

# House Bill 3518

Sponsored by COMMITTEE ON REVENUE (at the request of Association of Oregon Counties)

## 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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would raise the county recording fee that goes to the County Assessment and Taxation Fund. The Act would index that fee to inflation. The Act would send a set percentage of all property tax moneys other than bond levies to the same fund. (Flesch Readability Score: 73.1).

Increases the county recording fee that is credited to the County Assessment and Taxation Fund and indexes the fee to inflation. Provides that a certain percentage of all tax moneys other than bond levy moneys be deposited in the same fund.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to funding county assessment functions; creating new provisions; amending ORS 205.323,  
3 294.187, 311.385 and 311.395; repealing ORS 311.508; prescribing an effective date; and providing  
4 for revenue raising that requires approval by a three-fifths majority.

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

6 **SECTION 1.** ORS 205.323 is amended to read:

7 205.323. (1) In addition to and not in lieu of the fees charged and collected under ORS 205.320  
8 and other fees, the county clerk shall charge and collect the following fees for the recording or fil-  
9 ing of any instrument described in ORS 205.130:

10 (a) A fee of \$1, to be credited as provided in subsection (4)(a) of this section;

11 (b) A fee of [*\$10*] **\$19**, to be credited as provided in subsection (4)(b) of this section; and

12 (c) A fee of \$60, to be credited as provided in subsection (4)(c) of this section.

13 (2) Subsection (1) of this section does not apply to the recording or filing of the following:

14 (a) Instruments that are otherwise exempt from recording or filing fees under any provision of  
15 law;

16 (b) Any satisfaction of judgment or certificate of satisfaction of judgment; or

17 (c) Internal county government instruments not otherwise charged a recording or filing fee.

18 (3) Subsection (1)(c) of this section does not apply to the recording or filing of:

19 (a) Instruments required under ORS 517.210 to maintain mining claims;

20 (b) Warrants issued by the Employment Department pursuant to ORS 657.396, 657.642 and  
21 657.646; or

22 (c) A certified copy of a judgment, a lien record abstract as described in ORS 18.170 or a sat-  
23 isfaction of a judgment, including a judgment noticed by recordation of a lien record abstract.

24 (4) Of the amounts charged and collected under this section:

25 (a) The recording or filing fee charged and collected under subsection (1)(a) of this section must  
26 be deposited and credited to the Oregon Land Information System Fund established under ORS  
27 306.132.

28 (b) The recording or filing fee charged and collected under subsection (1)(b) of this section shall

**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 be credited as follows:

2 (A) *[Five percent]* **Fifty cents** of the fee must be credited for the benefit of the county;

3 (B) *[Five percent]* **Fifty cents** of the fee must be credited for the benefit of the county clerk for  
4 the purposes described in ORS 205.320 (2); and

5 (C) *[90 percent]* **\$18** of the fee must be credited to and deposited in the County Assessment and  
6 Taxation Fund created under ORS 294.187.

7 (c) The recording or filing fee charged and collected under subsection (1)(c) of this section must  
8 be credited to and deposited in the County Assessment and Taxation Fund created under ORS  
9 294.187.

10 **(5) The dollar amounts in subsections (1)(b) and (4)(b) of this section shall be adjusted**  
11 **annually for inflation since 2025 based on the Consumer Price Index for All Urban Consum-**  
12 **ers, West Region (All Items), as published by the Bureau of Labor Statistics of the United**  
13 **States Department of Labor, and rounded to the nearest fifty cents.**

14 *[(5)]* (6) The Department of Revenue and county tax collectors are exempt from paying the fee  
15 under subsection (1)(c) of this section.

16 **SECTION 2. ORS 311.508 is repealed.**

17 **SECTION 3. Before distributing property tax moneys under ORS 311.395 to the several**  
18 **taxing units according to the ratios provided in ORS 311.390, the county treasurer shall**  
19 **credit to the County Assessment and Taxation Fund created under ORS 294.187 an amount**  
20 **equal to 0.3 percent of all moneys set out in the statements prepared under ORS 311.395 (1)**  
21 **and (2) other than taxes imposed to pay principal and interest on exempt bonded indebt-**  
22 **edness.**

23 **SECTION 4.** ORS 294.187 is amended to read:

24 294.187. (1) There is created in the county treasury of each county a fund to be known as the  
25 County Assessment and Taxation Fund. The fund shall consist of:

26 (a) Moneys deposited in and credited to the fund under *[ORS 311.508]* **section 3 of this 2025**  
27 **Act.**

28 (b) Moneys deposited in and credited to the fund under ORS 205.323 (4)(b)(C).

29 (c) Moneys deposited in and credited to the fund under ORS 205.323 (4)(c).

30 (d) Interest earned upon moneys credited to the fund.

31 (2) The county treasurer shall pay over the moneys in the fund, determined as of the last day  
32 of the fiscal quarter, to the State Treasurer on or before the 10th working day of the month fol-  
33 lowing the last day of the fiscal quarter as follows:

34 (a) Moneys collected under subsection (1)(a) and (b) of this section and interest earnings on  
35 those moneys must be paid over to the Department of Revenue for deposit in the County Assessment  
36 Function Funding Assistance Account created under ORS 294.184.

37 (b) Moneys collected under subsection (1)(c) of this section and interest earnings on those mon-  
38 eys must be paid over to the Department of Revenue for deposit in the Housing and Community  
39 Services Department accounts for housing-related programs as follows:

40 (A) 76 percent of the moneys must be deposited in the General Housing Account created under  
41 ORS 458.620;

42 (B) 10 percent of the moneys must be deposited in the Emergency Housing Account created  
43 under ORS 458.620; and

44 (C) 14 percent of the moneys must be deposited in the Home Ownership Assistance Account  
45 created under ORS 458.620.

1 (3) If the county treasurer fails to pay over moneys, as required under subsection (2) of this  
 2 section, then any unpaid moneys shall be a debt due and owing by the county to the state and the  
 3 county shall pay the legal rate of interest thereon from the due date until paid. Payment of interest  
 4 under this section shall not relieve the county treasurer from any penalty imposed by law for failure  
 5 to make the payments, and in addition, the county treasurer shall be liable under ORS 311.375 (4)(a)  
 6 and (b).

7 (4) ORS 294.305 to 294.565 do not apply to a fund created under this section.

8 **SECTION 5.** ORS 311.385 is amended to read:

9 311.385. (1) The tax collector shall deposit all property tax moneys with the county treasurer  
 10 no later than:

11 (a) One business day after:

12 (A) Payment of the moneys is made in person at the office of the tax collector; or

13 (B) The tax collector receives moneys collected by a financial institution or other collection  
 14 agency; or

15 (b) Thirty calendar days after the payment arrives by mail in the county mail receptacle.

16 (2) The tax collector shall take a receipt for all moneys deposited with the county treasurer.

17 (3) Property tax moneys shall not be deposited in any account other than the unsegregated tax  
 18 collections account, except as provided in ORS 311.370[,] and 311.484 and [311.508] **section 3 of this**  
 19 **2025 Act.**

20 (4) No later than one business day after receiving notice of collection of tax moneys by a fi-  
 21 nancial institution or other collection agency, the tax collector shall notify the county treasurer of  
 22 the collection of those tax moneys.

23 (5) Except as provided in ORS 311.370[,] and 311.484 and [311.508] **section 3 of this 2025 Act,**  
 24 the county treasurer shall deposit all property tax moneys to an account in the records of the  
 25 county treasurer designated as the unsegregated tax collections account. Only those moneys that  
 26 will be distributed under ORS 311.390 and interest earned from the investment of those moneys shall  
 27 be deposited to the unsegregated tax collections account.

28 (6) As used in this section, “property tax moneys” includes all ad valorem taxes and all taxes  
 29 on property, as defined in ORS 310.140, and all other amounts specifically authorized by law to be  
 30 included on the assessment and tax roll, that are certified for collection under ORS 310.060 or other  
 31 law and any interest on those taxes.

32 **SECTION 6.** ORS 311.395 is amended to read:

33 311.395. (1) The tax collector shall make statements of the exact amounts of property tax moneys  
 34 in cash and warrants collected as follows:

35 (a) For the period beginning on the first Monday following the last Friday in October through  
 36 the last Friday in November, the tax collector shall make weekly statements of those taxes that are  
 37 collected for the current tax year.

38 (b) For the period beginning the first Monday following the last Friday [of] in November through  
 39 the last Friday [of] in October of the ensuing year, the tax collector shall make quarterly statements  
 40 of those taxes that are collected for the current tax year.

41 (c) The tax collector shall make quarterly statements of taxes collected for prior years.

42 [(d) Notwithstanding paragraph (b) or (c) of this subsection, if the balance in the unsegregated tax  
 43 collection account as of the close of any month for any tax year (the current tax year or any prior tax  
 44 year) exceeds \$10,000 or if requested by any taxing district, and if weekly statements are not required,  
 45 then the tax collector shall make a statement for the period since the last statement for the tax year.]

1        **(d) Notwithstanding paragraph (b) or (c) of this subsection, the tax collector shall make**  
 2 **a statement for the period since the last statement for the tax year if:**

3        **(A)(i) The balance in the unsegregated tax collection account as of the close of any**  
 4 **month for the current tax year or any prior tax year exceeds \$10,000; or**

5        **(ii) A statement is requested by any taxing district; and**

6        **(B) Weekly statements are not required.**

7        (e) If the processing of tax payments for the current tax year received or postmarked on or be-  
 8 fore the November 15 due date, [(or, if the due date is extended under ORS 311.507, **on or before**  
 9 the due date pursuant to the extension)], is not substantially completed as of the last Friday in  
 10 November, the tax collector shall continue to make weekly statements until the end of a week when  
 11 the processing is substantially completed.

12        (2)(a) Each statement shall be of taxes collected during the weekly, monthly, quarterly or other  
 13 period for which the statement is required.

14        (b) The statements prepared under subsection (1) of this section shall specify the tax years for  
 15 which the payments of taxes were made.

16        (c) A copy of each statement shall be filed with the county clerk and a copy shall be filed with  
 17 the county treasurer no later than the fifth business day after the last business day of the period  
 18 for which the statement is prepared. A copy of each statement shall be retained in the office of the  
 19 tax collector.

20        (3) For the purposes of this section, property tax moneys are collected when:

21        (a) Payment is made in person at the office of the tax collector;

22        (b) The tax collector receives tax moneys or notice of tax moneys collected by a financial in-  
 23 stitution or other collection agency;

24        (c) The tax collector receives payment or notice of payment of tax moneys by the state; or

25        (d) The tax collector has posted a payment that arrived by mail in the county mail receptacle.

26        (4) Each statement required under subsections (1) and (2) of this section shall separately state  
 27 the amount deposited into the property tax bankruptcy account under ORS 311.484 **and the County**  
 28 **Assessment and Taxation Fund under section 3 of this 2025 Act** for the period covered by the  
 29 statement.

30        (5) The statements required under subsections (1) and (2) of this section may be made more often  
 31 and for shorter periods if the tax collector so desires but one of the statements so filed shall cover  
 32 a period coinciding with the last business day of the particular calendar month or quarter during  
 33 the period.

34        (6) The county treasurer shall credit the total amount of moneys set out in the statements pre-  
 35 pared under subsections (1) and (2) of this section, except for the amount deposited into the property  
 36 tax bankruptcy account under ORS 311.484 **and the County Assessment and Taxation Fund un-**  
 37 **der section 3 of this 2025 Act**, to the several funds for which the moneys were respectively re-  
 38 ceived in accordance with the schedule provided in ORS 311.390. The county treasurer shall keep  
 39 the moneys and warrants received from the tax collector in their respective funds.

40        (7)(a) Within five business days of receiving a statement required by subsection (1) or (2) of this  
 41 section, the county treasurer shall distribute the amount of money set out in the statement, except  
 42 for the amount deposited into the property tax bankruptcy account under ORS 311.484 **and the**  
 43 **County Assessment and Taxation Fund under section 3 of this 2025 Act**, to the several taxing  
 44 units according to the ratios provided in ORS 311.390.

45        (b) The county treasurer shall distribute interest earned on moneys in the unsegregated tax

1 collections account at least as often as the treasurer receives a statement from the tax collector  
2 under subsection (1)(b) or (d) of this section.

3 (c) When statements are received under subsection (1)(a) of this section, the county treasurer  
4 shall distribute interest at least once a calendar month.

5 **SECTION 7. There is appropriated to the Department of Revenue, for the biennium be-**  
6 **ginning July 1, 2025, out of the General Fund, the amount of \$10,000,000 for deposit in the**  
7 **County Assessment and Taxation Fund created under ORS 294.187. The moneys appropriated**  
8 **under this section shall be treated in the same manner as moneys in the fund collected under**  
9 **ORS 294.187 (1)(a) and (b).**

10 **SECTION 8. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
11 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

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