

SB 1012 A -A3 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 5/4

WHAT THE MEASURE DOES:

Creates optional special assessment for homesteads destroyed by September 2020 wildfire. Grants County option to provide special assessment, define terms, and define special assessment calculation. Requires owner of rebuilt homestead to pay recording fee to the county clerk. Applies to tax years beginning on or after July 1, 2021. Specifies when initial claim must be made. Specifies that special assessment ends at earliest of when owner no longer lives in homestead, when it is rented to another person, or when it is transferred to another owner. Takes effect 91st day after sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A3 Clarifies the recalculation of a property’s maximum assessed value that is proposed in the A-engrossed version of the bill.

BACKGROUND:

Oregon Constitution, Article 11, Section 11(1)(c)(E) requires that properties have their maximum assessed value recalculated when they enter and exit a property tax exemption, partial exemption, or special assessment.

Executive Order (EO) 20-35, issues August 20, 2020, declared a statewide State of Emergency due to the imminent threat of wildfire. All counties in the state of Oregon were included in the geographical area covered by EO 20-35.

The Federal Emergency Management Agency (FEMA) provides a definition for a "destroyed home" as it pertains to wildfire damage for single-family and multi-family homes, and manufactured homes:

Single-family and multi-family

- Only the foundation remains
- Complete failure of two or more major structural components (e.g., collapse of basement walls, foundation, walls or roof)
- Residence has a confirmed imminent danger (e.g., impending landslides, mudslides or sinkholes)

Manufactured homes

- The residence's frame is bent, twisted or otherwise compromised.
- The majority of the structural framing of the roof or walls has been compromised, exposing the interior

Based on FEMA’s definition of "destroyed home", the Oregon Office of Emergency Management shows that the 2020 wildfires destroyed 4,116 homes and damaged 53 homes, in 8 counties, as shown in the table below.

County	Homes Destroyed by 2020 Wildfires	Homes Damaged by 2020 Wildfires
Clackamas	62	0
Douglas	133	0
Jackson	2,348	8
Klamath	11	0

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Lane	574	41
Lincoln	288	0
Linn	71	0
Marion	629	4
Total	4,116	53

Source: Oregon Office of Emergency Management