

House Bill 3435

Sponsored by Representative SMITH DB

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 moneys in county road fund to be loaned to taxing district within county only pursuant to legally binding intergovernmental agreement or loan agreement.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to county road fund moneys; and prescribing an effective date.

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

4 **SECTION 1. (1) Moneys in a county road fund may be loaned to any other taxing district**
5 **located within the county.**

6 **(2) The amount of the loan may not exceed the amount of operating taxes estimated to**
7 **be collected by the taxing district to which the moneys are loaned, plus interest, for a period**
8 **of 20 consecutive years.**

9 **(3)(a) Moneys may be loaned under this section only pursuant to a legally binding inter-**
10 **governmental agreement or loan agreement entered into by the governing bodies of the**
11 **taxing district to which the moneys are to be loaned and the county loaning the moneys.**

12 **(b) The intergovernmental agreement or loan agreement must contain provisions that:**

13 **(A) Fix the principal amount of the loan and state the method of determining the rate**
14 **of interest.**

15 **(B) Fix the term of the loan and the schedule of the payments of principal and interest.**

16 **(C) Pledge the operating tax revenues of the taxing district as security for repayment**
17 **of the loan, plus interest.**

18 **(D) Identify the purpose for which the taxing district is borrowing the moneys.**

19 **(4) The governing bodies of the taxing district and the county shall account for the loan**
20 **and the repayment obligation, including interest, in their annual budgets for the term of the**
21 **loan.**

22 **SECTION 2. This 2017 Act takes effect on the 91st day after the date on which the 2017**
23 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**

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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.