Chapter 280

1969 REPLACEMENT PART

(1971 reprint)

Financing of Public Projects and Improvements

280.010 Towns, cities and counties authorized to aid in highways and river improvements
280.020 Petition or vote to authorize tax and appropriation of money
280.030 Levy of tax and appropriation of money
280.040 "Subdivision" defined
280.050 Providing funds for financing cost of services, projects, property and equipment
280.055 Obtaining and advancing of funds to county service districts
280.060 Levy of taxes outside constitutional limitation; approval of electors
280.070 Manner of holding elections
280.080 Contents of order, resolution or ordinance calling election
280.090 Submission of several propositions
280.100 Financial reserve or special fund may be established without vote; unexpended balances
280.110 Keeping funds; limitation on expenditure
280.120 Action when further accumulation becomes unnecessary
280.130 Transfer of balance of fund after 12 years
280.140 Unauthorized expenditure or deficit prohibited
280.150 Appropriating money and issuing bonds to construct, operate and maintain joint facilities
280.990 Penalties

CROSS REFERENCES

Borrowing and bonds of counties, cities and districts, Ch. 287
Financing of:
- Armory acquisition, 396.535
- Boating facilities, 488.860
- Bridges, Chs. 381, 382
- Buildings and other improvements of State Board of Higher Education, Ch. 351
- City improvements and works, Ch. 223
- City sewer systems, Ch. 224
- City street construction and maintenance, 366.785 to 366.820
- Construction of community houses in cities and towns, 276.732
- County courthouses by borrowing money or issuing bonds, 276.710 to 276.730
- County roads by issuing bonds, Ch. 370
- Ferry service, 384.325
- Grade crossings, allocation between railroad and public, 763.170
- Highways, 366.730, 366.735, 367.155 to 367.180
- Hospital facilities, 441.335 to 441.360
- Municipal water and power, 225.050, 225.060
- Parking facilities, financing by cities, 223.805 to 223.879
- Port of Portland, improvements, 778.025
- Public square, park and playground construction by municipal authorities, 226.390
- Required procedures when estimated cost of public improvement exceeds $50,000, 279.060 to 279.090
- School building construction, Ch. 328
- Sewage facilities of cities and towns by issue of bonds, 224.230 to 224.250, 449.420 to 449.430
- Sewage works and other facilities, 294.035 (6), 451.140, 451.560
- Sewage works and other facilities by county, 451.490
- Sewerage systems of sanitary districts, 450.250 to 450.300
- Slum clearance and housing projects of cities and towns, Ch. 456
- Toll bridges, 382.105 to 382.115
- Water control and irrigation works, 553.510
- Wharves and docks for cities, 223.886

Lands of public body within diking or drainage district, 547.045
Leasing of real property to state for term less than 20 years, Const. Art. XI §7
Limitations on taxation and indebtedness:
- Computation of true cash value, 308.207
- Generally, Const. Art. XI, §§9, 10, 11

Matching federal funds for highway purposes, 366.725
Pedestrian malls, 376.705 to 376.825
Public borrowing and bonds generally, Ch. 288
Sewage charge on water users, 224.510
State aid to city streets, 366.785 to 366.820
State aid to counties for roads, 366.525 to 366.540
State borrowing and bonds, Ch. 286
Urban renewal, 457.410 to 457.450

280.010 Towns, cities and counties authorized to aid in highways and river improvements. An incorporated town or city, or an organized county, may aid in the construction and repair of any public highway or river improvement in the manner prescribed in ORS 280.020 and 280.030, but all such improvements so aided shall be for the use of all citizens of this state without charge.

280.020 Petition or vote to authorize tax and appropriation of money. It shall be lawful and competent for the municipal authorities of the town or city, or the commissioners of the county, to act under ORS 280.030 if a majority of the legal voters of the town, city or county, as shown by the poll books of the last preceding election:

(1) Petition the municipal authorities of the town or city, or the commissioners of the county, in favor of any proposition to aid in the construction or repair of any public highway or river improvement; or

(2) Decide in favor of so aiding such public works at any special or regular election under the direction of such authorities.

280.030 Levy of tax and appropriation of money. In pursuance of the proposition petitioned for or decided in favor of by the voters pursuant to ORS 280.020, it shall be lawful and competent for the municipal authorities of the town or city, or the commissioners of the county, as the case may be, to:

(1) Enact, order and levy an annual tax, running through one or more years, providing a separate fund for the purpose of aiding and constructing the public work petitioned for or decided in favor of by the voters.

(2) Provide funds by such annual tax.

(3) Make annual payments for such purpose.

(4) Order and appropriate the funds or money of the annual tax for such annual payments.

280.040 "Subdivision" defined. As used in ORS 280.040 to 280.140, "subdivision" includes only such counties, municipal corporations, quasi-municipal corporations and civil or political corporations or subdivisions as are empowered by law to levy ad valorem taxes.

280.050 Providing funds for financing cost of services, projects, property and equipment. Funds may be obtained as prescribed in ORS 280.040 to 280.140 for the purpose of financing the cost of any service, project, property or equipment which a subdivision has lawful power to perform, construct or acquire, and of repairs and improvements thereto and of maintenance and replacement thereof.

[Amended by 1967 c.203 §4]

280.055 Obtaining and advancing of funds to county service districts. Funds may be obtained by a county as prescribed by ORS 280.040 to 280.140 for the purpose of advancing funds to a district established under ORS 451.410 to 451.585 to finance the cost of any service facility which the district is authorized to construct, maintain and operate.

[1969 c.646 §17]

280.060 Levy of taxes outside constitutional limitation; approval of electors. Upon approval of a majority of the electors of a subdivision voting at any election regularly called and held therein for the purpose or purposes named in ORS 280.050, a subdivision may levy taxes serially outside the limitation imposed by section 11, Article XI, Oregon Constitution, over such period of time as is authorized by the electors, but not exceeding 10 years. The amount levied each year shall be uniform, or substantially so, throughout the period during which the taxes are levied.

[Amended by 1953 c.134 §2]

280.070 Manner of holding elections. (1) Elections held within counties for the purpose of approving a tax levy under ORS 280.060 shall be called by the county court or board of county commissioners and shall be held in the same manner and at the same times at which elections may be called and held under the provisions of ORS 370.120 and related sections.

(2) Elections held within other subdivisions for the purpose of approving such tax levy shall be called and held in the manner in which bond elections may be called and held in such subdivisions. The voting requirements, if any, that apply to the bond elections shall apply equally to elections held under authority of this section.

280.080 Contents of order, resolution or ordinance calling election. The order, resolution or ordinance, as the case may be, pursuant to which the election required by ORS 280.060 is called and held, shall set forth:

(1) The purpose for which the funds to be provided by the tax levies are to be expended.

(2) The estimated total outlay for such purpose.

(3) The period, not exceeding 10 years, during which the proposed taxes are to be levied.

(4) Whether or not the proposed taxes are outside the limitation imposed by section 11, Article XI, Oregon Constitution.

280.090 Submission of several propositions. If more than one proposition is submitted to the voters at the same election, the several propositions shall be voted upon separately; but not more than two separate propositions may be submitted to the electors under the provisions of ORS 280.040 to 280.140 within a single year.

280.100 Financial reserve or special fund may be established without vote; unexpended balances. Any city, town or port, by ordinance, and any other subdivision, by resolution, may establish a financial reserve or special fund or funds for the purposes specified in ORS 280.050, without submitting the question to a vote of the electors, if the taxes levied or other funds used for the purpose of establishing the fund or funds are within the limitation imposed by section 11, Article XI, Oregon Constitution. The annual increments to such funds shall be limited to a period of not to exceed 10 years. Should unexpended balances remain after disbursement of the funds referred to in this section for the purposes for which they were provided, such balances upon approval of the governing body of the subdivision duly entered into the minutes of its proceedings may be transferred to the general fund of the subdivision.

280.110 Keeping funds; limitation on expenditure. All funds received by any subdivision pursuant to the authority of ORS 280.040 to 280.140 shall be:

(1) Kept by the treasurer or other financial officer thereof in a fund or funds separate and distinct from other funds of the subdivision.

(2) Retained or expended only for the purpose for which the funds were created.

280.120 Action when further accumulation becomes unnecessary. If at any time conditions arise which dispense with the necessity of further accumulation or expenditure from a fund referred to in ORS 280.110 for the purpose for which it was voted, the governing body by vote of two-thirds of the members of such body may so declare by an appropriate resolution adopted and spread upon the minutes of such body, after which the balances in such funds and future receipts from tax levies and penalties and interest thereon, if any, which otherwise would have been credited thereto, shall be transferred to the general fund of the subdivision and the tax levies thereafter shall be discontinued.

280.130 Transfer of balance of fund after 12 years. Any balance in a fund referred to in ORS 280.110 that is not expended or obligated by definite commitments within 12 years from the date of the election or of the adoption of the ordinance or resolution pursuant to which the fund was established shall automatically revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof.

280.140 Unauthorized expenditure or deficit prohibited. No member of the governing body of a subdivision through his vote shall cause to be made an unauthorized expenditure or a deficit in a fund originating pursuant to the provisions of ORS 280.040 to 280.130.

280.150 Appropriating money and issuing bonds to construct, operate and maintain joint facilities. Incorporated cities, school districts and counties of this state may jointly, in such manner as they shall agree upon, construct, acquire, own, equip, operate and maintain facilities which will directly aid each participating governmental unit in performing a duty or duties imposed upon it or aid in exercising a power or powers conferred upon it, and may appropriate money and may issue bonds therefor.

280.990 Penalties. Any unlawful diversion or over-expenditure of the fund referred to in ORS 280.140 as the result of the vote by any public official having charge, control or administration of the fund shall render him civilly liable for the return of the money in the amount over-expended or diverted, with interest thereon at the legal rate until repaid, by suit of any taxpayer of the subdivision concerned or by suit of the

district attorney of the county, or the attorney for the subdivision, wherein the offense was committed. The suit shall be tried as a proceeding in equity and more than one alleged unauthorized diversion, misuse of or overdraft from the fund, by vote or direction of the defendant, may be pleaded in the same suit.

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Robert W. Lundy, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on December 1, 1969.

Robert W. Lundy
Legislative Counsel