

Enrolled
House Bill 2504

Sponsored by Representative SMITH WARNER (at the request of Multnomah County) (Pre-session filed.)

CHAPTER

AN ACT

Relating to tax supervising and conservation commissions; amending ORS 294.630 and 294.632; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 294.630 is amended to read:

294.630. (1) There hereby is created an account to be known as the tax supervising and conservation commission account in the general fund of each county subject to ORS 294.605 to 294.705.

(2)(a) **On or before April 1 of each year**, the tax supervising and conservation commission shall [*on or before April 1 of each year*] submit certified budgets for the ensuing fiscal year to the county court or board of county commissioners. The budget shall contain a complete and detailed estimate of the proposed expenditures of the commission for all purposes.

(b) Following the receipt of the budget, the county court or board of county commissioners shall include the budget as submitted as a part of the county budget and shall make an appropriation for the tax supervising and conservation commission account sufficient to cover the proposed expenditures, but no appropriation shall be made in any county in any year for such purpose in excess of [*\$280,000*] **\$410,000**. The maximum amount of the appropriation shall be increased by [*three*] **four** percent each fiscal year, beginning with the fiscal year starting July 1, [*2011*] **2019**. The county court or board of county commissioners shall not reduce the amount of the budget as presented by the tax supervising and conservation commission, within the amount stated in this section, nor shall it refuse to approve any lawful request for disbursement of money from the tax supervising and conservation commission account.

(3)(a) The tax supervising and conservation commission may:

(A) Charge for services provided by the commission to any municipal corporation that is not subject to the commission’s jurisdiction under ORS 294.625; and

(B) Apply for and receive grants.

(b) Any moneys received pursuant to this subsection shall:

(A) Be credited to the tax supervising and conservation commission account created under this section;

(B) Be continuously appropriated to the commission for the performance of duties and for the exercise of authority assigned to the commission under ORS 294.605 to 294.705; and

(C) Supplement, not supplant, the appropriation for the commission account made pursuant to subsection (2)(b) of this section.

(c) Costs incurred by the commission pursuant to paragraph (a) of this subsection may not be charged to municipal corporations subject to the commission's jurisdiction under ORS 294.625.

SECTION 2. ORS 294.632 is amended to read:

294.632. (1) Not later than August 30 of each year, the tax supervising and conservation commission shall calculate the net cost of commission operations for the preceding fiscal year. The calculation shall include:

(a) Actual expenditures paid out of the tax supervising and conservation commission account established in ORS 294.630, **other than expenditures of funds described in ORS 294.630 (3)**;

(b) A provision for the cost to the county of providing office space for use by the commission, as required by ORS 294.620; and

(c) A deduction for an estimate of the amount received by the county under ORS 294.175 to 294.187 attributable to the expenditures in the grant submitted by the county for activities, functions or services of the tax supervising and conservation commission.

(2) Municipal corporations, other than the county, that are within the county and that are subject to the jurisdiction of a tax supervising and conservation commission shall reimburse the county 50 percent of the net costs calculated under subsection (1) of this section. The amounts allocable to each municipal corporation required to reimburse the county under this subsection shall be determined as follows:

(a)(A) Fifty percent of the amount allocated shall be based on the taxes imposed for the preceding fiscal year for taxes certified to the county assessor under ORS 310.060 (2)(a) from the permanent rate limitations of the municipal corporations after reductions necessary to comply with **Article XI**, section 11b, [*Article XI*] of the Oregon Constitution, and funds raised pursuant to the notice provided to the county assessor under ORS 457.440 (2) for an urban renewal agency located in a municipal corporation subject to this subsection.

(B) The amount allocated under this paragraph shall be prorated based on each municipal corporation's share of the total tax imposed from the permanent rate limitation of municipal corporations that are subject to the jurisdiction of the tax supervising and conservation commission.

(C) A minimum amount of \$250 shall be allocated to any municipal corporation under this paragraph.

(D) Municipal corporations that do not levy ad valorem taxes are exempt from proration under this paragraph.

(b)(A) Fifty percent of the amount allocated shall be based on the expenditures, as defined in ORS 294.311, for the current fiscal year for each municipal corporation required to reimburse the county under this subsection.

(B) The amount allocated under this paragraph shall be prorated based on each municipal corporation's share of the total expenditures for those municipal corporations that are under the jurisdiction of the tax supervising and conservation commission.

(C) A minimum amount of \$250 shall be allocated to any municipal corporation under this paragraph.

(D) Municipal corporations with budgeted expenditures of \$50,000 or less and urban renewal agencies formed under ORS chapter 457 are exempt from proration under this paragraph.

(E) If a municipal corporation has adopted a biennial budget, the calculation of the proration under this paragraph shall use fiscal year expenditures. If the budget document adopted by the municipal corporation does not indicate fiscal year expenditures, then 45 percent of the biennial expenditures shall be used for the proration in the first fiscal year of the municipal corporation's budget period and 55 percent of the biennial expenditures shall be used for the proration in the second year of the budget period.

(3) Not later than August 30 of each fiscal year, the tax supervising and conservation commission shall distribute to each municipal corporation an accounting of the calculations under this section showing:

(a) The net costs under subsection (1) of this section;

(b) The 50 percent of net costs allocable to municipal corporations, except the county, under subsection (2) of this section; and

(c) The amounts prorated to each municipal corporation under subsection (2) of this section.

(4) Not later than September 15 of each fiscal year, the tax supervising and conservation commission shall send to the county tax collector, or other county official responsible for preparing the percentage schedule under ORS 311.390, a list of municipal corporations subject to proration under this section and the amounts prorated under this section.

(5) If a municipal corporation subject to proration under this section does not certify a property tax to the county assessor under ORS 310.060, the county shall, not later than November 30 of each year, send the municipal corporation a billing for the amount prorated and owed to the county under this section.

SECTION 3. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.

Passed by House March 18, 2019

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate April 22, 2019

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2019

Approved:

.....M,....., 2019

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2019

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Bev Clarno, Secretary of State