **Except as provided in subsection (3) of this section, a city may require a landowner**
12 **to consent to eventual annexation of property before providing an extraterritorial service to**
13 **the property.**

14 (3) **A city may not require a landowner to consent to eventual annexation before provid-**
15 **ing an extraterritorial service if:**

16 (a) **The extraterritorial service is provided to the landowner’s property pursuant to an**
17 **intergovernmental agreement described in ORS 190.010 with another local government as**
18 **defined in ORS 174.116;**

19 (b) **The contract containing the landowner’s consent to eventual annexation is not a re-**
20 **quirement of the intergovernmental agreement with the other local government or the**
21 **comprehensive plan adopted for the area in which the property is situated; and**

22 (c) **The extraterritorial service is a service other than water service, sewer service,**
23 **storm water service, constructing a road or street to provide the first paved access to a**
24 **landowner’s property or service provided by a municipal electric utility.**

25 (4) **A contract between a city and a landowner containing the landowner’s consent to eventual**
26 **annexation of the landowner’s property in return for extraterritorial [*services*] **service:****

27 [(1)] (a) **Must** be recorded; and

28 [(2)] (b) When recorded, is binding on successors in interest in [*that*] **the** property.

29 **SECTION 3.** **This 2017 Act being necessary for the immediate preservation of the public**
30 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
31 **on its passage.**

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