A-Engrossed

House Bill 4056

Ordered by the House February 12
Including House Amendments dated February 12

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Education for Higher Education Coordinating Commission)

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.

Approves Proposed and Final Order of Higher Education Coordinating Commission dated December 12, 2019, transferring northernmost portion of Lake County from Central Oregon Community College Service District to Klamath Community College Service District. Clarifies that transferred area remains liable for its share of debt of Central Oregon Community College Service District that exists at time of transfer.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to boundaries of community college districts; creating new provisions; amending ORS 341.573; and declaring an emergency.

Whereas the northernmost portion of Lake County (territory) is currently being served by distance learning technology offered by Klamath Community College Service District (KCC); and

Whereas residents who attended required public hearings believed that KCC offers programming that is more aligned with the educational needs of the territory than that offered by the Central Oregon Community College Service District (COCC); and

Whereas Lake County has a current contractual relationship with KCC and the Lakeview Education Service District has a positive relationship with KCC; and

Whereas COCC does not have current plans to increase or improve the educational services provided by COCC to the territory; and

Whereas the current community college district boundaries are not aligned with the current contracts, relationships and interests of the territory; and

Whereas the COCC Board of Directors has taken formal action to support the transition; and

Whereas the tax liability of residents of the territory will decrease without any loss in educational services, as the KCC mill rate is currently lower than the COCC mill rate; now, therefore,

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

SECTION 1. (1) Pursuant to ORS 341.565, the Eightieth Legislative Assembly approves the changes to the boundaries of the Central Oregon Community College Service District and Klamath Community College Service District set forth in the Proposed and Final Order of the Higher Education Coordinating Commission dated December 12, 2019.

(2) Notwithstanding ORS 341.575, the territory that is transferred from the Central Oregon Community College Service District to the Klamath Community College Service District under this section remains liable for the transferred territory's share of the debt of the
SECTION 2. ORS 341.573 is amended to read:

341.573. (1) When changes in district boundaries are made by the detachment of territory or an annexation of territory and another community college district is affected, the boards of the districts shall make an equitable division of the then existing assets and liabilities between the districts affected by such change and provide the manner of consummating the division.

(2) In case of failure to agree within 20 days from the time of such change, the matter shall be decided by a board of arbitrators. The board of arbitrators shall consist of one member appointed by each of the boards of the affected districts and an additional member appointed by the other appointees.

(3) In the event any such board fails to appoint an arbitrator within 30 days, the Higher Education Coordinating Commission shall appoint such arbitrator. In the event the arbitrators selected fail to appoint the additional arbitrator within 30 days after the appointment of the arbitrator last appointed, the commission shall notify the judge senior in service of the circuit court of the principal county. Within 10 days after receiving such notice, the judge shall appoint one additional arbitrator.

(4) Each member of the board of arbitrators shall be entitled to the sum of $100 per day for each day's service, and necessary expenses, while serving in the official capacity of the member. Expenses thus incurred shall be equally apportioned among the districts concerned.

(5) A party to an arbitration under this section may seek confirmation, vacation, modification or correction of the arbitrator's decision as provided in ORS 36.700, 36.705 and 36.710. A court may vacate an award only if there is a basis to vacate the award described in ORS 36.705 (1)(a) to (d). The court may modify or correct an award only for the grounds given in ORS 36.710.

(6) Assets include all property and moneys belonging to the district at the time of division. Liabilities include all debts for which the respective districts in their corporate capacities are liable at the time of division. In determining the assets, property shall be estimated at its fair value. The assets and liabilities shall be divided between the districts in proportion to the last assessed value of the real and personal property. The district retaining the real property shall pay the other districts concerned such sums as are determined in accordance with the provisions of this section. [All funds to be apportioned during the current fiscal year, after such division, shall be made in proportion to the number of persons in each district according to the latest federal census.]

(7) State aid distributed under ORS 341.626 and commission rules is not subject to subsections (1) to (6) of this section.

SECTION 3. This 2020 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2020 Act takes effect on its passage.