

House Bill 3082

Sponsored by Representative FREDERICK; Senator SHIELDS

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**.

Creates alternative definition of "low income" for purposes of nonprofit corporation low income housing. Requires governing body first adopting exemption provisions to elect current or alternative definition of "low income." Temporarily allows governing body that has already adopted exemption provisions to elect alternative definition of "low income" and provides that, if governing body does not make election, current definition of "low income" continues to apply.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to nonprofit corporation low income housing; creating new provisions; amending ORS
3 307.540 and 307.543; and prescribing an effective date.

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

5 **SECTION 1.** ORS 307.540 is amended to read:

6 307.540. As used in ORS 307.540 to 307.548:

7 (1) "Governing body" means the city or county legislative body having jurisdiction over the
8 property for which an exemption may be applied for under ORS 307.540 to 307.548.

9 (2) **According to the election of a governing body pursuant to ORS 307.543 (1), "low**
10 **income" means:**

11 (a) Income at or below 60 percent of the area median income as determined by the State
12 Housing Council based on information from the United States Department of Housing and Urban
13 Development[.]; **or**

14 (b)(A) **For the initial year that persons occupy property for which an application for ex-**
15 **emption is filed under ORS 307.545, income at or below 60 percent of the area median income**
16 **as determined by the State Housing Council based on information from the United States**
17 **Department of Housing and Urban Development; and**

18 (B) **For every subsequent consecutive year that the persons occupy the property, income**
19 **at or below 80 percent of the area median income as determined by the State Housing**
20 **Council based on information from the United States Department of Housing and Urban De-**
21 **velopment.**

22 **SECTION 2.** ORS 307.543 is amended to read:

23 307.543. (1) Except as provided in subsection (2) of this section, the exemption provided by ORS
24 307.541 only applies to the tax levy of a governing body that adopts the provisions of ORS 307.540
25 to 307.548. **At the time of adoption, the governing body shall elect a definition of "low**
26 **income" under ORS 307.540.**

27 (2) The exemption provided by ORS 307.541 shall apply to the tax levy of all taxing districts in
28 which property certified for exemption is located when, upon request of a governing body that has
29 adopted the provisions of ORS 307.540 to 307.548, the rates of taxation of such taxing districts whose

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 governing boards agree to the policy of exemption under ORS 307.540 to 307.548, when combined
2 with the rate of taxation of the governing body that adopts the provisions of ORS 307.540 to 307.548,
3 equal 51 percent or more of the total combined rate of taxation on the property certified for limited
4 assessment.

5 **SECTION 3. (1) A governing body that has adopted the provisions of ORS 307.540 to**
6 **307.548 before the effective date of this 2015 Act may, on or after the effective date of this**
7 **2015 Act, elect a definition of “low income” under ORS 307.540 as amended by section 1 of this**
8 **2015 Act. An election made pursuant to this subsection applies to the first property tax year**
9 **that begins on or after the date on which the election is made.**

10 (2) If a governing body described in this section does not make an election under sub-
11 section (1) of this section, the definition of “low income” provided in ORS 307.540 as in effect
12 immediately before the effective date of this 2015 Act shall apply to the exemption allowed
13 by the governing body.

14 (3) This section is repealed on June 30, 2027.

15 **SECTION 4. This 2015 Act takes effect on the 91st day after the date on which the 2015**
16 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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