

**76TH OREGON LEGISLATIVE ASSEMBLY
2012 Regular Session
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 4177 - A
CARRIER:**

**REVENUE: No Revenue Impact
FISCAL: Fiscal Impact Issued**

Action: Do Pass with Amendments, be Printed Engrossed and be referred to Ways and Means by prior Reference

Vote: 8-0-0

Yeas: Bailey, Bentz, Brewer, Gelsner, Read, Wand, Barnhart, Berger

Nays: 0

Exc.: 0

Prepared By: Christine Broniak, Economist

Meeting Dates: 2/20, 2/22

WHAT THE BILL DOES: Permits counties, under certain conditions, to receive assistance payments from the County Assessment Function Funding Assistance Account (CAFFA) which are unaltered by a reduction in expenditures.

ISSUES DISCUSSED:

- Funds to Department of Revenue if county not qualified
- Assessment and taxation functions and requirements

EFFECT OF COMMITTEE AMENDMENTS: Replaces original bill except for emergency clause. Expands the amount of the county's allowable reduction on assessment and taxation expenditures to 15%. Allows the reduction in expenditures for two years, starting July 1, 2011 and July 1, 2012, rather than just one. Applies to counties with 10% of their property tax revenue, excluding bonds, coming from the Secure Rural Schools and Community Self-Determination Act (PL 106-393.) Provides that if counties fail to meet the requirements to receive CAFFA funds, their portion of the fund allocation goes to the Department of Revenue.

BACKGROUND: The CAFFA account was created to fund county expenditures on property tax assessment and collection functions. Funds are allocated according to relative expenditures on these functions by each county. This measure would allow the counties which derive more than 10% of their revenues from the Secure Rural Schools Act's county payments in lieu of timber to reduce their expenditures on these functions without losing a proportional amount of CAFFA funding. The measure also requires that statutorily required functions are not impeded by this action.

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