

## CHAPTER 4

AN ACT

SB 1536

Relating to mass transit districts; creating new provisions; amending ORS 267.090, 267.095, 267.107 and 267.108; and repealing ORS 267.109, 267.112 and 267.302.

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

**SECTION 1.** ORS 267.107 is amended to read: 267.107. Notwithstanding ORS 267.085:

(1) The governing body of the most populous city in a metropolitan statistical area may by resolution propose creation of a mass transit district if the governing body finds that area-wide mass transit needs cannot be met by local transit operation.

(2) The resolution of the governing body shall:

(a) Be considered at a public hearing only after notice as required for regular consideration of other resolutions by city charter or ordinance;

(b) Include findings of the need for creation of a mass transit district in the affected area;

(c) Describe the boundaries of the proposed district, which may be limited to a proposed service area but which may not extend beyond the limits of the city's urban growth boundary; and

(d) If approved, be addressed to and filed with the governing body of the county in which the proposed district is principally situated.

(3) Upon receipt of the resolution under subsection (2) of this section, the county governing body shall commence district formation proceedings as provided in ORS 198.705 to 198.955 [and 267.108].

**(4) The county governing body shall order an election within the proposed district for approval or disapproval by the electors voting on the question of formation of a district under this section, notwithstanding the provisions of ORS 198.810 (3).**

**(5) A certified copy of an order forming a mass transit district shall be filed with the Governor.**

**SECTION 2.** ORS 267.108 is amended to read:

267.108. *[(1) Notwithstanding the provisions of ORS 198.810 (3), the county governing body shall order an election within the proposed district for approval or disapproval by the electors voting on the question of formation of a district under ORS 267.107 and for election of seven district directors.]*

*[(2) In addition to the requirements of ORS 198.815 (2), the order calling an election for creation of a district initiated under ORS 267.107 shall describe the boundaries of the seven subdistricts of the proposed district from each of which a director is to be elected. The subdistricts shall be as nearly equal in population as possible based on the latest federal decennial census, shall, where practicable, follow election precinct boundaries and shall together encompass the entire area of the proposed district.]*

**(1) For a mass transit district formed under ORS 267.107, the Governor shall appoint members of the board of directors in accordance with ORS 267.090 and 267.095.**

**(2) Before making an appointment under this section, the Governor shall solicit recommendations of qualified individuals for the position from one or more local business and civic groups.**

**SECTION 3. Persons elected as directors of mass transit districts who are serving on the effective date of this 2018 Act shall continue to serve until the expiration of their terms of office unless discharged earlier by the Governor.**

**SECTION 4. ORS 267.109, 267.112 and 267.302 are repealed.**

**SECTION 5.** ORS 267.090 is amended to read: 267.090. *[Except as provided in ORS 267.112:]*

(1) Board members of a mass transit district may not be elected at the time of formation, but if a district is formed, the Governor shall, within 60 days after receiving a certified copy of the formation order, appoint from subdistricts the members of the first board of directors of the district, designate one member as the temporary chairperson and fix the time and place of the organizational meeting.

(2) The board of directors of a mass transit district shall consist of seven members. One director shall be appointed from each of seven subdistricts. The Governor shall appoint as one of the directors a person who regularly uses the services provided by a mass transit system. Directors shall reside in the subdistrict from which they are respectively appointed. The subdistricts shall be as nearly equal in population as possible based on the latest federal census and shall be designed to ensure representation of the most populous city, other cities and unincorporated territory in the proposed district proportionate to their respective populations provided that if less than the entire district is taxed by the district, the subdistricts shall be wholly within the taxed area. The district or, if the taxed area is less than the entire district, the taxed area shall be divided into subdistricts initially, and after each succeeding federal census, by the Secretary of State.

(3) The term of office of a director is four years, but each director shall serve at the pleasure of the Governor. Before the expiration of the term of a director, the director's successor shall be appointed. A director is eligible for reappointment. In case of a vacancy for any cause, the Governor shall appoint a person to serve for the unexpired term. A director whose term has expired shall continue to serve until the appointment of a successor unless discharged by the Governor.

(4) All appointments of members of the board by the Governor are subject to confirmation by the Senate pursuant to [section 4,] Article III, **section 4**, of the Oregon Constitution.

**SECTION 6.** ORS 267.095 is amended to read:  
267.095. [*Except as provided in ORS 267.112:*]

(1) Notwithstanding ORS 267.090, the terms of three of the directors of the first board of a district expire on the first Tuesday in the second January after the date of their appointment.

(2) The terms of four of the directors so appointed expire on the first Tuesday in the fourth January after the date of their appointment.

(3) The respective terms of the directors of the first board shall be determined by the Governor.

**SECTION 7. The repeal of ORS 267.302 by section 4 of this 2018 Act becomes operative on January 1, 2026.**

Approved by the Governor February 28, 2018

Filed in the office of Secretary of State February 28, 2018

Effective date January 1, 2019

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