

A-Engrossed
House Bill 2699

Ordered by the House March 20
Including House Amendments dated March 20

Sponsored by Representatives NOSSE, MCKEOWN, Senators BENTZ, FREDERICK; Representatives POWER, SMITH DB, Senator THOMSEN (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.

Provides that brownfield granted property tax incentive benefit under chapter 96, Oregon Laws 2016, [*is eligible for*] **may be granted any other** special assessment, exemption or partial exemption [*granted under other law*] for which such property is eligible. Provides that total amount of all property tax benefits granted to brownfield under any law may not reduce property tax liability below zero for any property tax year. [*Provides that eligible costs of brownfield for purposes of determining property tax incentive benefit under chapter 96, Oregon Laws 2016, shall be reduced by any special assessment, exemption or partial exemption granted to brownfield under any law other than chapter 96, Oregon Laws 2016.*] **Requires jurisdiction granting brownfield property tax incentive benefit to specify how jurisdiction intends to apply multiple property tax benefits and to notify county assessor of intended application.**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property tax incentive benefits for brownfields; creating new provisions; amending sec-
3 tion 1, chapter 96, Oregon Laws 2016; and prescribing an effective date.

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

5 **SECTION 1.** Section 1, chapter 96, Oregon Laws 2016, is amended to read:

6 **Sec. 1.** (1) The governing body of a city or county, or of a port organized under ORS chapter
7 777 or 778, may adopt an ordinance or resolution providing for programs that offer either or both
8 of the following ad valorem property tax incentive benefits:

9 (a) Special assessment of any land that constitutes a brownfield, as defined in ORS 285A.185,
10 located within the respective jurisdiction of the city, county or port.

11 (b) Exemption or partial exemption of improvements and personal property on land described in
12 paragraph (a) of this subsection.

13 (2)(a) An ordinance or resolution adopted under this section shall specify the eligibility re-
14 quirements for the programs, including, but not limited to, a showing by the owner of a brownfield
15 in an application filed under section 2, [*of this 2016 Act*] **chapter 96, Oregon Laws 2016:**

16 (A) That the owner or authorized representative of the owner has obtained, as applicable, a site
17 evaluation, preliminary assessment, confirmation of release or remedial investigation of the
18 brownfield prepared by a geologist registered under ORS 672.505 to 672.705 or a professional engi-
19 neer as defined in ORS 672.002.

20 (B) If the site evaluation, preliminary assessment, confirmation of release or remedial investi-
21 gation required under subparagraph (A) of this paragraph concludes that a remedial action, as de-
22 fined in ORS 465.200, is required in response to the release of a hazardous substance at the

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 brownfield, that the remedial action shall be conducted pursuant to an agreement with, an order of
2 or a program or process authorized by the Department of Environmental Quality under ORS 465.200
3 to 465.455 and 465.900.

4 (C) That the owner is in compliance with any agreement, order, program or process governing
5 the conduct of the remedial action under subparagraph (B) of this paragraph.

6 (D) That the report of the site evaluation, preliminary assessment, confirmation of release or
7 remedial investigation required under subparagraph (A) of this paragraph, and a report prepared by
8 a geologist or professional engineer showing that any remedial action has complied with any appli-
9 cable agreement, order, program or process authorized by the department and with any other ap-
10 plicable state law administered by the department, have been submitted to the department.

11 (b) Notwithstanding paragraph (a) of this subsection, property is not eligible for tax incentive
12 programs adopted pursuant to this section if, at the time an application for the property is filed
13 under section 2, *[of this 2016 Act]* **chapter 96, Oregon Laws 2016**, the property is:

14 (A) Subject to assessment under ORS 308.505 to 308.681;

15 (B) State-appraised industrial property as defined in ORS 306.126; or

16 (C) A federal Superfund site.

17 *[(c) For any property tax year, property granted any other special assessment, exemption or partial*
18 *exemption may not be granted benefits under a tax incentive program adopted pursuant to this*
19 *section.]*

20 (3)(a)(A) An ordinance or resolution adopted under this section shall specify the period, not to
21 exceed 10 years, for which the property tax incentive program benefits may be granted.

22 (B) The ordinance or resolution may allow for an additional period, not to exceed five years,
23 based on criteria set forth in the ordinance or resolution.

24 (b) Property may be granted a tax incentive program benefit under this section until the earlier
25 of:

26 (A) The expiration of the period for which the property is eligible for the benefit under para-
27 graph (a) of this subsection; or

28 (B) The date on which the dollar amount of the benefit equals the eligible costs for the property
29 as determined under section 3, *[of this 2016 Act]* **chapter 96, Oregon Laws 2016**.

30 (c) If a city, county or port adopts both a special assessment and an exemption or partial ex-
31 emption program, the two program benefits must be granted concurrently for any property.

32 (d) The city, county or port may adopt any other provisions relating to the property tax incen-
33 tive programs that do not conflict with the requirements of sections 1 to 7, *[of this 2016 Act]*
34 **chapter 96, Oregon Laws 2016**.

35 (4)(a) **For any property tax year:**

36 (A) **Property that is granted benefits under a tax incentive program adopted pursuant to**
37 **this section may be granted any other special assessment, exemption or partial exemption**
38 **for which the property is eligible.**

39 (B) **The total amount of all special assessments, exemptions and partial exemptions**
40 **granted to property may not reduce the property tax liability of the property below zero.**

41 (b)(A) **A city, county or port shall specify in an ordinance or resolution adopted under**
42 **this section how the city, county or port intends to apply multiple property tax benefits**
43 **granted to property in the circumstances authorized under paragraph (a)(A) of this sub-**
44 **section.**

45 (B) **The city, county or port shall notify the county assessor of the intended application.**

1 [(4)(a)] **(5)(a)** The city, county or port may amend or repeal an ordinance or resolution adopted
2 under this section at any time.

3 (b) Notwithstanding paragraph (a) of this subsection, property that is receiving a tax incentive
4 program benefit under this section when the ordinance or resolution is amended or repealed shall
5 continue to receive the benefit pursuant to the provisions of the ordinance or resolution in effect
6 when the property was initially granted the benefit.

7 [(5)(a)] **(6)(a)** An ordinance or resolution adopted under this section does not become effective
8 unless the rates of taxation of the taxing districts located within territory of the city, county or port
9 whose governing boards agree to the property tax incentive programs, when combined with the rate
10 of taxation of the city, county or port that adopted the ordinance or resolution, equal 75 percent
11 or more of the total combined rate of taxation within the territory of the city, county or port.

12 (b) If an ordinance or resolution becomes effective pursuant to paragraph (a) of this subsection,
13 the property tax incentive programs shall be effective for the tax levies of all taxing districts in
14 which a brownfield that is granted a property tax incentive program benefit is located.

15 **SECTION 2. The amendments to section 1, chapter 96, Oregon Laws 2016, by section 1**
16 **of this 2019 Act apply to property tax years beginning on or after July 1, 2020.**

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

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