

HB 2053 B STAFF MEASURE SUMMARY
Senate Committee On Finance and Revenue

Carrier: Sen. Hass

Action Date: 06/20/19
Action: Do pass the B-Eng bill.
Vote: 3-0-0-2
Yeas: 3 - Hass, Riley, Taylor
Abs: 2 - Bentz, Boquist
Fiscal: No fiscal impact
Revenue: Has minimal revenue impact
Prepared By: Kaitlyn Harger, Economist
Meeting Dates: 6/20

WHAT THE MEASURE DOES:

Makes changes to statute related to the New Industrial Property in Rural Areas program. Updates references to Oregon Law. Clarifies that the definition of employment for the applicant refers to the applicant's employment at the tax exempt location. Changes date for employment and wage verification from being due on the application date to being due on a date agreed upon between applicant and governing body, which must be on or before the end of the first property tax exemption year. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Technical changes to program
- Need for clarification related to timing of employment measurement

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

HB 2053 B makes two modifications to the New Industrial Property and Rural Areas program. Currently, the employment and wage verification takes place at the time of application for property tax abatement. This requirement may be difficult to comply with since the project may not be started at the time of application and thus the employees may not yet be hired or receiving wages. The bill allows local government and the applicant to come to an agreed upon date for the employment and wage verification. Additionally, the bill clarifies existing language within statute indicating that the employment requirements apply only to the property receiving abatement and not the entirety of the employer's business activity within the state.