

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 4041

By COMMITTEE ON FINANCE AND REVENUE

February 22

1 On page 2 of the printed A-engrossed bill, line 8, before “The” insert “For purposes of ORS
2 307.540 to 307.548,”.

3 In line 35, before “services” insert “government”.

4 On page 5, delete line 45 and delete page 6 and insert:

5 **“SECTION 4. (1) On or before January 1 of each year, an eligible Indian tribe as defined**
6 **in ORS 307.181 that is granted tax exemption for property, or a portion of property, used**
7 **exclusively for low income rental housing under ORS 307.181 (3) shall submit a report to the**
8 **Commission on Indian Services.**

9 **“(2) The report required under subsection (1) of this section must include:**

10 **“(a) For each property, or portion of property, the value of the property tax exemption**
11 **granted under ORS 307.181 (3) for the current property tax year as provided to the tribe by**
12 **the assessor of the county in which the property is located; and**

13 **“(b) The percentage of the current occupants of each property who are members of an**
14 **eligible Indian tribe as defined in ORS 307.181.**

15 **“SECTION 5.** ORS 307.181, as amended by section 1 of this 2012 Act, is amended to read:

16 **“307.181. (1) Land acquired by an Indian tribe by purchase, gift or without consideration is ex-**
17 **empt from taxation if:**

18 **“(a) The land is located within the ancient tribal boundaries of the tribe; and**

19 **“(b) Acquisition of the land by the United States in trust status has been requested or is in**
20 **process.**

21 **“(2) The exemption under subsection (1) of this section ceases if the federal government enters**
22 **a final administrative determination denying the request for acquisition of the land in trust status**
23 **and:**

24 **“(a) The deadlines for all available federal administrative appeals and federal judicial review**
25 **expire with no appeal or review initiated; or**

26 **“(b) All federal administrative and judicial proceedings arising from or related to the request for**
27 **or process of acquisition of the land in trust status that have been initiated are completed without**
28 **overturning the administrative denial of the request.**

29 **“(3)(a) Notwithstanding subsections (1) and (2) of this section, property that is owned exclusively**
30 **by an eligible Indian tribe or by an entity wholly owned by an eligible Indian tribe, or a portion of**
31 **the property, is exempt from taxation if the property, or the portion of the property, respectively,**
32 **is used exclusively for government services.**

33 **“(b) Property described in paragraph (a) of this subsection that may be exempt from taxation**
34 **as property used exclusively for low income rental housing includes, without limitation, property**
35 **that:**

1 “(A) Is held under lease or a lease purchase agreement by an eligible Indian tribe;

2 “(B)(i) Is the property of a partnership, nonprofit corporation or limited liability company of

3 which an eligible Indian tribe is a general partner, limited partner, director, member, manager or

4 general manager; and

5 “(ii) Is leased or rented to low income persons for housing purposes; or

6 “(C) Is used exclusively for an activity that qualifies as an affordable housing activity under 25

7 U.S.C. 4132.

8 “(c) Property described in paragraph (a) of this subsection may not be exempt from taxation as

9 property that is used exclusively for low income rental housing unless:

10 “(A) **All agreements necessary for the construction and operation of the property as low**

11 **income rental housing are executed before July 1, 2017;**

12 “[A] (B) For purposes of ORS 307.540 to 307.548, the requirements of ORS 307.543 have been

13 satisfied;

14 “[B] (C) The property is offered for rent or is held for the purpose of developing low income

15 rental housing;

16 “[C] (D) If occupied, the property is occupied solely by low income persons; and

17 “[D] (E) The property is located in a county in which more than 10 percent of the enrolled

18 members of the eligible Indian tribe reside.

19 “(4) As used in this section:

20 “(a) ‘Eligible Indian tribe’ means the Burns Paiute Tribe, the Confederated Tribes of Coos,

21 Lower Umpqua and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of

22 Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of the

23 Umatilla Indian Reservation, the Confederated Tribes of Warm Springs Reservation of Oregon, the

24 Coquille Indian Tribe, the Cow Creek Band of Umpqua Tribe of Indians or the Klamath Tribes.

25 “(b) ‘Government services’ means services provided by an eligible Indian tribe that:

26 “(A) Are equivalent to services that a state or local government or the federal government

27 customarily provides to its citizens;

28 “(B) Are related to:

29 “(i) Tribal administration;

30 “(ii) Tribal facilities or tribal health facilities;

31 “(iii) Elementary or secondary education or higher education, including community colleges;

32 “(iv) Transportation;

33 “(v) Fire or police;

34 “(vi) Low income rental housing;

35 “(vii) Utility services provided to an Indian reservation or to land held in trust by the United

36 States for the benefit of an eligible Indian tribe; or

37 “(viii) Cemeteries; and

38 “(C) Other than government services related to the uses of property described in subsection

39 (3)(c) of this section, do not generate income.

40 “(c) ‘Low income’:

41 “(A) Means income at or below 60 percent of the area median income as determined by the State

42 Housing Council based on information from the United States Department of Housing and Urban

43 Development.

44 “(B) For purposes of projects undertaken pursuant to the Native American Housing Assistance

45 and Self-Determination Act of 1996 (P.L. 104-330), includes income that qualifies under 24 C.F.R.

1 5.609.

2 “(d) ‘Utility services’ means services related to sanitation, sewer, storm drainage and water.

3 **“SECTION 6. (1) The amendments to ORS 307.112, 307.162 and 307.181 by sections 1 to 3**
4 **of this 2012 Act apply to property tax years beginning on or after July 1, 2012.**

5 **“(2) The amendments to ORS 307.181 by section 5 of this 2012 Act apply to property tax**
6 **years beginning on or after July 1, 2017.**

7 **“SECTION 7. (1) It is the intention of the amendments to ORS 307.181 by section 5 of this**
8 **2012 Act to eliminate the property tax exemption for low income rental housing projects**
9 **created by the amendments to ORS 307.181 by section 1 of this 2012 Act, only with respect**
10 **to projects for which all agreements necessary for the construction and operation of the**
11 **property as low income rental housing are not executed before July 1, 2017.**

12 **“(2) Projects for which all agreements necessary for the construction and operation of**
13 **the property as low income rental housing are executed before July 1, 2017, remain eligible**
14 **on and after July 1, 2017, for the property tax exemption for low income rental housing cre-**
15 **ated by the amendments to ORS 307.181 by section 1 of this 2012 Act.**

16 **“SECTION 8. This 2012 Act takes effect on the 91st day after the date on which the 2012**
17 **regular session of the Seventy-sixth Legislative Assembly adjourns sine die.”.**

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