



2021 Tax, Finance, and Economic Development

LEGISLATIVE WATCH LIST

PROPERTY TAX

[HB 2666 – Foreclosure Proceeds](#)

Gives property tax foreclosure proceeds exclusively to county. Reduces city revenues.

[HB 2799 – Assessment Fee](#)

Diverts 3% of property tax to county assessor in certain counties. Reduces city revenues.

[SB 108 – Historic Property Special Assessment](#)

Makes changes to program for special assessment of historic property. Under review.

[SB 167 – Tax Appeals](#)

Provides that assessed value of property may be value determined to be necessary to effect fairness and equity in assessed values of property in same area in same property class. Allows property tax appeals based on neighbors' value.

[SB 299 – Children's Service Districts](#)

Allows creation of Children's Service Districts. Could create compression in certain cities.

[SB 303 – School Taxes Excepted from Exemptions](#)

Excludes taxes imposed by school districts from certain property tax exemption programs requiring adoption by local governments. Would water-down certain housing and economic development incentives.

[SB 459 – Wildfire Reconstruction](#)

Provides property constructed to replace homestead destroyed or damaged by 2020 wildfire may not be added to assessment roll before July 1, 2025. Could hamper reestablishing tax base in affected communities. Numerous other bills around this topic.

[SB 464 – Wildfire Cancellation](#)

Requires cancellation of all property tax (rather than proration) if any portion of property was damaged/destroyed in 2020 wildfire. Could exempt undamaged house if shed or even landscaping was damaged. Could exempt forestland if trees burned, even though forest special assessment gives no value to standing timber.

[SB 545 – Veteran's Exemption](#)

Grants higher property tax exemption for property of veterans with service-connected disabilities. See also SB 348.

[SJR 1 – Property Tax Reform](#)

Referral to voters to remove Measure 50 from the constitution, requires legislature to enact legislation to address inequalities. See also HB 2438 and SB 158.

More Information Available at

<https://www.orcities.org/advocacy/legislative-advocacy>

League of Oregon Cities

Representing Oregon's 241 incorporated cities

SJR 11 – Senior Freeze

Referral to voters to require legislation to freeze property tax assessed value for seniors at least 67 years old and other eligible applicants. Would significantly reduce city revenues, not based on need.

LODGING TAXES

HB 2579 – State Lodging Tax Rate

Increases state transient lodging tax rate and requires additional moneys to be used exclusively for affordable housing in county. See also HB 2500 that does not direct spending.

MARIJUANA TAXES

HB 2015 – Local Marijuana Tax Limit

Increases maximum percentage of tax that governing body of city or county may impose on sale of marijuana items from 3% to 10%. LOC strongly supports, will help mitigate Measure 110 losses.

HB 2294 – Wholesale Marijuana Tax

Imposes tax on wholesale sales of marijuana items across county borders. All revenue goes to county.

ALCOHOL TAXES

HB 2740 – Agent Compensation

Establishes compensation schedule for Oregon Liquor Control Commission retail sales agents. Similar concept in OLCC budget. Will greatly reduce city revenues.

SB 316 – Distillery Agent Compensation

Increases compensation to distillery owners on tasting room sales. Less significant revenue hit with economic development benefits. LOC likely neutral.

ECONOMIC DEVELOPMENT

HB 2324 – Enterprise Zone and Prevailing Wage

Requires new standards for certain enterprise zone projects including prevailing wage and other hiring and employment requirements. Statewide mandate.

HB 2343 – Enterprise Zone Employment Flexibility

Allows zone sponsor to waive employment requirements if business has COVID related job losses. Local option for additional criteria.



Questions? Contact Mark Gharst

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