

**77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

MEASURE: HB 2489 A
CARRIER: Rep. Barnhart
Rep. Berger

REVENUE: Revenue impact statement issued

FISCAL: Minimal Fiscal impact

Action: Do Pass as Amended and be Printed Engrossed

Vote: 8-0-1

Yeas: Bentz, Berger, Conger, Davis, Gelsner, Read, Vega Pederson, Barnhart

Nays: 0

Exc.: Bailey

Prepared By: Christine Broniak, Economist

Meeting Dates: 2/22, 3/8

WHAT THE BILL DOES: Extends the ability to participate in the Senior and Disabled Property Tax Deferral Program to those who have been in the program prior to the changes in 2011 and who have been disqualified solely due to a reverse mortgage.

ISSUES DISCUSSED:

- Solvency of the program
- Disqualification of reverse mortgage holders

EFFECT OF COMMITTEE AMENDMENTS:

Extends ability to participate in the program for participants who had been disqualified in 2011 solely due to having a reverse mortgage, who had already been in the program, and who had completed an application in 2011. Makes technical changes to clarify various aspects of the operation of the program, including:

- Clarification that the applicant for the senior deferral program must be 62 years of age on or before April 15th of the year in which the claim is filed
- Clarification that the claim for deferral must be filed between January 1 and April 15th preceding the property tax year for which the deferral is claimed
- Clarification that the grant of deferral can be made for an eligible homestead for an individual who failed to respond to a request for certification of eligibility if the individual reapplies and qualifies in a subsequent year. Removes language that only refers to income as a disqualifying factor as the new language covers all factors that can result in disqualification.
- Clarification that the Department of Revenue may only collect as much as is left from the real market value of the homestead after subtracting the value of all liens prior to the department's.
- Provision for a notification to transferees and a process by which objections to the notice of liability may be handled.

BACKGROUND: The Senior and Disabled Deferral Program has undergone changes in the past two legislative sessions. The 2011 Legislature passed HB 2543, which made requirements to participate in the program more stringent. As a result, around half of the program's participants were disqualified. In 2012, the Legislature passed HB 4039, which granted a two-year reprieve to participants who had been in the program and who had been disqualified solely due to a reverse mortgage.

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