

D R A F T

SUMMARY

For purposes of eligibility for strategic investment program, lowers minimum required total cost of project that is solar photovoltaic project.

Applies to property tax years beginning on or after July 1, 2013.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to eligibility of projects in strategic investment program; creating new provisions; amending ORS 285C.606; and prescribing an effective date.

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

SECTION 1. ORS 285C.606 is amended to read:

285C.606. (1) The State of Oregon, acting through the Oregon Business Development Commission, may determine that real and personal property constituting a project shall receive the tax exemption provided in ORS 307.123 if:

(a) The project is an eligible project;

(b) The project directly benefits a traded sector industry, as defined in ORS 285B.280; and

(c) The total cost of the project equals or exceeds:

(A) \$100 million; *[or]*

(B) \$25 million, if the project is located in a rural area~~[,]~~; **or**

(C) \$_____ million, if the project is a solar photovoltaic energy project.

(2) In addition to and not in lieu of the determination described in subsection (1) of this section, the State of Oregon, acting through the Oregon Business Development Commission, shall determine that real and personal

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.

property constituting a project shall receive the tax exemption provided in ORS 307.123 if:

(a) The requirements of subsection (1) of this section are met; and

(b) The project is to be constructed or installed in a strategic investment zone established under ORS 285C.623.

(3) Notwithstanding subsection (1) or (2) of this section, property may not qualify for the tax exemption under ORS 307.123 if the property:

(a) Was previously owned or leased by the business firm benefiting from the tax exemption;

(b) Was previously exempt under ORS 307.123 for any period of time; or

(c) If located in a strategic investment zone, is not newly constructed or newly installed property.

(4) The State of Oregon, acting through the State Treasurer, may authorize and issue revenue bonds for an eligible project that qualifies for exemption under ORS 307.123 if the project also is eligible for funding through the issuance of revenue bonds under ORS 285B.320 to 285B.371.

(5) A business firm that will be benefited by an eligible project shall enter into a first-source hiring agreement with a publicly funded job training provider that will remain in effect until the end of the tax exemption period.

(6) If an eligible project is leased or subleased to any person, the lessee shall be required to pay property taxes levied upon or with respect to the leased premises only in accordance with ORS 307.123.

(7) For purposes of determining the assessment and taxation of the eligible project in ORS 307.123 and the calculation of the community services fee in ORS 285C.609 (4)(b), the Oregon Business Development Commission, when it determines that the project is an eligible project, shall:

(a) Describe the real and personal property to be included in the eligible project;

(b) Establish the maximum value of the property subject to exemption; or

(c) Employ a comparable method to define the eligible project.

1 (8) Property of an eligible project that is currently exempt under ORS
2 307.123 may remain exempt for any remaining period of exemption allowed
3 under ORS 307.123 upon the property being acquired by a business firm that
4 is different from the business firm that initially benefited from the ex-
5 emption, if the acquiring firm satisfies all applicable requirements under
6 ORS 285C.600 to 285C.626 and assumes the obligations, conditions, require-
7 ments and other terms of the agreement described in ORS 285C.609 (4).

8 **SECTION 2. The amendments to ORS 285C.606 by section 1 of this**
9 **2013 Act apply to property tax years beginning on or after July 1, 2013.**

10 **SECTION 3. This 2013 Act takes effect on the 91st day after the date**
11 **on which the 2013 regular session of the Seventy-seventh Legislative**
12 **Assembly adjourns sine die.**