

B-Engrossed House Bill 4177

Ordered by the House March 2
Including House Amendments dated February 23 and March 2

Sponsored by COMMITTEE ON RULES

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.

Permits counties, under certain conditions, to receive assistance payments from County Assessment Function Funding Assistance Account for 2011-2012 and 2012-2013 fiscal years that do not reflect changes in federal payments to county.

Provides that amount of certain expenditures previously not included in payments made under County Assessment Function Funding Assistance Account grant program are included, but transferred to Assessment and Taxation County Account. **Requires Department of Revenue to determine percentage distribution for counties not enrolled in program as if counties were enrolled in program and to transfer that amount into Assessment and Taxation County Account. Requires transfers not resulting from action taken by county court or board of county commissioners to be transferred back to County Assessment Function Funding Assistance Account.**

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to county assessment function funding assistance payments; creating new provisions;
3 amending ORS 294.178; and declaring an emergency.

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

5 **SECTION 1. Notwithstanding ORS 294.178 (3) and (4), for the fiscal years beginning July**
6 **1, 2011, and July 1, 2012, a county's reduction in expenditures compared with expenditures**
7 **certified by the Department of Revenue does not alter the percentage to be paid to the**
8 **county under ORS 294.178 (4) or the payments provided from the County Assessment Func-**
9 **tion Funding Assistance Account under ORS 294.178 (3) if:**

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

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

16 (3) **The reduction in county expenditures does not result in a failure by the county to**
17 **adequately provide the resources needed to achieve proper compliance with ORS 308.232 and**
18 **308.234, ORS chapter 309, other laws requiring equality and uniformity in the system of**
19 **property taxation and applicable rules of the department.**

20 **SECTION 2. ORS 294.178 is amended to read:**

21 294.178. (1) Before issuing any certificate under ORS 294.175, the Department of Revenue shall
22 estimate the amount available in the County Assessment Function Funding Assistance Account

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 created under ORS 294.184 for distribution as grants to counties for the ensuing fiscal year.

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

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

10 (4) Except as provided under [subsection (5)] **subsections (5) and (6)** of this section, the per-
11 centage to be paid to each county under subsection (3) of this section shall be the percentage that
12 the expenditures of the county certified by the department to the county governing body under ORS
13 294.175 bears to the total of all expenditures of all counties certified by the department to counties
14 under ORS 294.175. In determining the expenditures of a county or in determining the total of all
15 expenditures for purposes of this subsection:

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

17 (b) No expenditures of any county that did not file an estimate of expenditures under ORS
18 294.175 shall be included.

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

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

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

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

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

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

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

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

45 **(B) The department shall determine the percentage distribution by using the county's**

1 certified expenditures from the last year in which the county participated in the County
2 Assessment Function Funding Assistance Account grant program; and

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

7 (c) For any county whose County Assessment Function Funding Assistance Account
8 distribution is transferred under paragraph (a) or (b) of this subsection to the Assessment
9 and Taxation County Account described in ORS 306.125, but for which the intervention re-
10 quired of the department by ORS 308.062 does not occur as a result of action taken by a
11 county court or board of county commissioners pursuant to ORS 308.062 (2) that is accepta-
12 ble to the department, the total of all transfers to the Assessment and Taxation County
13 Account described in ORS 306.125 shall be transferred back to the County Assessment
14 Function Funding Assistance Account.

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

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