

# House Bill 2504

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

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases maximum expenditure appropriation for tax supervising and conservation commissions and increases annual percentage increase in maximum expenditure appropriation. Authorizes commissions to charge for services provided by commissions to nonmember municipal corporations and to apply for and receive grants. Provides that funds earned from charges and grants shall supplement, not supplant, commission's expenditure appropriation.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to tax supervising and conservation commissions; amending ORS 294.630 and 294.632; and  
3 prescribing an effective date.

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

5 **SECTION 1.** ORS 294.630 is amended to read:

6 294.630. (1) There hereby is created an account to be known as the tax supervising and conser-  
7 vation commission account in the general fund of each county subject to ORS 294.605 to 294.705.

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

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

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

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

25 (B) **Apply for and receive grants.**

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

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

29 (B) **Be continuously appropriated to the commission for the performance of duties and**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **for the exercise of authority assigned to the commission under ORS 294.605 to 294.705; and**

2 **(C) Supplement, not supplant, the appropriation for the commission account made pur-**  
 3 **suant to subsection (2)(b) of this section.**

4 **(c) Costs incurred by the commission pursuant to paragraph (a) of this subsection may**  
 5 **not be charged to municipal corporations subject to the commission's jurisdiction under ORS**  
 6 **294.625.**

7 **SECTION 2.** ORS 294.632 is amended to read:

8 294.632. (1) Not later than August 30 of each year, the tax supervising and conservation com-  
 9 mission shall calculate the net cost of commission operations for the preceding fiscal year. The  
 10 calculation shall include:

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

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

15 (c) A deduction for an estimate of the amount received by the county under ORS 294.175 to  
 16 294.187 attributable to the expenditures in the grant submitted by the county for activities, functions  
 17 or services of the tax supervising and conservation commission.

18 (2) Municipal corporations, other than the county, that are within the county and that are sub-  
 19 ject to the jurisdiction of a tax supervising and conservation commission shall reimburse the county  
 20 50 percent of the net costs calculated under subsection (1) of this section. The amounts allocable to  
 21 each municipal corporation required to reimburse the county under this subsection shall be deter-  
 22 mined as follows:

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

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

32 (C) A minimum amount of \$250 shall be allocated to any municipal corporation under this par-  
 33 agraph.

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

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

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

42 (C) A minimum amount of \$250 shall be allocated to any municipal corporation under this par-  
 43 agraph.

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

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

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

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

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

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

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

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

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

24