

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2074

By COMMITTEE ON FINANCE AND REVENUE

June 9

1 On page 1 of the printed A-engrossed bill, line 2, after the second semicolon delete the rest of
2 the line and line 3 and insert “amending ORS 294.361, 294.411, 294.421, 294.480, 294.625, 294.630,
3 294.635 and 311.390; and declaring an emergency.”.

4 In line 25, before the period insert “, and funds raised pursuant to the notice provided to the
5 county assessor under ORS 457.440 (2) for an urban renewal agency located in a municipal corpo-
6 ration subject to this subsection”.

7 On page 2, after line 40, insert:

8 “**SECTION 3.** ORS 294.411 is amended to read:

9 “294.411. (1) [*Each*] **A** municipal corporation having a population not exceeding 200,000, located
10 in a county having a tax supervising and conservation commission, **not making an election under**
11 **ORS 294.625 (2)** and not submitting its budget document to the tax supervising and conservation
12 commission for a public hearing[,] pursuant to ORS 294.430 (3)[,] shall submit its approved budget
13 document to the tax supervising and conservation commission in the county at least 30 days prior
14 to the date of the public hearing in accordance with ORS 294.430. If its territory lies in two or more
15 counties, the municipal corporation shall submit its budget to the commission if the real market
16 value of all property subject to taxation by the municipal corporation in the county having a com-
17 mission is greater than the real market value of all property subject to taxation by the municipal
18 corporation in any other county. Real market value is the real market value computed according to
19 ORS 308.207 from the assessment rolls last in the process of collection.

20 “(2) Before adopting the budget, the governing body for a municipal corporation **that submits**
21 **its approved budget to the commission as** described in subsection (1) of this section shall con-
22 sider and take appropriate action on any orders, recommendations or objections made by the tax
23 supervising and conservation commission.

24 “**SECTION 4.** ORS 294.421 is amended to read:

25 “294.421. (1) Subject to subsections (3) to (6) of this section, the summary of the budget document
26 approved by the budget committee shall be published at least once prior to the time appointed for
27 the proposed meeting of the governing body in accordance with ORS 294.430.

28 “(2) Subject to subsections (3) to (6) of this section, the notice of the time and place at which
29 the budget document as approved by the budget committee may be discussed shall be published by
30 one or more of the methods described in ORS 294.311 (34) not less than five days and not more than
31 30 days prior to the date of the meeting required by ORS 294.430.

32 “(3) If no newspaper is published in the municipal corporation, a municipal corporation whose
33 aggregate of estimated budget expenditures for the ensuing fiscal year does not exceed \$50,000 or
34 for the ensuing budget period does not exceed \$100,000 may, in lieu of the publication and notice
35 provided in subsections (1) and (2) of this section and in lieu of publication by one or more of the

1 methods described in ORS 294.311 (34), post the summaries and notices provided by ORS 294.416 or
2 294.418 in three conspicuous places in the municipal corporation for at least 20 days prior to the
3 date of the meeting provided in ORS 294.430 and publish the notice provided by subsection (4) of this
4 section.

5 “(4) If notice is given as provided in subsection (3) of this section, the municipal corporation
6 shall publish, by one or more of the methods described in ORS 294.311 (34), a notice of the following:

7 “(a) The date, time and place of the meeting provided by ORS 294.430;

8 “(b) The place where the complete budget document is available for inspection by the general
9 public during regular office hours;

10 “(c) Total budget requirements and taxes proposed to be levied;

11 “(d) Changes in the amount or rate of proposed ad valorem property taxes; and

12 “(e) The place where copies of the complete budget or parts thereof may be obtained.

13 “(5) The notice provided in subsection (4) of this section shall be published not less than five
14 days and not more than 30 days prior to the date of the meeting provided in ORS 294.430.

15 “(6) A municipal corporation having a population exceeding 200,000 inhabitants, or a municipal
16 corporation with 200,000 or fewer inhabitants **that has not made an election under ORS 294.625**
17 **(2) and** that requests the tax supervising and conservation commission to conduct the public hearing
18 outlined in ORS 294.430, shall, in lieu of the publication and notice prescribed in subsection (1) of
19 this section, submit its budget document, as approved by the budget committee, to the tax super-
20 vising and conservation commission within its county, if there is such a commission, at least 20 days
21 prior to the legal date of the public hearing before the tax supervising and conservation commission
22 on the budget, and the budget document shall thereupon be open to inspection by any taxpayer or
23 citizen. The municipal corporation shall also publish a notice as provided in subsections (4) and (5)
24 of this section.

25 “**SECTION 5.** ORS 294.480 is amended to read:

26 “294.480. (1) Notwithstanding requirements as to estimates of and limitation on expenditures, the
27 governing body of any municipal corporation may make a supplemental budget for the fiscal year
28 or budget period for which the regular budget has been prepared under one or more of the following
29 circumstances:

30 “(a) An occurrence or condition which had not been ascertained at the time of the preparation
31 of a budget for the current year or current budget period which requires a change in financial
32 planning.

33 “(b) A pressing necessity which was not foreseen at the time of the preparation of the budget
34 for the current year or current budget period which requires prompt action.

35 “(c) Funds were made available by another unit of federal, state or local government and the
36 availability of such funds could not have been ascertained at the time of the preparation of the
37 budget for the current year or current budget period.

38 “(d) A request for services or facilities, the cost of which shall be supplied by a private indi-
39 vidual, corporation or company or by another governmental unit and the amount of the request
40 could not have been accurately ascertained at the time of the preparation of the budget for the
41 current year or current budget period.

42 “(e) Proceeds from the involuntary destruction, involuntary conversion, or sale of property has
43 necessitated the immediate purchase, construction or acquisition of different facilities in order to
44 carry on the governmental operation.

45 “(f) Ad valorem property taxes are received during the fiscal year or budget period in an amount

1 sufficiently greater than the amount estimated to be collected that the difference will significantly
2 affect the level of government operations to be funded by those taxes as provided in the budget for
3 the current year or current budget period.

4 “(g) A local option tax described in ORS 294.437 is certified for extension on the assessment and
5 tax roll under ORS 310.060 for the fiscal year or budget period in which the local option tax measure
6 is approved by voters.

7 “(2) A supplemental budget may not extend beyond the end of the fiscal year or budget period
8 during which it is submitted.

9 “(3) When the estimated expenditures contained in a supplemental budget for a fiscal year or
10 budget period differ by less than 10 percent of any one of the individual funds contained in the
11 regular budget for that fiscal year or budget period that is being changed in the supplemental
12 budget, the governing body of the municipal corporation may adopt the supplemental budget at a
13 regular meeting of the governing body. Notice of such regular meeting, including sufficient detail
14 on revenues and expenditures, shall be published by one or more of the methods permitted under
15 ORS 294.311 (34) not less than five days prior to the meeting. Following such meeting, the governing
16 body shall make additional appropriations and may thereafter make additional expenditures as au-
17 thorized by such appropriations.

18 “(4) When the estimated expenditures contained in a supplemental budget for a fiscal year or
19 budget period differ by 10 percent or more of any one of the individual funds contained in the reg-
20 ular budget for that fiscal year or budget period that is being changed in the supplemental budget,
21 the supplemental budget, or a summary thereof, shall be published[, *or, in counties having a tax*
22 *supervising and conservation commission, shall be submitted to the tax supervising and conservation*
23 *commission within the county*]. The governing body[, *or, where applicable, the tax supervising and*
24 *conservation commission*] shall then hold a public hearing on the supplemental budget. Publication
25 of the budget and notice of the hearing shall be given in the manner provided in ORS 294.421. Fol-
26 lowing [*such*] **the** hearing, the governing body shall make additional appropriations and may there-
27 after make additional expenditures as authorized by [*such*] **the** appropriations. **In counties having**
28 **a tax supervising and conservation commission, a supplemental budget is not required to be**
29 **submitted to the commission prior to adoption and the commission is not required to hold**
30 **a hearing on the supplemental budget.**

31 “(5) Except as provided in ORS 294.437, the making of a supplemental budget does not authorize
32 the governing body to increase the municipal corporation’s total ad valorem property taxes above
33 the amount or rate published with the regular budget and certified to the assessor under ORS
34 310.060 in conjunction with the regular budget for the fiscal year or for each fiscal year of the
35 budget period to which the supplemental budget applies.

36 “**SECTION 6.** ORS 294.625 is amended to read:

37 “294.625. (1) The **tax supervising and conservation** commission [*shall have*] **has** jurisdiction
38 over all municipal corporations [*in the county*] **that have a population exceeding 200,000 and that**
39 **are** subject to the provisions of the Local Budget Law. If the territory of the municipal corporation
40 lies in two or more counties, the municipal corporation shall be within the jurisdiction of the com-
41 mission if the real market value of all property subject to taxation by the municipal corporation in
42 a county having a commission is greater than the real market value of property subject to taxation
43 by the municipal corporation in any other county. Real market value is the real market value com-
44 puted according to ORS 308.207 from the assessment rolls last in the process of collection.

45 “(2)(a) **The commission has jurisdiction over a municipal corporation with a population**

1 not exceeding 200,000 unless an election is made under this subsection.

2 “(b) The governing body of a municipal corporation electing not to be under the juris-
3 diction of the commission must make the election and communicate its intention to the
4 commission not later than January 1 of the calendar year in which the fiscal year for which
5 the budget is proposed will begin.

6 “(c) An election under this subsection is effective for a period of not less than three
7 years.”.

8 In line 41, delete “3” and insert “7”.

9 On page 3, after line 12, insert:

10 “**SECTION 8.** ORS 294.635 is amended to read:

11 “294.635. (1) In each county that has a tax supervising and conservation commission, the levying
12 boards of all municipal corporations **that have a population exceeding 200,000 and municipal**
13 **corporations that have not made an election under ORS 294.625 (2)** shall, on or before May 15
14 of each fiscal year or on or before May 15 of the first fiscal year of a budget period, submit their
15 detailed estimates of the budget deemed necessary to be expended by the municipal corporations,
16 respectively, for all purposes for the next ensuing fiscal year or ensuing budget period. The tax
17 supervising and conservation commission may, if a good and sufficient reason exists therefor and if
18 application is made to the commission in writing, grant any municipal corporation such extension
19 of time for filing its budget as may seem to the commission just and reasonable.

20 “(2) The budget estimates required by this section to be filed with the commission shall be in
21 writing and shall be certified to as correct and shall be so prepared and arranged as to show in
22 plain and succinct language each particular item of proposed expenditure. There shall be attached
23 to each budget, and made a part thereof, the levying board’s estimate of the probable receipts of the
24 municipal corporation from all other sources than direct tax levy and bond issues during the fiscal
25 years for which the budget has been prepared. The budget estimates shall show in parallel columns
26 the actual expenditures for the two fiscal years next preceding the current year, the estimated
27 expenditures for the current year and the estimated expenditures for the next ensuing fiscal
28 year.”.

29 In line 13, delete “4” and insert “9”.

30 On page 4, line 13, delete “5” and insert “10”.

31 On page 5, after line 9, insert:

32 “**SECTION 11.** This 2009 Act being necessary for the immediate preservation of the public
33 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
34 on its passage.”.