

Enrolled
House Bill 4177

Sponsored by COMMITTEE ON RULES

CHAPTER

AN ACT

Relating to county assessment function funding assistance payments; creating new provisions; amending ORS 294.178; and declaring an emergency.

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

SECTION 1. Notwithstanding ORS 294.178 (3) and (4), for the fiscal years beginning July 1, 2011, and July 1, 2012, a county's reduction in expenditures compared with expenditures certified by the Department of Revenue does not alter the percentage to be paid to the county under ORS 294.178 (4) or the payments provided from the County Assessment Function Funding Assistance Account under ORS 294.178 (3) if:

(1) For the fiscal year beginning July 1, 2007, the county received federal payments pursuant to the Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106-393) in an amount equal to at least 10 percent of the county's property tax revenues, excluding bonds;

(2) The reduction in county expenditures does not exceed 15 percent of the expenditures certified by the department; and

(3) The reduction in county expenditures does not result in a failure by the county to adequately provide the resources needed to achieve proper compliance with ORS 308.232 and 308.234, ORS chapter 309, other laws requiring equality and uniformity in the system of property taxation and applicable rules of the department.

SECTION 2. ORS 294.178 is amended to read:

294.178. (1) Before issuing any certificate under ORS 294.175, the Department of Revenue shall estimate the amount available in the County Assessment Function Funding Assistance Account created under ORS 294.184 for distribution as grants to counties for the ensuing fiscal year.

(2) The estimate shall be used to determine the estimated percent of the moneys available in the County Assessment Function Funding Assistance Account that each county will receive as grants and the total estimated grant that each county will receive for the ensuing fiscal year. The estimates so determined shall serve as the estimates required to be included in any certification issued under ORS 294.175 for that county.

(3) On or before the 28th day of the month following the close of each fiscal quarter, the department shall pay a percentage of the moneys in the County Assessment Function Funding Assistance Account to each county to which a certificate has been issued under ORS 294.175.

(4) Except as provided under [subsection (5)] **subsections (5) and (6)** of this section, the percentage to be paid to each county under subsection (3) of this section shall be the percentage that the expenditures of the county certified by the department to the county governing body under ORS 294.175 bears to the total of all expenditures of all counties certified by the department to counties

under ORS 294.175. In determining the expenditures of a county or in determining the total of all expenditures for purposes of this subsection:

(a) No expenditures shall be included that have not been certified under ORS 294.175.

(b) No expenditures of any county that did not file an estimate of expenditures under ORS 294.175 shall be included.

(c) No expenditures of any county for which certification has been denied shall be included, **except as provided in subsection (6)(b) of this section.**

(d) No expenditures of any county that does not make its appropriation under ORS 294.456 based upon 100 percent of the expenditures certified shall be included.

(e) No expenditures of any county that does not certify compliance under ORS 294.181 shall be included, **except as provided in subsection (6)(b) of this section.**

(5)(a) **Except as provided in paragraph (b) of this subsection,** if the expenditures of a county are not included for a fiscal quarter on account of subsection (4) of this section, a grant may not be made to that county under subsection (3) of this section for that fiscal quarter. If grant funds are denied to any county under this subsection for any fiscal quarter, the percentage determined under subsection (4) of this section shall be redetermined, excluding from the computation for that fiscal quarter the certified expenditures of the county for which grant funds are denied to the end that all of the funds available in the County Assessment Function Funding Assistance Account at the time of calculating the quarterly distribution may be distributed.

(b) **Percentages of grants may not be redetermined under paragraph (a) of this subsection in instances in which a distribution is made under subsection (6)(b) of this section.**

(6)(a) **For any county that is certified for participation in the County Assessment Function Funding Assistance Account grant program under ORS 294.175 or 294.181, and for which a distribution is not made by the department because of subsection (4)(d) or (e) of this section, the amount that would have been disbursed to the county shall be transferred to the Assessment and Taxation County Account described in ORS 306.125.**

(b) **For any county that is not certified for participation in the County Assessment Function Funding Assistance Account grant program:**

(A) **The county may not receive a percentage distribution under subsection (4) of this section, but the department shall determine a percentage distribution as if the county were eligible to receive a distribution under subsection (4) of this section;**

(B) **The department shall determine the percentage distribution by using the county's certified expenditures from the last year in which the county participated in the County Assessment Function Funding Assistance Account grant program; and**

(C) **The percentage distribution disbursement determined in subparagraphs (A) and (B) of this paragraph shall be transferred to the Assessment and Taxation County Account described in ORS 306.125 at the same time as payment of moneys is made to counties under subsection (3) of this section.**

(c) **For any county whose County Assessment Function Funding Assistance Account distribution is transferred under paragraph (a) or (b) of this subsection to the Assessment and Taxation County Account described in ORS 306.125, but for which the intervention required of the department by ORS 308.062 does not occur as a result of action taken by a county court or board of county commissioners pursuant to ORS 308.062 (2) that is acceptable to the department, the total of all transfers to the Assessment and Taxation County Account described in ORS 306.125 shall be transferred back to the County Assessment Function Funding Assistance Account.**

SECTION 3. This 2012 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect on its passage.

Passed by House March 2, 2012

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Ramona Kenady Line, Chief Clerk of House

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

Passed by Senate March 5, 2012

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Peter Courtney, President of Senate

Received by Governor:

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Approved:

.....M,....., 2012

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2012

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Kate Brown, Secretary of State