

**PROPOSED MINORITY REPORT AMENDMENTS TO
HOUSE BILL 2059**

1 On page 1 of the printed bill, line 2, after “698.650” insert “and sections
2 3 and 7, chapter 1, Oregon Laws 2012 (special session); and declaring an
3 emergency”.

4 On page 6, delete lines 17 through 19 and insert:

5 **“SECTION 5.** Section 3, chapter 1, Oregon Laws 2012 (special session),
6 is amended to read:

7 **“Sec. 3.** As used in sections 3 to 6, **chapter 1, Oregon Laws 2012 (spe-**
8 **cial session):** [*of this 2012 special session Act:*]

9 “(1) ‘Actual cost’ means the costs of labor, materials, supplies, equipment
10 rental, real or personal property acquisition, permits, engineering, financing,
11 required fees, insurance, administration, accounting, maintenance, repair or
12 replacement and debt service, and all other direct or indirect costs incurred
13 by a person in order to undertake a capital project, or of more than one
14 capital project undertaken by the same taxpayer as part of the same quali-
15 fying investment.

16 “(2) ‘Capital project’ means a project within this state for the con-
17 struction, modification, replacement, repair, remodeling or renovation of a
18 structure or structures, addition to a structure or structures, or other capital
19 improvement, that qualifies as a qualifying investment, including but not
20 limited to:

21 “(a) Acquisition of a legal interest or right in land or property in con-
22 junction with the capital improvement, including but not limited to the

1 purchase, lease or occupancy of real property, including the buildings,
2 structures, infrastructure and leasehold improvements on the land or prop-
3 erty;

4 “(b) Acquisition of existing structures, or legal interests or rights in
5 structures, in conjunction with the capital improvement;

6 “(c) Acquisition and installation of machinery or equipment, furnishings,
7 fixtures or other personal property or materials, in conjunction with the
8 capital improvement; or

9 “(d) Services and activities performed in relation to the capital improve-
10 ment, including planning, design, authorizing, issuing, carrying or repaying
11 interim or permanent financing, research, study of land use and environ-
12 mental impacts, acquiring permits or licenses, or other services connected
13 with the capital improvement, and costs associated with the performance of
14 these services and activities.

15 “(3) ‘Debt service’ includes debt service payments or payments into re-
16 serve accounts for debt service and payment of amounts necessary to meet
17 debt service coverage requirements.

18 “(4) ‘Qualifying investment’ means expenditures made by the taxpayer
19 relating to a capital project:

20 “(a) The actual cost of which exceeds [*\$150 million within a five-year*] **a**
21 **minimum dollar amount spent within a stated time** period measured
22 from the commencement of the term of the qualifying investment contract[;
23 *and*]. **The Governor and the Director of the Department of Revenue**
24 **shall negotiate the minimum dollar amount and stated time period**
25 **with the taxpayer.**

26 “(b) That result in the taxpayer employing [*at least 500 more full-time*
27 *equivalent employees in this state than the taxpayer employed in this state*
28 *when the qualifying investment was commenced*] **a minimum number of**
29 **full-time equivalent employees in this state that is greater than the**
30 **number of full-time equivalent employees employed by the taxpayer**

1 **in this state when the qualifying investment is commenced. The Gov-**
2 **ernor and the Director of the Department of Revenue shall negotiate**
3 **the minimum number of full-time equivalent employees with the tax-**
4 **payer.**

5 “(5) ‘Qualifying investment contract’ means a contract between the State
6 of Oregon and a taxpayer that meets the requirements of section 5, **chapter**
7 **1, Oregon Laws 2012 (special session)** [*of this 2012 special session Act*].

8 “(6) ‘Single sales factor method’ means the method of business income
9 apportionment required under ORS 314.650 and 314.665 and the rules adopted
10 thereunder, as in effect on the date a qualifying investment contract is exe-
11 cuted.

12 “(7) ‘Term of the qualifying investment contract’ means the duration of
13 the parties’ obligations under a qualifying investment contract.

14 **“SECTION 6.** Section 7, chapter 1, Oregon Laws 2012 (special session),
15 is amended to read:

16 **“Sec. 7.** A qualifying investment contract as defined in section 3, **chapter**
17 **1, Oregon Laws 2012 (special session)**, [*of this 2012 special session Act*]
18 may not be entered into[:]

19 “[*1*] before December 14, 2012.

20 “[*2*] *On or after January 1, 2014.*”

21 **“SECTION 7.** The amendments to ORS 646.608, 698.635, 698.640 and
22 **698.650** by sections 1 to 4 of this 2013 Act apply to auction sales and
23 **consignment sales that occur on or after the operative date specified**
24 **in section 8 (1) of this 2013 Act.**

25 **“SECTION 8.** (1) The amendments to ORS 646.608, 698.635, 698.640
26 and 698.650 by sections 1 to 4 of this 2013 Act become operative on
27 **January 1, 2014.**

28 **“(2)** The amendments to sections 3 and 7, chapter 1, Oregon Laws
29 **2012 (special session)**, by sections 5 and 6 of this 2013 Act become op-
30 **erative on the 91st day after the date on which the 2013 regular session**

1 of the Seventy-seventh Legislative Assembly adjourns sine die.

2 **“SECTION 9. This 2013 Act being necessary for the immediate**
3 **preservation of the public peace, health and safety, an emergency is**
4 **declared to exist, and this 2013 Act takes effect on its passage.”**

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