

# Senate Bill 726

Sponsored by Senator FERRIOLI; Senators ATKINSON, BOQUIST, DEVLIN, KRUSE, TELFER, VERGER, Representatives BERGER, FREEMAN, HUFFMAN, JENSON, KAHL, RILEY, ROBLAN, G SMITH, WHISNANT

## 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**.

Authorizes certain Indian tribes to request Economic and Community Development Department to designate reservation trust land zones.

Authorizes certain Indian tribes to cosponsor reservation partnership zones.

Makes exemptions and tax credits that are available in connection with enterprise zones available in connection with reservation enterprise zones.

Eliminates median income and unemployment rate requirements for reservation enterprise zones.

## A BILL FOR AN ACT

1  
2 Relating to reservation enterprise zones; creating new provisions; and amending ORS 285C.306 and  
3 285C.320.

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

5 **SECTION 1.** ORS 285C.306 is amended to read:

6 285C.306. *[(1) Trust land of an Indian tribe that meets all of the following requirements is desig-*  
7 *nated as a reservation enterprise zone for the purposes of ORS 285C.300 to 285C.320:]*

8 **(1) As used in this section, "eligible Indian tribe" means each of the Burns Paiute Tribe,**  
9 **the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, the Confederated**  
10 **Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians**  
11 **of Oregon, the Confederated Tribes of the Umatilla Indian Reservation, the Confederated**  
12 **Tribes of Warm Springs, the Coquille Indian Tribe, the Cow Creek Band of Umpqua Tribe of**  
13 **Indians and the Klamath Tribes, as long as each remains a federally recognized Indian tribe.**

14 **(2)(a) The government of an eligible Indian tribe may request the Economic and Com-**  
15 **munity Development Department to designate one reservation trust land zone. The reserva-**  
16 **tion trust land zone may cover an area of no more than 12 square miles, which does not have**  
17 **to be contiguous.**

18 *[(a) The Indian tribe is a federally recognized Indian tribe;]*

19 *[(b) The reservation of the Indian tribe is entirely within the boundaries of this state;]*

20 **[(c)] (b) Upon request, the department shall designate a reservation trust land zone if the**  
21 **land for which zone designation is sought is:**

22 **(A) Land held in trust by the United States for the benefit of the [Indian tribe and is] tribe;**

23 **(B) Land for which an application to transfer the land into trust has been filed with the**  
24 **federal government and is pending; or**

25 **(C) Land that is located [entirely] within the boundaries of the tribe's reservation[;].**

26 *[(d) Fifty percent or more of the households within the boundaries of the reservation have incomes*  
27 *below 80 percent of the median income of this state, as defined by the most recent federal decennial*  
28 *census; and]*

**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        *[(e) The unemployment rate within the reservation for all enrolled members of the tribe is at least*  
 2 *2.0 percentage points greater than the comparable unemployment rate for this state, as defined by the*  
 3 *most recently available data published or officially provided and verified by the United States Gov-*  
 4 *ernment, the Employment Department, the Portland State University Population Research Center or a*  
 5 *special study conducted under a contract with a regional academic institution.]*

6        *[(2) At the request of a tribal government, the Economic and Community Development Department*  
 7 *shall determine if trust land is designated as a reservation enterprise zone under this section.]*

8        **(3)(a) The government of an eligible Indian tribe may cosponsor a reservation partnership**  
 9 **zone comprising an area of up to 12 square miles. Reservation partnership zones may include**  
 10 **both lands held in trust by the federal government for the benefit of the tribe and lands**  
 11 **within the boundaries of the tribe’s reservation.**

12        **(b) A reservation partnership zone must be cosponsored by the government of an eligible**  
 13 **Indian tribe and a city, county or port pursuant to an agreement formed under ORS 190.110**  
 14 **to perform the duties imposed on a sponsor under ORS 285C.050 to 285C.250.**

15        **SECTION 2.** ORS 285C.320 is amended to read:

16        285C.320. (1) A reservation enterprise zone *[shall be considered to be]* **is** a rural enterprise zone  
 17 for purposes of ORS 285C.050 to 285C.250. The tribal government of the reservation *[shall be con-*  
 18 *sidered to be]* **is** the sponsor of the reservation enterprise zone.

19        (2) Reservation enterprise zones may not be taken into account in determining the number of  
 20 rural enterprise zones allowable in this state under ORS 285C.050 to 285C.250, and are not subject  
 21 to numerical limitation under ORS 285C.050 to 285C.250.

22        **(3) Exemptions and tax credits available in connection with an enterprise zone are avail-**  
 23 **able in connection with a reservation enterprise zone.** In order for property within a reservation  
 24 enterprise zone to be exempt under ORS 285C.175, the business firm and property must meet *[all*  
 25 *of]* the requirements applicable to business firms and property in *[any rural]* **an** enterprise zone.

26        (4) As used in this section, “business firm” has the meaning given that term in ORS 285C.050.

27        **SECTION 3. An eligible Indian tribe that operates a designated reservation enterprise**  
 28 **zone on the effective date of this 2009 Act may request designation of a reservation trust**  
 29 **land zone or cosponsor a reservation partnership zone but not both, unless its current res-**  
 30 **ervation enterprise zone has been terminated.**

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