

HOUSE AMENDMENTS TO HOUSE BILL 3086

By COMMITTEE ON REVENUE

May 6

1 Delete lines 5 through 22 of the printed bill and insert:

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

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

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

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

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

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

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

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

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

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

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

1 date determined under section 2 of this 2015 Act, and the administration by the county of
2 this subparagraph.

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

9 “(3)(a) Excess moneys transferred to Clackamas County under subsection (2)(c) of this
10 section shall be distributed by the county on or as soon as practicable after June 30, 2018,
11 to each person that owned taxable property for which property taxes were paid to the City
12 of Damascus for the property tax year beginning on July 1, 2016, in an amount determined
13 by multiplying the amount of all excess moneys to be distributed under this subsection by
14 the ratio of the cumulative amount of ad valorem property taxes imposed by the city and
15 paid with respect to property owned by the person for the property tax years beginning on
16 July 1, 2014, and ending on June 30, 2017, to the cumulative amount of ad valorem property
17 taxes imposed by the city and paid with respect to property owned by all persons eligible for
18 the distribution under this subsection for the property tax years beginning on July 1, 2014,
19 and ending on June 30, 2017.

20 “(b) Excess moneys to be distributed under this subsection that remain unclaimed on
21 June 30, 2019, shall be transferred to the general fund of Clackamas County and may be ex-
22 pended by the county in the same manner as other moneys in the general fund.

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

30 “(b) Moneys described in paragraph (a) of this subsection shall be expended by the county
31 on costs related to public safety and law enforcement, urban comprehensive planning, code
32 enforcement and waste water and surface water management that are incurred solely in the
33 territory within the corporate boundaries of the City of Damascus as they existed on the
34 operative date determined under section 2 of this 2015 Act. Territory that is removed from
35 the Metro urban growth boundary or that is annexed to another city during the period de-
36 scribed in paragraph (a) of this subsection shall, from the effective date of the removal or
37 annexation, be considered outside the corporate boundaries of the City of Damascus for
38 purposes of this subsection.

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

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

45 “(2) An appellate court of this state issues a final decision that is not subject to further

1 **appeal holding that the question of the disincorporation of the City of Damascus voted on**
2 **at the November 5, 2013, election was effectively approved.**

3 **“SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
4 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
5 **on its passage.”**

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