

A-Engrossed
House Bill 2343

Ordered by the House April 13
Including House Amendments dated April 13

Sponsored by Representatives BONHAM, LIVELY; Representative LEVY (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Authorizes governing body of enterprise zone sponsor to adopt resolution suspending enterprise zone employment requirements otherwise imposed on authorized business firms. Provides resolution may not be adopted after [30] 45 days following effective date of Act.

Authorizes governing body of enterprise zone sponsor to allow exemption for **property tax years beginning on July 1, 2021, and July 1, 2022**, to qualified property of authorized business firm that otherwise does not meet certain requirements during declared public health emergency.

Authorizes refunds without interest of all or any part of payments collected with respect to disqualification in certain circumstances, and based on property taxes imposed for tax year that began on July 1, 2020, with respect to qualified property subject to either grant of authority.

Sunset **both grants of authority** on [earlier of] date that is one year [following effective date of Act or _____ days] following end of declared public health emergency.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to local government authority to suspend enterprise zone employment requirements; and
3 prescribing an effective date.

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

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

7 **SECTION 2. (1)(a) Notwithstanding ORS 285C.203 (1)(a), the governing body of a sponsor**
8 **may adopt a resolution to suspend, as provided in ORS 285C.203, the obligation of a qualified**
9 **business firm to meet the employment requirements of ORS 285C.200.**

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

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

15 **(2)(a) The resolution described in subsection (1) of this section is not effective unless**
16 **adopted by the governing body of the enterprise zone not later than 45 days following the**
17 **effective date of this 2021 Act.**

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

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

21 **(a) Tolling the deadline for claiming exemption for additional property under ORS**
22 **285C.225 (3)(b) until after the period of suspension has ended.**

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.

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

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

6 **SECTION 3.** (1) The qualified property of an authorized business firm may be granted an
7 exemption, or continuation of an exemption, under ORS 285C.175 notwithstanding the fact
8 that the firm does not meet the qualifications under ORS 285C.200 (1)(c), (d) or (e) or (2) if:

9 (a) The governing body of the sponsor adopts a resolution, on or before the later of June
10 30 immediately preceding the property tax year for which exemption is sought or 45 days
11 following the effective date of this 2021 Act, that sets forth:

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

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

15 (C) Criteria for establishing that the reduced employment of the firm is a result of a
16 public health crisis for which the Governor has declared a state of emergency, or of an eco-
17 nomic downturn or dislocations caused by the public health crisis; and

18 (D) Any other condition the governing body considers necessary or proper;

19 (b) A copy of the resolution is provided to the county assessor, the Department of Re-
20 venue and the Oregon Business Development Department within 30 days following the
21 adoption of the resolution;

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

25 (d) The authorized business firm satisfies the requirements established under the resol-
26 ution adopted pursuant to this subsection and any otherwise applicable requirements under
27 ORS 285C.050 to 285C.250, including, but not limited to, filing a claim that contains employ-
28 ment data for purposes of ORS 285C.220.

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

32 (3) A resolution adopted pursuant to subsection (1) of this section may grant an ex-
33 emption, or continuation of an exemption, for property tax years beginning on or after July
34 1, 2021, and before July 1, 2023.

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

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

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

44 (7) The governing body of a sponsor that adopts a resolution pursuant to subsection (1)
45 of this section shall submit a written report to the Oregon Business Development Depart-

1 **ment detailing the implementation of the resolution.**

2 **SECTION 4. (1) This section applies to:**

3 **(a) A qualified business firm to which a resolution to suspend adopted pursuant to section**
4 **2 of this 2021 Act applies; and**

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

7 **(2) Notwithstanding ORS 285C.240 (6)(b), the sponsor that adopted the applicable resol-**
8 **ution and that collected from the business firm under ORS 285C.240 (6)(a) an amount equal**
9 **to the property taxes for qualified property of the business firm that would otherwise have**
10 **been due for the property tax year that began on July 1, 2020, may refund to the business**
11 **firm, without interest, all or any part of the amount so collected.**

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

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

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