

Enrolled
House Bill 2343

Sponsored by Representatives BONHAM, LIVELY, Senator FINDLEY; Representatives BOSHART
DAVIS, DRAZAN, HAYDEN, KROPF, LEVY, MORGAN, NOBLE, RESCHKE (Presession filed.)

CHAPTER

AN ACT

Relating to local government authority to suspend enterprise zone employment requirements; and
prescribing an effective date.

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

SECTION 1. Sections 2 to 4 of this 2021 Act are added to and made a part of ORS 285C.050
to 285C.250.

SECTION 2. (1)(a) Notwithstanding ORS 285C.203 (1)(a), the governing body of a sponsor
may adopt a resolution to suspend, as provided in ORS 285C.203, the obligation of a qualified
business firm to meet the employment requirements of ORS 285C.200 if the reduced em-
ployment or financial distress of the firm is a result of the COVID-19 pandemic for which the
Governor declared a state of emergency on March 8, 2020.

(b) A resolution may be adopted pursuant to this subsection under any procedures or
authority permitted under state and local law applicable in a declared public health emer-
gency.

(c) A resolution adopted pursuant to this subsection must set forth criteria for estab-
lishing that the COVID-19 pandemic prevented the qualified business firm from meeting the
employment requirements of ORS 285C.200, including:

- (A) Compliance with mandatory public health safety measures or closures;
- (B) Mandatory limitations on facility capacity;
- (C) A decrease in receipts;
- (D) A reduction in sales;
- (E) Disruption of the firm’s access to markets or supply chains; or
- (F) Other factors attributable to the COVID-19 pandemic.

(d) A resolution adopted pursuant to this subsection is not subject to the alternative
deadline in ORS 285C.203 (3)(a)(B).

(2)(a) The resolution described in subsection (1) of this section is not effective unless
adopted by the governing body of the enterprise zone on or before the later of June 30 im-
mediately preceding the property tax year for which suspension is sought or 45 days follow-
ing the effective date of this 2021 Act.

(b) The resolution may provide that the suspension applies to either or both of the
property tax years beginning on July 1, 2021, and July 1, 2022.

(3) A resolution for suspension adopted pursuant to this section has the following effects:

(a) Tolling the deadline for claiming exemption for additional property under ORS
285C.225 (3)(b) until after the period of suspension has ended, if so provided in the resolution.

(b) Converting the denial under ORS 285C.175 of an exemption on qualified property that would otherwise have begun on July 1, 2021, into a one-year period of suspension beginning on that date.

(4) Any curtailment of operations that is permitted under a resolution adopted pursuant to this section is not subject to ORS 285C.240 (1)(b).

SECTION 3. (1) The qualified property of an authorized business firm may be granted an exemption, or continuation of an exemption, under ORS 285C.175 notwithstanding the fact that the firm does not meet the qualifications under ORS 285C.200 (1)(c), (d) or (e) or (2) if the failure of the firm to meet the qualifications is a result of the COVID-19 pandemic for which the Governor declared a state of emergency on March 8, 2020, and:

(a) The governing body of the sponsor adopts a resolution, on or before the later of June 30 immediately preceding the property tax year for which exemption is sought or 45 days following the effective date of this 2021 Act, that sets forth:

(A) Procedures for allowing the sponsor to grant the exemption;

(B) Standards for establishing a minimum number of employees of an authorized business firm; and

(C) Criteria for establishing that the COVID-19 pandemic prevented the authorized business firm from meeting the qualifications under ORS 285C.200 (1)(c), (d) or (e) or (2), including:

(i) Compliance with mandatory public health safety measures or closures;

(ii) Mandatory limitations on facility capacity;

(iii) A decrease in receipts;

(iv) A reduction in sales;

(v) Disruption of the firm's access to markets or supply chains; or

(vi) Other factors attributable to the COVID-19 pandemic;

(b) A copy of the resolution is provided to the county assessor, the Department of Revenue and the Oregon Business Development Department within 30 days following the adoption of the resolution;

(c) Within 30 days following the date on which the sponsor grants the exemption, the sponsor provides the county assessor with written notice that the exemption has been granted; and

(d) The authorized business firm satisfies the requirements established under the resolution adopted pursuant to this subsection and any otherwise applicable requirements under ORS 285C.050 to 285C.250, including, but not limited to, filing a claim that contains employment data for purposes of ORS 285C.220.

(2) A resolution may be adopted pursuant to subsection (1) of this section under any procedures or authority permitted under state and local law applicable in a declared public health emergency.

(3) A resolution adopted pursuant to subsection (1) of this section may grant an exemption, or continuation of an exemption, for property tax years beginning on or after July 1, 2021, and before July 1, 2023.

(4) Failure of an authorized business firm to meet any requirement adopted pursuant to subsection (1) of this section shall be subject to the notice requirements and disqualification of the authorized business firm's qualified property under ORS 285C.240, unless the firm satisfies the requirements of ORS 285C.200 without the exceptions allowed under subsection (1) of this section.

(5) Any curtailment of operations that is permitted under a resolution adopted pursuant to this section is not subject to ORS 285C.240 (1)(b).

(6) A county assessor is not obligated to verify compliance of an authorized business firm with any requirement imposed on the firm by a sponsor pursuant to this section.

(7) The governing body of a sponsor that adopts a resolution pursuant to subsection (1) of this section shall submit a written report to the Oregon Business Development Department detailing the implementation of the resolution.

SECTION 4. (1) This section applies to:

(a) A qualified business firm to which a resolution to suspend adopted pursuant to section 2 of this 2021 Act applies; and

(b) An authorized business firm whose qualified property is exempt under a resolution adopted pursuant to section 3 of this 2021 Act.

(2)(a) Notwithstanding ORS 285C.240 (6)(b), the sponsor that adopted the applicable resolution and that collected from the business firm under ORS 285C.240 (6)(a) an amount equal to the property taxes for qualified property of the business firm that would otherwise have been due for the assessment years beginning on January 1, 2020, or January 1, 2021, may refund to the business firm, without interest, all or any part of the amount so collected.

(b) The notice given by the business firm to the county assessor under ORS 285C.240 (1) with respect to paragraph (a) of this subsection shall not count as the first notice given by the business firm for purposes of ORS 285C.240 (6)(c).

SECTION 5. Sections 2 and 3 of this 2021 Act are repealed on the date that is one year following the date on which the declaration of a state of emergency issued by the Governor on March 8, 2020, and any extension of the declaration, is no longer in effect.

SECTION 6. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.

Passed by House June 1, 2021

Received by Governor:

Repassed by House June 24, 2021

.....M.,....., 2021

Approved:

.....
Timothy G. Sekerak, Chief Clerk of House

.....M.,....., 2021

.....
Tina Kotek, Speaker of House

.....
Kate Brown, Governor

Passed by Senate June 23, 2021

Filed in Office of Secretary of State:

.....M.,....., 2021

.....
Peter Courtney, President of Senate

.....
Shemia Fagan, Secretary of State