

HB 2383 -2 STAFF MEASURE SUMMARY

House Committee On Economic Development

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/27, 4/8

WHAT THE MEASURE DOES:

Appropriates \$125,000 of General Fund moneys to Department of Revenue to distribute to Curry County assessor for pilot program to increase employment in assessor's office to achieve assessment rotation of seven years for taxable property. Takes effect 91st day following adjournment sine die.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

ISSUES DISCUSSED:

- Systemic issue for county assessors
- Declining funding for County Assessment Function Funding Assistance (CAFFA)
- Model for taxing districts contributing to assessment function

EFFECT OF AMENDMENT:

-2 Replaces measure. Appropriates \$150,000 of General Fund moneys to Department of Revenue to distribute as \$75,000 per fiscal year to Curry County for pilot program to increase employment in assessor's office to achieve assessment rotation of seven years for taxable property located in county. Requires assessor to have \$50,000 available each fiscal year from taxing districts in the county, excluding education districts, before Department distributes the fiscal year funding. Requires assessor to report to Department and Department to report on pilot program to Legislative Assembly by September 15, 2021. Takes effect 91st day following adjournment sine die.

BACKGROUND:

The property tax system is one of the most important sources of revenue for more than 1,200 local taxing districts in Oregon. Property taxes rely on county assessment and taxation offices to value the property, calculate and collect the tax, and distribute the money to taxing districts. Appraisal is the process of identifying taxable property and assigning a value to it. County assessors appraise most Oregon property. The Oregon Department of Revenue appraises certain large industrial sites and utility properties.

In 1989, the Legislative Assembly established the County Assessment Function Funding Assistance (CAFFA) annual grant program to help cover assessment and taxation costs for counties and to reverse the disintegration of the property tax system and recognize a shared responsibility for statewide uniformity and accuracy in assessment and taxation. Funding for the grants comes from portions of document recording fees and delinquent property tax interest. Each county must submit an application annually with an estimate of staffing, workload, and expenditures to support their assessment and taxation program. The Department certifies each county to participate in the grant if its budget maintains system adequacy as provided in ORS 294.175.

House Bill 2383 appropriates \$125,000 of General Fund moneys for a pilot program to increase employment in the Curry County assessor's office to achieve an assessment rotation of seven years for taxable property.