

# House Bill 2039

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Rules for Oregon Association of County Clerks)

## 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**.

Extends time after special district territory election for entry of order and return of deposits.

## A BILL FOR AN ACT

Relating to special district proceedings; amending ORS 198.775 and 198.820.

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

**SECTION 1.** ORS 198.775 is amended to read:

198.775. (1) A petition for formation, annexation, withdrawal or dissolution shall not be accepted for filing unless the petition is accompanied by a bond, a cash deposit or other security deposit as follows:

(a) The bond shall be in a form and in an amount approved by the county board, not to exceed \$100 for each precinct in the affected district and any territory to be included in the district, up to a maximum of \$10,000. The bond shall be conditioned that, if the attempted formation, annexation, withdrawal or dissolution is not effected, the chief petitioners will pay the costs thereof, excluding any costs incurred by a local government boundary commission under ORS 199.410 to 199.519.

(b) The cash deposit shall be in an amount approved by the county board, not to exceed \$100 for each precinct in the affected district and any territory to be included in the district, up to a maximum of \$10,000. The cash deposit shall be accompanied by a form prescribed by the Secretary of State. The form shall include the names and addresses of all persons and organizations providing any part of the cash deposit and the amount provided by each, and a statement signed by the chief petitioners that if the costs of the attempted formation, annexation, withdrawal or dissolution exceed the deposit, the chief petitioners shall pay to the county treasurer the amount of the excess costs.

(c) The security deposit other than a bond or cash deposit shall be of a kind and in an amount approved by the county board, not to exceed \$100 for each precinct in the affected district and any territory to be included in the district, up to a maximum of \$10,000. The security deposit shall be accompanied by a form prescribed by the Secretary of State. The form shall include the names and addresses of all persons and organizations providing any part of the security deposit and the amount and kind provided by each, and a statement signed by the chief petitioners that if the costs of the attempted formation, annexation, withdrawal or dissolution exceed the security deposited, the chief petitioners shall pay to the county treasurer the amount of the excess costs.

(2) If the proposed formation, annexation, withdrawal or dissolution is effected, the district shall be liable for the costs. Not later than [*the 30th day after the election*] **45 days after the results of the election are certified**, if a cash deposit or security deposit other than a bond was made under subsection (1) of this section, the county clerk shall refund the deposit to the persons who made the

**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.

1 deposit.

2 (3) If the proposed formation, annexation, withdrawal or dissolution is not effected, the county  
3 shall collect the costs of the attempted formation, annexation, withdrawal or dissolution as follows:

4 (a) If the chief petitioners posted a bond, the county shall collect on the bond.

5 (b) If the chief petitioners made a cash deposit, not later than *[the 30th day after the election]*  
6 **45 days after the results of the election are certified**, the county clerk shall pay into the general  
7 fund of the county that portion of the deposit needed to reimburse the county for the costs. If any  
8 portion of the deposit remains after the costs have been paid, the county clerk shall refund the  
9 portion to the persons shown on the form filed under subsection (1) of this section as having made  
10 the deposit. If the costs exceed the amount of the deposit, the chief petitioners shall pay to the  
11 county treasurer the amount of the excess costs.

12 (c) If the chief petitioners made a security deposit other than a bond or cash deposit, not later  
13 than *[the 30th day after the election]* **45 days after the results of the election are certified**, the  
14 county clerk shall negotiate or otherwise collect on as much of the security deposit as necessary  
15 to reimburse the county for the costs and shall pay the proceeds into the general fund of the county.  
16 If any portion of the security deposit or any proceeds of the security deposit remain after the costs  
17 have been paid, the county clerk shall return the portion or the remaining proceeds to the persons  
18 shown on the form filed under subsection (1) of this section as having made the deposit. If the costs  
19 exceed the amount of the proceeds, the chief petitioners shall pay to the county treasurer the  
20 amount of the excess costs.

21 (4) Notwithstanding subsection (1) of this section, the costs of proceedings initiated by a county  
22 or district board, excluding costs incurred by a local government boundary commission under ORS  
23 199.410 to 199.519, shall be paid by the initiating board out of county or district funds.

24 **SECTION 2.** ORS 198.820 is amended to read:

25 198.820. (1) After the election if any is held, if it is determined by the county board that the  
26 majority of the votes cast were in favor of formation of the district, the board shall enter an order  
27 establishing and forming the district. If a majority of the votes cast oppose the formation of the  
28 district, the board shall enter an order dismissing the petition. The order shall be entered within  
29 *[30 days after the date of the election]* **15 days after the results of the election are certified**. The  
30 county board shall also canvass the votes for members of the district board and, if formation of the  
31 district is approved, cause the county clerk to issue certificates of election to the number of persons,  
32 equal to the number of board members named in the petition for formation, receiving the highest  
33 number of votes.

34 (2) After the date of the formation order, the inhabitants of the territory within the district shall  
35 be a municipal corporation to be known by the name specified in the order, and as such shall have  
36 perpetual succession, and by such name shall exercise and carry out the corporate powers and ob-  
37 jects conferred by the principal Act of the district.

38 (3) An order creating a district, whether the district is formed with or without an election, shall  
39 state the name and purpose of the district, describe its boundaries, and declare the district formed.  
40 From the date of the formation order the district shall be considered established.