

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3086**

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

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

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

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

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

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

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

21 **“(B) Outstanding obligations relating to employment of city em-**  
22 **ployees, including pension and other employee benefit obligations; and**

1       **“(C) Other debts, obligations, liabilities and expenses requiring fi-**  
2 **nancial satisfaction by a disincorporating city.**

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

5       **“(A) All moneys in the city road fund to Clackamas County for de-**  
6 **posit in a separate account in the county road fund created for pur-**  
7 **poses of this subparagraph. Moneys in the separate account shall be**  
8 **expended by the county for the purposes for which moneys in the**  
9 **county road fund may be expended, solely in the territory within the**  
10 **corporate boundaries of the City of Damascus as they existed on the**  
11 **operative date determined under section 2 of this 2015 Act.**

12       **“(B) An amount not to exceed \$3 million to Clackamas County for**  
13 **deposit in a separate account in the county general fund created for**  
14 **purposes of this subparagraph. Moneys in the separate account shall**  
15 **be expended by the county for expenses related to the employment of**  
16 **employees of the City of Damascus by Clackamas County pursuant to**  
17 **ORS 236.605 to 236.640, contracted law enforcement services within the**  
18 **territory of the disincorporated city and other current service expenses**  
19 **in the budget of the City of Damascus on the operative date deter-**  
20 **mined under section 2 of this 2015 Act, and the administration by the**  
21 **county of this subparagraph.**

22       **“(c) The City of Damascus shall transfer all moneys in the funds**  
23 **of the city in excess of the moneys required to be expended under**  
24 **paragraph (a) of this subsection and transferred under paragraph (b)**  
25 **of this subsection to Clackamas County for deposit in a separate ac-**  
26 **count in the county general fund created for purposes of this para-**  
27 **graph. Excess moneys in the separate account shall be distributed by**  
28 **the county as provided in subsection (3) of this section.**

29       **“(3)(a) Excess moneys transferred to Clackamas County under sub-**  
30 **section (2)(c) of this section shall be distributed by the county on or**

1 as soon as practicable after June 30, 2018, to each person that owned  
2 taxable property for which property taxes were paid to the City of  
3 Damascus for the property tax year beginning on July 1, 2016, in an  
4 amount determined by multiplying the amount of all excess moneys  
5 to be distributed under this subsection by the ratio of the cumulative  
6 amount of ad valorem property taxes imposed by the city and paid  
7 with respect to property owned by the person for the property tax  
8 years beginning on July 1, 2014, and ending on June 30, 2017, to the  
9 cumulative amount of ad valorem property taxes imposed by the city  
10 and paid with respect to property owned by all persons eligible for the  
11 distribution under this subsection for the property tax years beginning  
12 on July 1, 2014, and ending on June 30, 2017.

13 “(b) Excess moneys to be distributed under this subsection that re-  
14 main unclaimed on June 30, 2019, shall be transferred to the general  
15 fund of Clackamas County and may be expended by the county in the  
16 same manner as other moneys in the general fund.

17 “(4)(a) Notwithstanding any other provision of law, in order to  
18 compensate Clackamas County for the distribution of excess moneys  
19 under subsection (3) of this section, for the period that begins on the  
20 61st day following the operative date determined under section 2 of this  
21 2015 Act, and ending 10 years later, funds that would otherwise have  
22 been distributed to the City of Damascus under ORS 323.455, 366.785 to  
23 366.820, 403.240 and 471.810 shall be distributed to Clackamas County for  
24 deposit in a separate account in the general fund of the county created  
25 for purposes of this subsection.

26 “(b) Moneys described in paragraph (a) of this subsection shall be  
27 expended by the county on costs related to public safety and law  
28 enforcement, urban comprehensive planning, code enforcement and  
29 waste water and surface water management that are incurred solely  
30 in the territory within the corporate boundaries of the City of

1 **Damascus as they existed on the operative date determined under**  
2 **section 2 of this 2015 Act. Territory that is removed from the Metro**  
3 **urban growth boundary or that is annexed to another city during the**  
4 **period described in paragraph (a) of this subsection shall, from the**  
5 **effective date of the removal or annexation, be considered outside the**  
6 **corporate boundaries of the City of Damascus for purposes of this**  
7 **subsection.**

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

10 **“(1) Chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled House Bill 3085), is**  
11 **approved by a majority of the voters of the City of Damascus voting**  
12 **on chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled House Bill 3085), pur-**  
13 **suant to section 2, chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled House**  
14 **Bill 3085); or**

15 **“(2) An appellate court of this state issues a final decision that is**  
16 **not subject to further appeal holding that the question of the**  
17 **disincorporation of the City of Damascus voted on at the November**  
18 **5, 2013, election was effectively approved.**

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

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