

HB 2553 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Kyle Easton, Economist

Meeting Dates: 4/4

WHAT THE MEASURE DOES:

Directs Legislative Revenue Officer to conduct a study on the relationship between cities with a substantial portion of their property under state agency or public university ownership and the ability to apply for matching federal economic development grants.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Allows cities to apply for state matching grant fund program if at least 25 percent by area of the real property in the city is exempt from ad valorem property taxation under ORS 307.090 and exempt property is property of the state or a public university. To avoid repayment to state of state approved grant funds, requires city to receive matching grant funds and undertake economic development or infrastructure project. Establishes Oregon Cities Matching Grants Fund and appropriates ___ amount from General Fund. Requires Department of Administrative Services to determine city application eligibility and disperse grant funds to each approved city an amount equal to lesser of: \$50,000 per city, or amount requested by the city. Repeals grant program July 1, 2021 and eliminates Oregon Cities Matching Grants Fund July, 1 2022.

BACKGROUND: