

SENATE AMENDMENTS TO SENATE BILL 431

By COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

April 15

1 On page 1 of the printed bill, delete lines 5 through 26 and delete pages 2 through 15 and insert:

2
3 **“PURPOSE AND CREATION OF**
4 **URBAN FLOOD SAFETY AND WATER QUALITY DISTRICT**

5
6 **“SECTION 1. Purpose.** The Legislative Assembly declares the lands protected by the
7 Columbia River levee system in northern Multnomah County to be of statewide and regional
8 significance because they contain significant industrial and economic lands, one of the state’s
9 most important transportation hubs, the Portland International Airport, the second largest
10 source of drinking water in Oregon and a number of important natural assets. This area
11 also represents a significant cultural and community history of flooding, displacement and
12 loss, a history that should be remembered so that it is not repeated. The purpose of sections
13 1 to 26 of this 2019 Act is to create a new special district that has the legislative authority
14 and financial capability to carry out the purposes set forth in section 3 (1) of this 2019 Act.

15 **“SECTION 2. Definitions.** As used in sections 1 to 26 of this 2019 Act, unless the context
16 requires otherwise:

17 **“(1) ‘District’** means the urban flood safety and water quality district created under
18 section 3 of this 2019 Act.

19 **“(2) ‘District board’** means the board of directors of the district.

20 **“(3) ‘Elector’** means an individual qualified to vote under Article II, section 2, of the
21 Oregon Constitution, who resides in the district.

22 **“(4) ‘File for record’** means to file a document for recording with the county clerk.

23 **“(5) ‘Green infrastructure’** means infrastructure adapted to wet weather management
24 that:

25 **“(a) Infiltrates, evapotranspires, captures and reuses storm water to maintain or restore**
26 **natural hydrology;**

27 **“(b) Protects natural landscapes;**

28 **“(c) Creates rain gardens, porous pavements, green roofs, infiltration planters or tree**
29 **boxes; or**

30 **“(d) Harvests rain water for nonpotable uses, including landscape irrigation and toilet**
31 **flushing.**

32 **“(6) ‘Land’ or ‘tract of land’** means real property, including improvements on the prop-
33 erty.

34 **“(7) ‘Landscape resilience’** means the ability of a landscape to sustain ecological func-
35 tions, native biodiversity and critical landscape processes over time, under changing condi-

1 tions and despite multiple stressors and uncertainties.

2 “(8) ‘Managed floodplain’ means the portion of the historic Columbia River floodplain lo-
3 cated in northern Multnomah County that requires or benefits from management to accom-
4 plish the purposes of the district, as determined by the district board.

5 “(9) ‘Public body’ has the meaning given that term in ORS 174.109.

6 “(10) ‘Works’ means dams and storage reservoirs for flood risk reduction, canals, ditches,
7 dikes, levees, revetments, green infrastructure and all other structures, facilities, improve-
8 ments and property necessary or convenient for conveying and controlling water for the
9 purpose of flood control, environmental benefits or water quality.

10 **“SECTION 3. Creation of urban flood safety and water quality district; purposes; limita-**
11 **tion; filing boundary change with county assessor and Department of Revenue; protection**
12 **of water rights.** (1) An urban flood safety and water quality district is created for the pur-
13 pose of acquiring, purchasing, constructing, improving, operating and maintaining works in
14 order to:

15 “(a) Reduce the risk of flooding;

16 “(b) Protect people and property from flood risk;

17 “(c) Respond to flood emergencies;

18 “(d) Convey water for the purpose of flood safety;

19 “(e) Contribute to improved water quality, fish and wildlife habitat, floodplain restoration
20 and landscape resilience;

21 “(f) Promote equity and social justice in all aspects of the district’s operations;

22 “(g) Prepare for and adapt to the impact of climate change in relation to the managed
23 floodplain; and

24 “(h) Provide the public with information regarding the cultural history of the territory
25 in the managed floodplain.

26 “(2)(a) The boundaries of the district are the boundaries of the portion of Multnomah
27 County that lies within the urban growth boundary adopted by the metropolitan service dis-
28 trict under ORS 268.390 as the urban growth boundary exists on the effective date of this
29 2019 Act, or as changed by the metropolitan service district under ORS 268.354 on or after
30 the effective date of this 2019 Act. All cities and taxing districts within the boundaries of the
31 district shall be included in the district.

32 “(b) A change to the boundaries of the district made pursuant to this subsection must
33 be filed in final approved form with the county assessor and the Department of Revenue as
34 provided in ORS 308.225.

35 “(3) Sections 1 to 26 of this 2019 Act may not be construed to affect, amend or repeal any
36 other Oregon law or to affect or impair the vested rights of any person or public body to the
37 use of water or vested rights in the use of water.

38 **“SECTION 4. Proceedings to test validity of order or act of district board.** (1)(a) Any
39 elector or owner of land within the district may bring any proceeding that the board of di-
40 rectors of the urban flood safety and water quality district is authorized to bring under ORS
41 33.710.

42 “(b) The proceeding shall be governed by ORS 33.720, except as otherwise provided in this
43 section.

44 “(c) For purposes of this section, the district shall be considered a municipal corporation
45 as defined in ORS 33.710.

1 “(2) The proceeding shall be brought in Multnomah County Circuit Court. The district
2 board shall be named as defendant in the proceeding.

3 “(3) Service of summons shall be made on the members of the district board personally
4 if within Multnomah County. For directors not within the county, service may be made by
5 publication of notice for a like time, and in like manner, as provided by ORS 33.720. Juris-
6 diction shall be complete within 10 days after the date of completing publication of notice.

7
8 “BOARD OF DIRECTORS
9

10 “SECTION 5. Board of directors; selection of directors; terms. (1) The initial board of
11 directors of the urban flood safety and water quality district shall consist of 17 directors
12 appointed as follows:

13 “(a) One director representing the City of Portland appointed by the Portland city coun-
14 cil.

15 “(b) One director representing the City of Gresham appointed by the Gresham city
16 council.

17 “(c) One director representing the City of Fairview appointed by the Fairview city coun-
18 cil.

19 “(d) One director representing the City of Troutdale appointed by the Troutdale city
20 council.

21 “(e) One director representing the City of Wood Village appointed by the Wood Village
22 city council.

23 “(f) One director representing Metro appointed by the Metro Council.

24 “(g) One director representing Multnomah County appointed by the Multnomah County
25 board of county commissioners.

26 “(h) One director representing the Port of Portland appointed by the board of commis-
27 sioners of the Port of Portland.

28 “(i) One director representing Multnomah County Drainage District No. 1 appointed by
29 the district board of supervisors.

30 “(j) One director representing Peninsula Drainage District No. 1 appointed by the district
31 board of supervisors.

32 “(k) One director representing Peninsula Drainage District No. 2 appointed by the district
33 board of supervisors.

34 “(L) One director representing Sandy Drainage Improvement Company appointed by the
35 company board of directors.

36 “(m) One director who resides in a neighborhood within the managed floodplain appointed
37 by the Governor.

38 “(n) One director who represents a private sector business located in the managed
39 floodplain appointed by the Governor.

40 “(o) Three directors who represent public interest nonprofit corporations with expertise
41 or interest related to the managed floodplain appointed by the Governor, of which:

42 “(A) One director must represent an environmental conservation organization; and

43 “(B) One director must represent an environmental justice organization.

44 “(2) The purpose of the initial district board is to organize the district and to develop,
45 and approve or seek approval from the electors of, methods of funding the operations of the

1 district. To accomplish this purpose, the initial district board may exercise all the duties and
2 powers set forth in section 7 of this 2019 Act.

3 “(3) At the first meeting of the initial district board, the board shall elect a member to
4 serve as chair. The chair shall preside over board meetings, appoint subcommittees subject
5 to board approval and set the meeting agenda subject to revisions by the board.

6 “(4) Any vacancy on the initial district board shall be filled by majority vote of the re-
7 maining directors of the board. The replacement director must qualify for the vacant posi-
8 tion as provided in subsection (1) of this section.

9 “(5) The directors of the initial district board shall serve until the initial district board
10 adopts a resolution calling for the selection of the district board. The initial district board
11 shall adopt the resolution no later than six months before the next regular district election
12 that is held after the district first begins to collect revenues under one of the methods set
13 forth in section 16 of this 2019 Act. The initial district board shall file a copy of the resolution
14 with the county elections officer and the Governor.

15 “(6) The district board shall consist of nine voting directors selected as follows:

16 “(a) One director shall be elected at large by the electors. A candidate for this position
17 must be an elector.

18 “(b) Four directors shall be elected at large by the electors. A candidate for any of these
19 positions must be an elector who:

20 “(A) Resides within the managed floodplain;

21 “(B) Regardless of whether the elector resides within the managed floodplain, owns real
22 property located within the managed floodplain; or

23 “(C) Regardless of whether the elector resides within the managed floodplain, is the
24 designated representative of a business or other for profit or nonprofit corporation that owns
25 real property located within the managed floodplain and is authorized in writing by the owner
26 to be a candidate at the time of filing the declaration of candidacy.

27 “(c)(A) The Governor shall appoint four directors as follows:

28 “(i) One director with expertise or an interest in flood safety;

29 “(ii) One director with expertise or an interest in environmental conservation;

30 “(iii) One director with expertise or an interest in environmental justice; and

31 “(iv) One director representing the Port of Portland from among persons recommended
32 by the board of commissioners of the Port of Portland.

33 “(B) Before making an appointment under subparagraph (A)(i) to (iii) of this paragraph,
34 the Governor shall provide the district board with an opportunity to recommend individuals
35 who may have specific kinds of expertise that the board believes to be necessary or beneficial
36 to the district.

37 “(7) Each elected director of the district board shall be elected for a term of four years.
38 The first elected directors shall determine their terms by lot so that the terms of two di-
39 rectors expire on June 30 next following the first regular district election and the terms of
40 three directors expire on June 30 next following the second regular district election.

41 “(8) Each director of the district board appointed by the Governor under subsection (6)(c)
42 of this section shall be appointed for a term of four years. The Governor shall appoint two
43 directors for a term expiring on June 30 next following the first regular district election and
44 two directors for a term expiring on June 30 next following the second regular district
45 election.

1 “(9)(a)(A) The district board shall fill any vacancy among the elected directors of the
2 district board as provided in ORS 198.320.

3 “(B) The Governor shall fill any vacancy among the appointed directors of the district
4 board.

5 “(b) A director appointed to the district board under paragraph (a) of this subsection
6 shall serve the remainder of the unexpired term of the director that the newly appointed
7 director replaces.

8 “SECTION 6. Organizational meeting; oath; officers; meetings. (1) As soon as practicable
9 after the election and appointment of the directors to the board of directors of the urban
10 flood safety and water quality district, the directors shall meet to qualify all individuals
11 elected or appointed as directors by administering an oath of office and to elect the officers
12 of the district board.

13 “(2) The directors shall elect from their number a chair and vice chair. Such officers
14 have the authority and duties granted them by the district board.

15 “(3) The district board shall meet at times and places that the district board considers
16 necessary or convenient.

17 “SECTION 7. Duties of district board. The board of directors of the urban flood safety
18 and water quality district shall:

19 “(1) Manage and conduct the affairs of the district.

20 “(2) Employ and appoint agents and employees and prescribe the duties and fix the com-
21 pensation of the agents and employees.

22 “(3) Establish reasonable bylaws and rules for the administration of the affairs of the
23 district.

24 “(4) Adopt ordinances under ORS 198.510 to 198.600 that the directors consider necessary
25 or convenient for carrying out or enforcing the district’s powers and duties under sections
26 1 to 26 of this 2019 Act.

27 “(5) Establish and maintain funds and accounts for the moneys of the district.

28 “(6) Obtain an annual audit of the books of the district.

29 “(7) Fix the location of the principal office of the district at some convenient place within
30 the district.

31 “(8) Keep a record of all proceedings of the district board.

32 “(9) File for record all documents required by law to be recorded.

33 “(10) Establish the boundaries of the managed floodplain. The district board may amend
34 the boundaries from time to time as the board deems necessary or prudent to address reg-
35 ulatory or environmental changes that affect the need for district management to accom-
36 plish the purposes of the district set forth in section 3 of this 2019 Act.

37 “(11) Consider equity and inclusion in all aspects of administering the district.

38 “SECTION 8. Stakeholder advisory committee. The board of directors of the urban flood
39 safety and water quality district may appoint stakeholder advisory committees to advise the
40 district board on aspects of the operation of the district, to assist the board with community
41 outreach and citizen participation or to advise the board on other matters as the board
42 deems necessary or beneficial to the district.

43
44 “POWERS OF DISTRICT
45

1 **“SECTION 9. General powers of district.** To carry out the purposes for which it was
2 created, the urban flood safety and water quality district is a body corporate and has the
3 power to, without limitation:

4 **“(1) Have and use a seal.**

5 **“(2) Have perpetual succession.**

6 **“(3) Sue and be sued in its own name.**

7 **“(4) Acquire by condemnation, purchase, devise, gift or voluntary grant real and personal**
8 **property, or any interest in such property, located inside or outside the boundaries of the**
9 **managed floodplain, as the district board deems necessary for the purposes of the district**
10 **set forth in section 3 of this 2019 Act, and dispose of such real and personal property when**
11 **the district board deems the property unnecessary for the purposes of the district set forth**
12 **in section 3 of this 2019 Act.**

13 **“(5) Enter into intergovernmental agreements under ORS chapter 190 for the con-**
14 **struction, preservation, improvement, operation or maintenance of any works or other ser-**
15 **vices.**

16 **“(6) Enter into contracts with the federal government, including, without limitation, the**
17 **United States Army Corps of Engineers and the Federal Emergency Management Agency.**

18 **“(7) Build, construct, purchase, improve, operate and maintain, subject to all applicable**
19 **provisions of law, all works that the district board considers necessary or desirable.**

20 **“(8) Enter into contracts and employ agents, engineers and attorneys.**

21 **“(9) Enter into contracts or grant agreements with nonprofit corporations or community**
22 **groups.**

23 **“(10) Acquire and maintain water and water rights, as the district board deems necessary**
24 **for the purposes of the district set forth in section 3 of this 2019 Act.**

25 **“(11) Enforce the authority of the district and protect the district’s works against public**
26 **nuisances, obstructions or discharges on public or private property that the district deems**
27 **to have a negative impact on the district’s works.**

28 **“(12) Dissolve any drainage district or corporation described in section 22 of this 2019 Act**
29 **that is located entirely within the boundaries of the district and assume the assets of the**
30 **dissolved district or corporation, including all lands and personal property, water rights, ob-**
31 **ligations, debts and liabilities.**

32 **“(13) Do such other acts and things as may be necessary or proper for the exercise of**
33 **the powers granted to the district.**

34 **“SECTION 10. Eminent domain.** (1) Except as otherwise provided in this section, the ex-
35 ercise of the power of eminent domain by the urban flood safety and water quality district
36 pursuant to section 9 (4) of this 2019 Act shall be governed by ORS 35.015 to 35.530.

37 **“(2) The district’s authority to condemn property is limited to property located:**

38 **“(a) Within the managed floodplain; or**

39 **“(b) Outside the managed floodplain if the district board deems such property to be nec-**
40 **essary for flood control within the managed floodplain.**

41 **“(3) The district’s authority to condemn property includes property already devoted to a**
42 **public use, if acquisition of such property is required by regulations applicable to the district**
43 **under federal law, is required by a federally mandated agreement between a federal agency**
44 **and the district or is approved by the public body that owns the property.**

45 **“(4) If the district seeks to acquire by eminent domain all or a portion of property dedi-**

1 cated to open space under the land use regulations of a city or county, just compensation
2 shall be determined based on the zoning designation applicable to the property immediately
3 prior to the open space dedication.

4 **“SECTION 11. District activities as urban services. Activities of the urban flood safety
5 and water quality district are deemed to be urban services, as defined in ORS 195.065, if the
6 district engages in the activities to manage flood control and safety, water quality or surface
7 water.**

8 **“SECTION 12. Watershed improvement. (1)(a) The urban flood safety and water quality
9 district shall prepare a plan for watershed and habitat improvement and landscape resilience
10 within the managed floodplain. The watershed improvement plan shall be coordinated with
11 plans or programs of other jurisdictions with authority over watershed management within
12 the managed floodplain.**

13 **“(b) The urban flood safety and water quality district may seek funding from other
14 sources if the district determines that the watershed improvement plan would benefit the
15 region or the state.**

16 **“(2)(a) A watershed improvement plan prepared pursuant to this section must:**

17 **“(A) Include existing and proposed works of the district and of other public and private
18 agencies relating to flood safety and watershed health; and**

19 **“(B) Demonstrate a basis for the coordination and planning of future works of the dis-
20 trict, governmental agencies and private interests to contribute to improved water quality,
21 fish and wildlife habitat and landscape resilience while reducing the risk of flooding, pro-
22 tecting persons and property from flood risk, improving response to flood emergencies and
23 providing for conveyance of water for flood safety.**

24 **“(b) A watershed improvement plan and works included in the plan must be based on
25 assessments of data and information critical for evaluating and monitoring flood safety or
26 watershed health.**

27 **“(3)(a) The initial district board of directors appointed under section 5 (1) of this 2019
28 Act shall consider the projected scope of a watershed improvement plan and the impact of
29 the plan on the cost of the district’s works in the course of developing methods of funding
30 the operations of the district as provided in section 5 (2) of this 2019 Act.**

31 **“(b) The district board of directors shall complete a watershed improvement plan within
32 three years following the date on which the directors of the district board commence their
33 initial terms of office as provided in section 5 (6) to (9) of this 2019 Act.**

34 **“(4) The district shall review and update the watershed improvement plan at least every
35 10 years.**

36 **“SECTION 13. District works; engineering plans. (1) The urban flood safety and water
37 quality district may undertake construction of works upon approval of the proposed works
38 by the district board.**

39 **“(2)(a) The district board shall obtain engineering plans for any works that require en-
40 gineering.**

41 **“(b) In lieu of obtaining engineering plans pursuant to paragraph (a) of this subsection,
42 the district board may adopt, as an engineering plan, any plans prepared by an agency of the
43 state or federal government or a local government having territory within the boundaries
44 of the district that are applicable to the proposed works.**

45 **“SECTION 14. District contracts subject to Public Contracting Code. The urban flood**

1 safety and water quality district is a contracting agency as defined in ORS 279A.010 for all
2 applicable requirements of the Public Contracting Code.

3 **“SECTION 15. Construction on public land or right of way or along watercourse.** (1) The
4 urban flood safety and water quality district may construct works:

5 “(a) Across or along any street or public highway, or over any lands, that are the prop-
6 erty of the state or of any political subdivision of the state.

7 “(b) Across or along any stream of water or watercourse.

8 “(2) When constructing works under this section, the district shall comply with any fed-
9 eral, state or local permitting or regulatory requirements or restrictions imposed by the
10 public body that owns or has jurisdiction over a street, right of way, stream of water or
11 watercourse, ground water resources or other affected lands.

12 **“SECTION 16. Financing construction, operation or maintenance of district works.** The
13 board of directors of the urban flood safety and water quality district may finance the con-
14 struction, operation or maintenance of district works by the following means:

15 “(1) Assessments made under section 17 of this 2019 Act against the benefited lands in
16 the district, with or without the issuance of works bonds.

17 “(2) Service and user charges imposed under section 19 of this 2019 Act, with or without
18 the issuance of revenue bonds.

19 “(3) Issuance of general obligation bonds under section 20 of this 2019 Act.

20 “(4) Any combination of the means described in this section.

21 **“SECTION 17. Assessment of cost of works against benefited lands; hearing on proposed**
22 **assessment; works bonds.** (1) All or part of the cost of building, constructing, purchasing,
23 operating, maintaining or improving works of the urban flood safety and water quality dis-
24 trict may be assessed against the lands to be benefited by the works. The district board shall
25 determine the portion of the cost, if any, that is to be paid from the general fund of the
26 district and the portion that is to be paid by assessments against the lands benefited.

27 “(2) Assessments shall be apportioned by the district board among benefited lands in ac-
28 cordance with the special and peculiar benefit to be received from the district works by each
29 lot or parcel of land. For parcels of land, or any portion of the parcels, in the district that
30 are undeveloped, the district board may, in its discretion, defer assessing or imposing all or
31 any portion of the assessments on such parcels until the parcels are connected with, or re-
32 ceiving services from, the district works.

33 “(3) The district board shall afford an opportunity for hearing any objections or
34 remonstrances to assessments under this section. If the district board receives objections
35 or remonstrances that are signed by more than 50 percent of the landowners representing
36 more than 50 percent of the territory within the proposed assessment district, the proposed
37 assessment may not be imposed.

38 “(4) If any portion of the cost of district works is assessed against benefited lands under
39 this section, the district board may issue works bonds in the total amount of the valid ap-
40 plications the district board has received to pay assessments in installments as provided by
41 ORS 223.205 and 223.210 to 223.295.

42 **“SECTION 18. Ad valorem property taxes; collection; enforcement.** (1)(a) The urban flood
43 safety and water quality district may annually impose, assess and collect a tax on all taxable
44 property located in the district in an amount sufficient to pay the yearly interest on out-
45 standing bonds issued by the district together with any portion of the principal of the bonds

1 maturing within the year.

2 “(b) The tax imposed pursuant to this subsection shall be applied only in payment of the
3 principal and interest due on bonds issued by the district. In addition, the district may apply
4 any otherwise unobligated district funds toward payment of the principal and interest due
5 on the bonds.

6 “(2) The district is a municipal corporation for purposes of ORS 294.305 to 294.565 and
7 shall file a written notice with the county assessor as required under ORS 310.060.

8 “SECTION 19. Service and user charges; process for issuing revenue bonds. (1) To pay
9 the costs of constructing, operating and maintaining district works, the board of directors
10 of the urban flood safety and water quality district may adopt an ordinance to:

11 “(a) Impose and collect service charges, fees or rates on the owners or occupants of
12 property served by the works of the district.

13 “(b) Impose and collect user charges, fees and tolls for connection to or use of works,
14 facilities and services of the district.

15 “(2) Charges, fees, rates and tolls described in subsection (1) of this section shall be based
16 on the costs of operating and maintaining the works, facilities or services and of adminis-
17 tering the charges.

18 “(3) The district board may adopt differential charges or rates applicable to unique,
19 qualitatively different areas within the district when the district board deems such differen-
20 tial charges or rates necessary, beneficial or equitable.

21 “(4) Service charges, fees and rates imposed on the owners or occupants of property lo-
22 cated outside the managed floodplain shall be commensurate with:

23 “(a) The benefits received by such properties from the works; or

24 “(b) The costs actually incurred by the district related to such properties, including, but
25 not limited to, pumping of storm water runoff.

26 “(5) The district may enter into intergovernmental agreements under ORS chapter 190
27 with cities located in whole or in part within the district boundaries to collect service
28 charges, fees and rates on behalf of the district.

29 “(6) The district board may issue revenue bonds by pledging all or part of any charge, fee,
30 rate or toll adopted pursuant to this section. All revenue bonds issued under this section
31 shall be issued as prescribed in ORS chapter 287A.

32 “SECTION 20. General obligation bonds; refunding bonds; procedures. (1)(a) If authorized
33 by a majority of the electors voting on the question at an election held for the purpose, the
34 urban flood safety and water quality district may borrow money and issue, sell and dispose
35 of general obligation bonds.

36 “(b) Bonds issued under this section may be issued solely for the purpose of financing:

37 “(A) Capital construction or capital improvements within the meaning of Article XI,
38 section 11, of the Oregon Constitution;

39 “(B) Capital construction or improvements within the meaning of Article XI, section 11b,
40 of the Oregon Constitution; or

41 “(C) Capital costs within the meaning of Article XI, section 11L, of the Oregon Consti-
42 tution.

43 “(2)(a) The bonds shall be issued from time to time by the district board on behalf of the
44 district as authorized by the electors. The bonds shall mature serially within no more than
45 50 years from the issue date.

1 “(b) Notwithstanding paragraph (a) of this subsection, for an indebtedness to the federal
2 government or the State of Oregon, the district may issue one or more bonds of the de-
3 nominations agreed upon.

4 “(3) Bonds issued pursuant to this section shall bear interest at a rate determined by the
5 district board, payable semiannually.

6 “(4) The bonds shall be so conditioned that the district promises and agrees to pay to the
7 bearer at a place named in the bonds, the principal sum with interest at the rate named in
8 the bonds, payable semiannually, in accordance with the tenor and terms of the interest
9 coupons attached.

10 “(5) To provide additional security for the payment of the principal and interest on the
11 bonds, the district board may adopt a resolution pledging all or any part of the net revenue
12 of the district to that purpose. The resolution shall constitute part of the contract with the
13 holders of the bonds. The district board may adopt a resolution pursuant to this subsection
14 without submitting the question of the pledge to the electors.

15 “(6) Refunding bonds of the same character and tenor as those replaced by the refunding
16 bonds may be issued pursuant to a resolution adopted by the district board without submit-
17 ting to the electors the question of authorizing the issuance of the refunding bonds.

18 “(7) All general obligation bonds, including refunding bonds, issued under this section
19 shall be issued as prescribed in ORS chapter 287A.

20 “SECTION 21. Loan agreements with state and federal agencies. (1) The urban flood
21 safety and water quality district may enter into a loan agreement with a state or federal
22 agency. The loan agreement shall be in such form and contain such terms as the district
23 and the agency may agree to.

24 “(2) The district may agree to impose and collect assessments against each tract of land
25 benefited by the works or services financed by the loan agreement, to take all actions nec-
26 essary to impose and collect the assessments, to assign to the lending agency the assess-
27 ments as security for the loan and to take all actions within the period of time agreed to by
28 the district and lending agency.

29 “(3) If the lending agency pays over money to the district pursuant to the terms of a loan
30 agreement entered into under this section and the district fails, refuses or neglects to im-
31 pose or collect the assessments, to obtain or prepare a roll of benefited tracts of land, to
32 assign the assessments or in any other manner to perform as agreed under the loan agree-
33 ment, the lending agency has the right, at the agency’s election, to apply to Multnomah
34 County Circuit Court for a writ of mandamus, or any other order or writ, to require the
35 district or the directors, employees and agents of the district to perform as agreed to under
36 the terms of the loan agreement. In addition to the assessments imposed under the loan
37 agreement, all costs, charges and expenses pertaining to the issuance and execution of a writ
38 or order under this subsection shall be charged to and collected from the lands subject to
39 the assessments.

40 “(4) Upon the execution of a loan agreement under this section, the district shall file for
41 record a certificate that states the date of the loan agreement, the maximum amount, term
42 and rate of the loan and the recording data pertaining to the recorded order creating the
43 district. The certificate must give notice that all lands within the district determined to be
44 benefited by the construction of the works specified in the loan agreement are subject to the
45 assessments imposed under this section.

1 **“SECTION 22. Dissolution of drainage or water control district or corporation; transfer**
2 **of assets and liabilities to urban flood safety and water quality district.** (1)(a)
3 Notwithstanding any other provision of law, the urban flood safety and water quality district
4 may, by resolution of the district board, dissolve any drainage district formed and operating
5 under ORS chapter 547, any drainage district organized and operating under ORS 548.005 to
6 548.120 or any corporation incorporated for any of the purposes listed in ORS 554.020, that
7 is operating entirely within the boundaries of the urban flood safety and water quality dis-
8 trict.

9 “(b) Upon the dissolution, the dissolved district or corporation shall transfer, and the
10 urban flood safety and water quality district shall assume, the duties, assets and liabilities
11 of the dissolved district or corporation and continue to furnish the services formerly pro-
12 vided by the district or corporation to the residents of, and owners of property in, the dis-
13 solved district or corporation. Such assets include, without limitation, all interests in real
14 property and tangible and intangible personal property, including water rights, uncollected
15 taxes, assessments or other charges levied by the dissolved district or corporation.

16 “(c) The dissolved district or corporation shall be considered annexed by and merged into
17 the urban flood safety and water quality district.

18 “(2) A dissolution under this section may be initiated only by resolution of the district
19 board. The district board may not consider a dissolution resolution unless and until the ur-
20 ban flood safety and water quality district has operating and capital funding sufficient to
21 enable the urban flood safety and water quality district to assume and manage the duties,
22 assets and liabilities of the dissolved district or corporation.

23 “(3) A dissolution under this section becomes effective no later than one year after the
24 date on which the district board adopts the dissolution resolution, unless the district or
25 corporation to be dissolved agrees to an earlier dissolution date.

26 “(4)(a) As soon as practicable after the date on which the district board adopts a dissol-
27 ution resolution under this section, the district board and the governing bodies of the dis-
28 tricts or corporations to be dissolved, or the designated representatives of the governing
29 bodies, shall meet to negotiate a debt distribution plan. A debt distribution plan may provide
30 for any distribution of indebtedness between the urban flood safety and water quality district
31 and the district or corporation to be dissolved.

32 “(b) If the district board and the governing bodies do not agree on a debt distribution
33 plan, or if the territory of the district or corporation to be dissolved remains liable under the
34 plan for any portion of the indebtedness outstanding at the time of the dissolution and
35 transfer, the district board shall serve as the ex officio board of the dissolved district or
36 corporation for the purpose of imposing and collecting charges or taxes in the territory until
37 all indebtedness of the dissolved district or corporation, including interest, is paid in full.

38 “(c) Before a debt distribution plan may be agreed to under this section, the urban flood
39 safety and water quality district shall obtain consent from all known holders of valid
40 indebtedness owed by the district or corporation to be dissolved or releases based on pro-
41 vision in the debt distribution plan for the payment of nonconsenting holders. The territory
42 within the boundaries of the district or corporation to be dissolved may not by reason of the
43 dissolution and transfer be relieved of outstanding liabilities and indebtedness for which the
44 district or corporation to be dissolved has previously entered into an agreement.

45 “(5) After paying and discharging all debts and obligations or obtaining consent from

1 holders of valid indebtedness or releases from nonconsenting holders, in accordance with the
2 debt distribution plan, the governing body of the district or corporation to be dissolved shall
3 transfer to the urban flood safety and water quality district all assets of the district or cor-
4 poration to be dissolved.

5 “(6) If requested by the district or corporation to be dissolved, or at the discretion of the
6 district board, the district board may create a zone committee with members appointed by
7 the chair of the district or corporation to be dissolved to provide for continuity and recom-
8 mendations with respect to fees, rates and charges, and levels of support and operation,
9 within the territory of the dissolved district or corporation.

10 “**SECTION 23. Notice requirements.** (1) Except as provided in subsection (2) of this sec-
11 tion, when notice is required to be given by publication under sections 1 to 26 of this 2019
12 Act, the notice must be published in a newspaper of general circulation within the boundaries
13 of the urban flood safety and water quality district, or if there is no such newspaper, in a
14 newspaper of general circulation in Multnomah County.

15 “(2) This section does not apply to provision of notice for an election.

16 “**SECTION 24. Election laws applicable.** (1) ORS chapter 255 governs the nomination and
17 election of the board of directors of the urban flood safety and water quality district and the
18 conduct of all district elections.

19 “(2) The electors may exercise the powers of the initiative and referendum regarding a
20 district measure in accordance with ORS 255.135 to 255.205.

21 “**SECTION 25. Waterway pollution; penalty.** (1) A person commits the crime of waterway
22 pollution if the person:

23 “(a) Throws, dumps or otherwise places, or permits to be thrown, dumped or otherwise
24 placed, any rubbish, refuse or any other matter or object in any ditch, lateral, canal, slough
25 or other waterway or conduit used in connection with any works or waterway under the
26 control of the urban flood safety and water quality district;

27 “(b) Befouls or pollutes, or allows to be befouled or polluted, any waterway or conduit
28 described in paragraph (a) of this subsection; or

29 “(c) Obstructs, or allows to be obstructed, in any manner, any waterway or conduit de-
30 scribed in paragraph (a) of this subsection.

31 “(2) Waterway pollution is a Class C misdemeanor.

32 “**SECTION 26. Civil liability for remediation costs.** (1) Regardless of any criminal prose-
33 cution or the result of a prosecution under section 25 of this 2019 Act, the urban flood safety
34 and water quality district or any other person injured by a violation of section 25 of this 2019
35 Act may bring a civil action to secure an injunction, damages or other appropriate relief
36 against any and all persons whose actions caused the injury to a waterway described in sec-
37 tion 25 of this 2019 Act owned or controlled by the district or person.

38 “(2) Upon prevailing in such civil action, the plaintiff may recover damages measured by
39 the total costs of remediating the injury actually incurred by the district or the person that
40 owns or controls the injured waterway.

41
42 “CONFORMING AMENDMENTS

43
44 “**SECTION 27.** ORS 174.116 is amended to read:

45 “174.116. (1)(a) Subject to ORS 174.108, as used in the statutes of this state ‘local government’

1 means all cities, counties and local service districts located in this state, and all administrative
2 subdivisions of those cities, counties and local service districts.

3 “(b) Subject to ORS 174.108, as used in the statutes of this state ‘local government’ includes:

4 “(A) An entity created by statute, ordinance or resolution for the purpose of giving advice only
5 to a local government;

6 “(B) An entity created by local government for the purpose of giving advice to local government
7 and that is not created by ordinance or resolution, if the document creating the entity indicates that
8 the entity is a public body; and

9 “(C) Any entity created by local government other than an entity described in subparagraph (B)
10 of this paragraph, unless the ordinance, resolution or other document creating the entity indicates
11 that the entity is not a governmental entity or the entity is not subject to any substantial control
12 by local government.

13 “(2) Subject to ORS 174.108, as used in the statutes of this state ‘local service district’ means:

14 “(a) An economic improvement district created under ORS 223.112 to 223.132 or 223.141 to
15 223.161.

16 “(b) A people’s utility district organized under ORS chapter 261.

17 “(c) A domestic water supply district organized under ORS chapter 264.

18 “(d) A cemetery maintenance district organized under ORS chapter 265.

19 “(e) A park and recreation district organized under ORS chapter 266.

20 “(f) A mass transit district organized under ORS 267.010 to 267.390.

21 “(g) A transportation district organized under ORS 267.510 to 267.650.

22 “(h) A metropolitan service district organized under ORS chapter 268.

23 “(i) A translator district organized under ORS 354.605 to 354.715.

24 “(j) A library district organized under ORS 357.216 to 357.286.

25 “(k) A county road district organized under ORS 371.055 to 371.110.

26 “(L) A special road district organized under ORS 371.305 to 371.360.

27 “(m) A road assessment district organized under ORS 371.405 to 371.535.

28 “(n) A highway lighting district organized under ORS chapter 372.

29 “(o) A 9-1-1 communications district organized under ORS 403.300 to 403.380.

30 “(p) A health district organized under ORS 440.305 to 440.410.

31 “(q) A sanitary district organized under ORS 450.005 to 450.245.

32 “(r) A sanitary authority, water authority or joint water and sanitary authority organized under
33 ORS 450.600 to 450.989.

34 “(s) A county service district organized under ORS chapter 451.

35 “(t) A vector control district organized under ORS 452.020 to 452.170.

36 “(u) A rural fire protection district organized under ORS chapter 478.

37 “(v) A geothermal heating district organized under ORS chapter 523.

38 “(w) An irrigation district organized under ORS chapter 545.

39 “(x) A drainage district organized under ORS chapter 547.

40 “(y) A diking district organized under ORS chapter 551.

41 “(z) A water improvement district organized under ORS chapter 552.

42 “(aa) A water control district organized under ORS chapter 553.

43 “(bb) A district improvement company or a district improvement corporation organized under
44 ORS chapter 554.

45 “(cc) A weather modification district organized under ORS 558.200 to 558.440.

1 “(dd) A fair district formed under ORS chapter 565.
2 “(ee) A soil and water conservation district organized under ORS 568.210 to 568.808 and 568.900
3 to 568.933.
4 “(ff) A weed control district organized under ORS 569.350 to 569.445.
5 “(gg) A port organized under ORS 777.005 to 777.725 and 777.915 to 777.953.
6 “(hh) The Port of Portland created under ORS 778.010.
7 “(ii) An airport district established under ORS chapter 838.
8 “(jj) A heritage district organized under ORS 358.442 to 358.474.
9 “(kk) A radio and data district organized under ORS 403.500 to 403.542.
10 “(LL) A sand control district organized under ORS 555.500 to 555.535.
11 “(mm) **The urban flood safety and water quality district created under sections 1 to 26**
12 **of this 2019 Act.**
13 “**SECTION 28.** ORS 198.010 is amended to read:
14 “198.010. As used in this chapter, except as otherwise specifically provided, ‘district’ means any
15 one of the following:
16 “(1) A people’s utility district organized under ORS chapter 261.
17 “(2) A domestic water supply district organized under ORS chapter 264.
18 “(3) A cemetery maintenance district organized under ORS chapter 265.
19 “(4) A park and recreation district organized under ORS chapter 266.
20 “(5) A mass transit district organized under ORS 267.010 to 267.390.
21 “(6) A metropolitan service district organized under ORS chapter 268.
22 “(7) A special road district organized under ORS 371.305 to 371.360.
23 “(8) A road assessment district organized under ORS 371.405 to 371.535.
24 “(9) A highway lighting district organized under ORS chapter 372.
25 “(10) A health district organized under ORS 440.305 to 440.410.
26 “(11) A sanitary district organized under ORS 450.005 to 450.245.
27 “(12) A sanitary authority, water authority or joint water and sanitary authority organized un-
28 der ORS 450.600 to 450.989.
29 “(13) A vector control district organized under ORS 452.020 to 452.170.
30 “(14) A rural fire protection district organized under ORS chapter 478.
31 “(15) An irrigation district organized under ORS chapter 545.
32 “(16) A drainage district organized under ORS chapter 547.
33 “(17) A water improvement district organized under ORS chapter 552.
34 “(18) A water control district organized under ORS chapter 553.
35 “(19) A weather modification district organized under ORS 558.200 to 558.440.
36 “(20) A port organized under ORS 777.005 to 777.725 and 777.915 to 777.953.
37 “(21) A geothermal heating district organized under ORS chapter 523.
38 “(22) A transportation district organized under ORS 267.510 to 267.650.
39 “(23) A library district organized under ORS 357.216 to 357.286.
40 “(24) A 9-1-1 communications district organized under ORS 403.300 to 403.380.
41 “(25) A heritage district organized under ORS 358.442 to 358.474.
42 “(26) A radio and data district organized under ORS 403.500 to 403.542.
43 “(27) A sand control district organized under ORS 555.500 to 555.535.
44 “(28) **The urban flood safety and water quality district created under sections 1 to 26 of**
45 **this 2019 Act.**

1 “**SECTION 29.** ORS 198.310 is amended to read:

2 “198.310. As used in ORS 198.320, in addition to the meaning given the term by ORS 198.010 (1)
3 to (5), (7) to (24)[, (26) and (27)] **and (26) to (28)**, ‘district’ means a soil and water conservation dis-
4 trict organized under ORS 568.210 to 568.808 and 568.900 to 568.933.

5 “**SECTION 30.** ORS 198.510 is amended to read:

6 “198.510. As used in ORS 198.510 to 198.600, unless the context requires otherwise:

7 “(1) ‘County’ means the county in which the district, or the greater portion of the assessed value
8 of the district, is located.

9 “(2) ‘County board’ means the board of county commissioners or the county court of the county.

10 “(3) ‘County clerk’ means the county clerk of the county.

11 “(4) ‘District’ has the meaning given that term in ORS 198.010 (2), (4), (5), (11), (12), (14), (16),
12 (17), (19), (20) to (23), (25)[, (26) and (27)] **to (28)**. In addition, ‘district’ means any one of the follow-
13 ing:

14 “(a) A county service district organized under ORS chapter 451.

15 “(b) The Port of Portland established by ORS 778.010.

16 “(5) ‘District board’ means the governing body of a district and the term includes a county board
17 that is in the governing body of a district.

18 “(6) ‘Presiding officer’ means the chairperson, president or other person performing the office
19 of presiding officer of the district board.

20 “(7) ‘Principal Act’ means the law, other than ORS 198.510 to 198.600, applicable to a district.

21
22 **“UNIT AND SECTION CAPTIONS**

23
24 “**SECTION 31.** The unit and section captions used in this 2019 Act are provided only for
25 the convenience of the reader and do not become part of the statutory law of this state or
26 express any legislative intent in the enactment of this 2019 Act.

27
28 **“EFFECTIVE DATE**

29
30 “**SECTION 32.** This 2019 Act takes effect on the 91st day after the date on which the 2019
31 regular session of the Eightieth Legislative Assembly adjourns sine die.”.