

HB 3672-3  
(LC 4201)  
6/13/11 (CMT/ps)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3672**

1 In line 2 of the printed bill, after “expenditures;” insert “creating new  
2 provisions; amending ORS 285C.506 and section 3, chapter 595, Oregon Laws  
3 2005;”.

4 Delete lines 4 through 8 and insert:

5 **“SECTION 1.** Section 3, chapter 595, Oregon Laws 2005, is amended to  
6 read:

7 **“Sec. 3.** Notwithstanding ORS 285C.500 (5), for purposes of preliminary  
8 certifications issued under ORS 285C.503 on or after January 1, 2006, [*and*  
9 *before January 1, 2011*] **based on applications for preliminary certifi-**  
10 **ication filed before July 1, 2016,** and annual certifications issued under  
11 ORS 285C.506 that are associated with preliminary certifications issued un-  
12 der ORS 285C.503 on or after January 1, 2006, [*and before January 1, 2011.*]  
13 **based on applications for preliminary certification filed before July 1,**  
14 **2016,**

15 “[*1*] ‘qualified location’ means any area that is:

16 “[*a*] (1) Within the urban growth boundary of a city that has 15,000 or  
17 fewer residents or is land zoned for industrial use; and

18 “[*b*] (2) Located in a county that, during either of the two years pre-  
19 ceding the date an application for preliminary certification is filed under  
20 ORS 285C.503 and this section, had:

21 “[*A*] (a) A county unemployment rate that was in the highest third of  
22 county unemployment rates in this state; or

1       “[(B)] (b) A county per capita personal income that was in the lowest  
2 third of county per capita personal incomes in this state.

3       “[(2) *The minimum annual compensation requirements of ORS 285C.503*  
4 *(5)(d) do not apply.*]

5       “[(3) *In lieu of the requirements of ORS 285C.506 (5), the Oregon Business*  
6 *Development Department shall approve an application for annual certification*  
7 *if the business firm satisfies the requirements of ORS 285C.506 (5)(a) and (6)(c)*  
8 *and the business firm satisfies the employment requirements of ORS 285C.503*  
9 *(5)(c).*]

10       “**SECTION 2.** ORS 285C.506 is amended to read:

11       “285C.506. (1) Following completion of the construction, reconstruction,  
12 modification, acquisition, installation or lease of the facility, the hiring of  
13 employees to conduct business operations at the facility and the commence-  
14 ment of operations at the facility, a business firm that obtained preliminary  
15 certification under ORS 285C.503 may apply for annual certification under  
16 this section.

17       “(2) The application shall be filed with the Oregon Business Development  
18 Department on or before 30 days after the end of the income or corporate  
19 excise tax year of the business firm.

20       “(3) The application shall contain the following information:

21       “(a) A description of the business operations conducted at the facility;

22       “(b) The date business operations commenced at the facility;

23       “(c) The number of full-time, year-round employees employed by the busi-  
24 ness firm at the facility;

25       “(d) A schedule of the annual compensation paid to the employees; and

26       “(e) Any other information required by the department.

27       “(4) An application filed under this section must be accompanied by a fee  
28 in an amount prescribed by the department by rule. The fee required by the  
29 department may not exceed \$100.

30       “(5) The department shall review a business firm’s application and ap-

1 prove the application if:

2       “(a) The business operations of the firm at the facility commenced at  
3 **least 24 months before the date of application for annual certification**  
4 **but** within 10 years before the end of the tax year preceding the date of ap-  
5 plication for annual certification; and

6       “(b) The business firm has satisfied the employment and minimum com-  
7 pensation requirements described in ORS 285C.503 (5)(c) and (d).

8       “(6) In the case of the first application for annual certification filed by  
9 a business firm under this section, the department may approve the applica-  
10 tion only if, in addition to the requirements of subsection (5) of this section:

11       “(a) Business operations commenced at the facility within a reasonable  
12 period of time, as determined by the department by rule, following the date  
13 of preliminary certification under ORS 285C.503;

14       “(b) There has not been a significant interruption in construction, recon-  
15 struction, modification or installation activity at the location, as determined  
16 by the department by rule, following the date of preliminary certification  
17 under ORS 285C.503; and

18       “(c) The facility and the business operations actually conducted at the  
19 facility are reasonably similar to the proposed facility and proposed oper-  
20 ations described in the application for preliminary certification.

21       “(7) After the first application for annual certification, the department  
22 may approve a subsequent application or certification filed under this section  
23 only if:

24       “(a) The business firm meets the requirements of subsection (5) of this  
25 section; and

26       “(b) The facility and the business operations actually conducted at the  
27 facility retain similar characteristics to the facility and the business oper-  
28 ations actually conducted at the facility during the period of prior certifi-  
29 cation. This paragraph does not preclude an applicant from changing the  
30 location of the facility, the ownership or organization of the business firm

1 or other aspects of the facility or business firm that are within the intent  
2 of ORS 285C.500 to 285C.506 if the change is made in accordance with rules  
3 adopted by the department.

4 “(8) The department may consult with the city or county in determining  
5 whether to approve or disapprove an application under this section.

6 “(9) If the department approves an application, it shall issue an annual  
7 certification to the business firm.

8 “(10) If the department disapproves an application, the business firm or  
9 any owner of the business firm may not be allowed the exemption described  
10 in ORS 316.778 or 317.391 for the tax year for which the annual certification  
11 was sought or for any subsequent tax year.

12 “(11) The decision of the department to disapprove an application under  
13 this section may be appealed in the manner of a contested case under ORS  
14 chapter 183.

15 “(12) An annual certification may not be issued under this section for a  
16 tax year that is more than nine consecutive tax years following the first tax  
17 year an exemption is allowed under ORS 316.778 or 317.391 with respect to  
18 the facility.

19 “(13) The department must approve or disapprove an application under  
20 this section within 30 days of the date the application is filed.

21 **“SECTION 3. The amendments to ORS 285C.506 and section 3,**  
22 **chapter 595, Oregon Laws 2005, by sections 1 and 2 of this 2011 Act**  
23 **apply to applications for preliminary certification filed under ORS**  
24 **285C.503 on or after July 1, 2011.”**

25 In line 9, delete “2” and insert “4”.

26