

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 4041**

1 On page 2 of the printed A-engrossed bill, line 8, before “The” insert “For
2 purposes of ORS 307.540 to 307.548,”.

3 In line 35, before “services” insert “government”.

4 On page 5, delete line 45 and delete page 6 and insert:

5 **“SECTION 4. (1) On or before January 1 of each year, an eligible
6 Indian tribe as defined in ORS 307.181 that is granted tax exemption
7 for property, or a portion of property, used exclusively for low income
8 rental housing under ORS 307.181 (3) shall submit a report to the
9 Commission on Indian Services.**

10 **“(2) The report required under subsection (1) of this section must
11 include:**

12 **“(a) For each property, or portion of property, the value of the
13 property tax exemption granted under ORS 307.181 (3) for the current
14 property tax year as provided to the tribe by the assessor of the county
15 in which the property is located; and**

16 **“(b) The percentage of the current occupants of each property who
17 are members of an eligible Indian tribe as defined in ORS 307.181.**

18 **“SECTION 5. ORS 307.181, as amended by section 1 of this 2012 Act, is
19 amended to read:**

20 **“307.181. (1) Land acquired by an Indian tribe by purchase, gift or without
21 consideration is exempt from taxation if:**

22 **“(a) The land is located within the ancient tribal boundaries of the tribe;**

1 and

2 “(b) Acquisition of the land by the United States in trust status has been
3 requested or is in process.

4 “(2) The exemption under subsection (1) of this section ceases if the fed-
5 eral government enters a final administrative determination denying the re-
6 quest for acquisition of the land in trust status and:

7 “(a) The deadlines for all available federal administrative appeals and
8 federal judicial review expire with no appeal or review initiated; or

9 “(b) All federal administrative and judicial proceedings arising from or
10 related to the request for or process of acquisition of the land in trust status
11 that have been initiated are completed without overturning the administra-
12 tive denial of the request.

13 “(3)(a) Notwithstanding subsections (1) and (2) of this section, property
14 that is owned exclusively by an eligible Indian tribe or by an entity wholly
15 owned by an eligible Indian tribe, or a portion of the property, is exempt
16 from taxation if the property, or the portion of the property, respectively, is
17 used exclusively for government services.

18 “(b) Property described in paragraph (a) of this subsection that may be
19 exempt from taxation as property used exclusively for low income rental
20 housing includes, without limitation, property that:

21 “(A) Is held under lease or a lease purchase agreement by an eligible In-
22 dian tribe;

23 “(B)(i) Is the property of a partnership, nonprofit corporation or limited
24 liability company of which an eligible Indian tribe is a general partner,
25 limited partner, director, member, manager or general manager; and

26 “(ii) Is leased or rented to low income persons for housing purposes; or

27 “(C) Is used exclusively for an activity that qualifies as an affordable
28 housing activity under 25 U.S.C. 4132.

29 “(c) Property described in paragraph (a) of this subsection may not be
30 exempt from taxation as property that is used exclusively for low income

1 rental housing unless:

2 “(A) All agreements necessary for the construction and operation
3 of the property as low income rental housing are executed before July
4 1, 2017;

5 “[A] (B) For purposes of ORS 307.540 to 307.548, the requirements of
6 ORS 307.543 have been satisfied;

7 “[B] (C) The property is offered for rent or is held for the purpose of
8 developing low income rental housing;

9 “[C] (D) If occupied, the property is occupied solely by low income per-
10 sons; and

11 “[D] (E) The property is located in a county in which more than 10
12 percent of the enrolled members of the eligible Indian tribe reside.

13 “(4) As used in this section:

14 “(a) ‘Eligible Indian tribe’ means the Burns Paiute Tribe, the Confeder-
15 ated Tribes of Coos, Lower Umpqua and Siuslaw Indians, the Confederated
16 Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes
17 of Siletz Indians of Oregon, the Confederated Tribes of the Umatilla Indian
18 Reservation, the Confederated Tribes of Warm Springs Reservation of
19 Oregon, the Coquille Indian Tribe, the Cow Creek Band of Umpqua Tribe
20 of Indians or the Klamath Tribes.

21 “(b) ‘Government services’ means services provided by an eligible Indian
22 tribe that:

23 “(A) Are equivalent to services that a state or local government or the
24 federal government customarily provides to its citizens;

25 “(B) Are related to:

26 “(i) Tribal administration;

27 “(ii) Tribal facilities or tribal health facilities;

28 “(iii) Elementary or secondary education or higher education, including
29 community colleges;

30 “(iv) Transportation;

1 “(v) Fire or police;
2 “(vi) Low income rental housing;
3 “(vii) Utility services provided to an Indian reservation or to land held
4 in trust by the United States for the benefit of an eligible Indian tribe; or
5 “(viii) Cemeteries; and
6 “(C) Other than government services related to the uses of property de-
7 scribed in subsection (3)(c) of this section, do not generate income.

8 “(c) ‘Low income’:
9 “(A) Means income at or below 60 percent of the area median income as
10 determined by the State Housing Council based on information from the
11 United States Department of Housing and Urban Development.

12 “(B) For purposes of projects undertaken pursuant to the Native Ameri-
13 can Housing Assistance and Self-Determination Act of 1996 (P.L. 104-330),
14 includes income that qualifies under 24 C.F.R. 5.609.

15 “(d) ‘Utility services’ means services related to sanitation, sewer, storm
16 drainage and water.

17 **“SECTION 6. (1) The amendments to ORS 307.112, 307.162 and 307.181**
18 **by sections 1 to 3 of this 2012 Act apply to property tax years beginning**
19 **on or after July 1, 2012.**

20 **“(2) The amendments to ORS 307.181 by section 5 of this 2012 Act**
21 **apply to property tax years beginning on or after July 1, 2017.**

22 **“SECTION 7. (1)(a) It is the intention of the amendments to ORS**
23 **307.181 by section 5 of this 2012 Act to eliminate the property tax ex-**
24 **emption for low income rental housing projects created by the**
25 **amendments to ORS 307.181 by section 1 of this 2012 Act, only with**
26 **respect to projects for which all agreements necessary for the con-**
27 **struction and operation of the property as low income rental housing**
28 **are not executed before July 1, 2017.**

29 **“(b) Projects for which all agreements necessary for the con-**
30 **struction and operation of the property as low income rental housing**

1 are executed before July 1, 2017, remain eligible on and after July 1,
2 2017, for the property tax exemption for low income rental housing
3 created by the amendments to ORS 307.181 by section 1 of this 2012
4 Act.

5 **“SECTION 8. This 2012 Act takes effect on the 91st day after the**
6 **date on which the 2012 regular session of the Seventy-sixth Legislative**
7 **Assembly adjourns sine die.”.**

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