

**HB 2383 A STAFF MEASURE SUMMARY**  
**House Committee On Economic Development**

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**Action Date:** 04/08/19

**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.  
(Printed A-Eng.)

**Vote:** 9-2-0-0

**Yeas:** 9 - Barreto, Bonham, Fahey, Helm, Lively, Marsh, McKeown, Wallan, Witt

**Nays:** 2 - Drazan, McLain

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Melissa Leoni, LPRO Analyst

**Meeting Dates:** 3/27, 4/8

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**WHAT THE MEASURE DOES:**

Appropriates \$150,000 from General Fund to Department of Revenue to distribute as \$75,000 per fiscal year to Curry County for assessment pilot program 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 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.

**ISSUES DISCUSSED:**

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

**EFFECT OF AMENDMENT:**

Replaces measure.

**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. While county assessors appraise most Oregon property, the Oregon Department of Revenue (DOR) 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 DOR certifies each county to participate in the grant if its budget maintains system adequacy as provided in ORS 294.175.

House Bill 2383-A appropriates \$150,000 to the DOR to distribute as \$75,000 each fiscal year to Curry County, when it has \$50,000 in matching funds available from other taxing districts, for an assessment pilot program to achieve an assessment rotation of seven years for taxable property located in the county.