

HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2174

By COMMITTEE ON REVENUE

June 11

- 1 On page 3 of the printed A-engrossed bill, after line 1, insert:
2 “(11) ‘Permanent rate plan’ means an urban renewal plan that:
3 “(a) Was adopted on or after the effective date of this 2019 Act; or
4 “(b) Was substantially amended as described in ORS 457.085 (2)(i)(A) or (B) on or after the ef-
5 fective date of this 2019 Act.”.
- 6 In line 2, delete “(11)(a)” and insert “(12)(a)”.
- 7 In line 21, delete “(12)” and insert “(13)”.
- 8 In line 23, delete “(13)” and insert “(14)”.
- 9 In line 28, before the semicolon insert “, and before the effective date of this 2019 Act”.
- 10 In line 29, before the semicolon insert “, and before the effective date of this 2019 Act”.
- 11 In line 35, delete “(14)” and insert “(15)” and after “a” insert “permanent rate plan or”.
- 12 In line 36, delete “(15)” and insert “(16)”.
- 13 In line 38, delete “(16)” and insert “(17)”.
- 14 In line 40, delete “(17)” and insert “(18)”.
- 15 In line 42, delete “(18)” and insert “(19)”.
- 16 In line 45, delete “(19)” and insert “(20)”.
- 17 On page 7, line 2, delete “pursuant to” and insert “in accordance with”.
- 18 On page 8, delete lines 20 through 45.
- 19 On page 9, delete lines 1 through 38 and insert:
20 “**SECTION 8.** ORS 457.445 is amended to read:
21 “457.445. [(1)(a) *The consolidated billing tax rate of the following urban renewal plans shall be*
22 *determined under paragraph (b) of this subsection:*]
23 “[*(A) An existing urban renewal plan (other than an existing urban renewal plan designated as*
24 *an Option Three plan under ORS 457.435 (2)(c);*]
25 “[*(B) An urban renewal plan that was an existing urban renewal plan on October 6, 2001, (other*
26 *than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)*
27 *and that was substantially amended as described in ORS 457.085 (2)(i)(A) or (B) on or after October*
28 *6, 2001; and*]
29 “[*(C) An urban renewal plan adopted on or after October 6, 2001.*]
30 “[*(b)(A) The consolidated billing tax rate of an urban renewal plan described in paragraph (a) of*
31 *this subsection equals the total of all district tax rates used to extend taxes after any adjustment to*
32 *reflect tax offsets under ORS 310.105.*]
33 “[*(B) Notwithstanding subparagraph (A) of this paragraph, the consolidated billing tax rate of an*
34 *urban renewal plan described in paragraph (a) of this subsection excludes any rate derived from:*]
35 “[*(i) An urban renewal special levy under ORS 457.435.*]

1 “(ii) A local option tax, as defined in ORS 280.040, that is approved by taxing district electors
2 after October 6, 2001.]

3 “(iii) A tax pledged to repay exempt bonded indebtedness (other than exempt bonded indebtedness
4 used to fund local government pension and disability plan obligations that, until funded by the exempt
5 bonded indebtedness, were described in Article XI, section 11 (5), of the Oregon Constitution), as de-
6 fined in ORS 310.140, that is approved by taxing district electors after October 6, 2001.]

7 “(iv) The increase in the rate of ad valorem property tax allowable under Article XI, section 11
8 (5)(d), of the Oregon Constitution, for a school district with a statutory rate limit on July 1, 2003, that
9 is greater than \$4.50 per \$1,000 of assessed value, to the extent that the increase is excluded from local
10 revenues, as that term is used in ORS chapter 327, and provided that the school district notifies the
11 county assessor of the rate to be excluded for the current fiscal year not later than July 15.]

12 “(2)(a) The consolidated billing tax rate of all other urban renewal plans equals the total of all
13 district ad valorem property tax rates used to extend taxes after any adjustments to reflect tax offsets
14 under ORS 310.105.]

15 “(b) Notwithstanding paragraph (a) of this subsection, the consolidated billing tax rate of urban
16 renewal plans referred to in paragraph (a) of this subsection excludes:]

17 “(A) An urban renewal special levy rate under ORS 457.435.]

18 “(B) A new local option tax.]

19 “(3)(a) Notwithstanding subsection (2)(b)(B) of this section, the consolidated billing tax rate of
20 urban renewal plans referred to in subsection (2)(a) of this section includes a new local option tax im-
21 posed in a fiscal year for which the urban renewal agency files with the county assessor an impairment
22 certificate in the manner described in paragraph (b) of this subsection not later than the May 1 imme-
23 diately preceding the beginning of the fiscal year.]

24 “(b) An impairment certificate must:]

25 “(A) Identify the urban renewal plan to which it relates;]

26 “(B) Instruct the county assessor to include the new local option tax in the consolidated billing tax
27 rate for the urban renewal plan for the ensuing fiscal year;]

28 “(C) State that the urban renewal agency has reasonably determined that excluding the new local
29 option tax from the consolidated billing tax rate for the fiscal year under this subsection would impair
30 contracts that the agency has entered into with owners of indebtedness incurred before October 7, 2013,
31 to carry out an urban renewal plan described in subsection (2) of this section; and]

32 “(D) Be signed by an authorized representative of the agency.]

33 “(4)(a) Notwithstanding subsection (2) of this section, the governing body of a municipality that
34 adopted an urban renewal plan before December 5, 1996 (other than an existing urban renewal plan
35 designated as an Option Three plan under ORS 457.435 (2)(c)), that would otherwise be required to
36 use a consolidated billing tax rate determined under subsection (2) of this section may, by resolution
37 or ordinance, irrevocably elect to have amounts collected by dividing the taxes for the urban renewal
38 plan pursuant to ORS 457.440 be determined under subsection (1)(b) of this section.]

39 “(b) An election made pursuant to this subsection applies first to the assessment roll next following
40 if the assessor has received notice of the election from the urban renewal agency before January 1.]

41 “(5) As used in this section, ‘new local option tax’ means a local option tax, as defined in ORS
42 280.040, that is approved by taxing district electors after January 1, 2013.]

43 “(1) As used in this section, ‘post-2012 local option tax’ means a local option tax, as de-
44 fined in ORS 280.040, that is approved by taxing district electors after January 1, 2013.

45 “(2) The consolidated billing tax rate of an urban renewal plan equals the total of all

1 **taxing district ad valorem property tax rates used to extend taxes, after any adjustment to**
2 **reflect tax offsets under ORS 310.105.**

3 **“(3) Notwithstanding subsection (2) of this section, the consolidated billing tax rate of a**
4 **standard rate plan excludes any rate derived from:**

5 **“(a) An urban renewal special levy under ORS 457.435; and**

6 **“(b) A post-2012 local option tax.**

7 **“(4)(a) Notwithstanding subsection (3)(b) of this section, the consolidated billing tax rate**
8 **of a standard rate plan includes a post-2012 local option tax imposed in a fiscal year for which**
9 **the urban renewal agency files with the county assessor an impairment certificate in the**
10 **manner described in paragraph (b) of this subsection not later than the May 1 immediately**
11 **preceding the beginning of the fiscal year.**

12 **“(b) An impairment certificate must:**

13 **“(A) Identify the urban renewal plan to which it relates;**

14 **“(B) Instruct the county assessor to include the post-2012 local option tax in the consol-**
15 **idated billing tax rate for the urban renewal plan for the ensuing fiscal year;**

16 **“(C) State that the urban renewal agency has reasonably determined that excluding the**
17 **post-2012 local option tax from the consolidated billing tax rate for the fiscal year under this**
18 **subsection would impair contracts that the agency has entered into with owners of indebt-**
19 **edness incurred before October 7, 2013, to carry out the standard rate plan; and**

20 **“(D) Be signed by an authorized representative of the agency.**

21 **“(5)(a) The governing body of a municipality that adopted a standard rate plan, other**
22 **than an existing urban renewal plan designated as an Option Three plan under ORS 457.435**
23 **(2)(c), may, by ordinance or resolution, irrevocably elect to become a reduced rate plan.**

24 **“(b) An election made pursuant to this subsection applies first to the next following as-**
25 **essment roll if the assessor has received notice of the election from the urban renewal**
26 **agency before January 1.**

27 **“(6) Notwithstanding subsection (2) of this section, the consolidated billing tax rate of a**
28 **reduced rate plan excludes any rate derived from:**

29 **“(a) An urban renewal special levy under ORS 457.435;**

30 **“(b) A local option tax, as defined in ORS 280.040;**

31 **“(c) A tax pledged to repay exempt bonded indebtedness, as defined in ORS 310.140, other**
32 **than exempt bonded indebtedness used to fund local government pension and disability plan**
33 **obligations that, until funded by the exempt bonded indebtedness, were described in Article**
34 **XI, section 11 (5), of the Oregon Constitution, that is approved by taxing district electors**
35 **after October 6, 2001; and**

36 **“(d) The increase in the rate of ad valorem property tax allowable under Article XI,**
37 **section 11 (5)(d), of the Oregon Constitution, for a school district with a statutory rate limit**
38 **on July 1, 2003, that is greater than \$4.50 per \$1,000 of assessed value, to the extent that the**
39 **increase is excluded from local revenues, as that term is used in ORS chapter 327, and pro-**
40 **vided that the school district notifies the county assessor of the rate to be excluded for the**
41 **current fiscal year no later than July 15.**

42 **“(7) Notwithstanding subsection (2) of this section, the consolidated billing tax rate of a**
43 **permanent rate plan excludes any rate derived from:**

44 **“(a) An urban renewal special levy under ORS 457.435;**

45 **“(b) A local option tax, as defined in ORS 280.040;**

1 “(c) A tax pledged to repay exempt bonded indebtedness, as defined in ORS 310.140, other
2 than exempt bonded indebtedness used to fund local government pension and disability plan
3 obligations that, until funded by the exempt bonded indebtedness, were described in Article
4 XI, section 11 (5), of the Oregon Constitution; and

5 “(d) Except for plans that had been standard rate plans prior to the effective date of this
6 2019 Act, the increase in the rate of ad valorem property taxes allowable under Article XI,
7 section 11 (5)(d), of the Oregon Constitution, for a school district with a statutory rate limit
8 on July 1, 2003, that is greater than \$4.50 per \$1,000 of assessed value, to the extent that the
9 increase is excluded from local revenues, as that term is used in ORS chapter 327, and pro-
10 vided that the school district notifies the county assessor of the rate to be excluded for the
11 current fiscal year no later than July 15.”.

12 On page 10, line 41, delete “Staff” and insert “A representative”.