

Enrolled
House Bill 2053

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Oregon Business Development Department)

CHAPTER

AN ACT

Relating to economic development; amending section 5, chapter 112, Oregon Laws 2016; and prescribing an effective date.

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

SECTION 1. Section 5, chapter 112, Oregon Laws 2016, is amended to read:

Sec. 5. (1) As used in this section:

(a) "Annual average employment of the applicant" means the average employment of the applicant, calculated over the 12 months preceding the date of the application submitted under section 2, **chapter 112, Oregon Laws 2016** [of this 2016 Act].

(b) "Employment of the applicant" means the number of employees working for the applicant a majority of their time in eligible operations [at locations in this state] **at a location for which the applicant has submitted an application under section 2, chapter 112, Oregon Laws 2016.**

(c) "First-source hiring agreement" means an agreement between an applicant and a publicly funded job training provider whereby the provider refers qualified candidates to the firm for new jobs and job openings in the firm.

(2) An application for exemption may not be approved under section 2, **chapter 112, Oregon Laws 2016**, [of this 2016 Act] unless the applicant and the governing body of the city or county have agreed to, and the applicant has complied with, the conditions of this section.

(3) The applicant must agree to enter into a first-source hiring agreement with the governing body of the city or county for the period of the exemption.

(4) [No later than the date on which the application is submitted] **As of a date certain agreed upon by the applicant and the governing body of the city or county, as applicable, but in no event later than the end of the first property tax year for which the exemption is granted,** the employment of the applicant may not be less than the greater of:

(a) 110 percent of the annual average employment of the applicant; or

(b) The annual average employment of the applicant plus one employee.

(5)(a) The applicant or another firm under common control may not close or permanently curtail operations in another part of the state that is more than 30 miles from the eligible location. This subsection applies to the transfer of any of the applicant's operations to an eligible location from another part of the state, if the closure or permanent curtailment in the other part of the state decreased the applicant's employment in the other part of the state.

(b) The applicant or another firm under common control may not close or permanently curtail operations in another part of the state that is 30 miles or less from the eligible location unless the employment of the applicant at the eligible location and at the other locations from which employees

were transferred has been increased to not less than 110 percent of the annual average employment of the firm at the eligible location and the other locations from which the employees were transferred.

(6) The governing body of the city or county may establish other reasonable conditions related to economic development with respect to the qualified property, including greater employment requirements under this section.

(7) The conditions established under this subsection may be modified at the request of the applicant at any time before the beginning of the first property tax year for which the exemption is granted.

(8) The governing body of the city or county shall establish procedures for monitoring and verifying the compliance of the applicant with the conditions imposed under this section and shall require the applicant to agree to the procedures as a condition for granting the exemption.

(9) The conditions established under this subsection shall be set forth in the resolution adopted under section 2 (4), **chapter 112, Oregon Laws 2016**, [of this 2016 Act] and shall remain in effect throughout the period for which the exemption is granted.

SECTION 2. 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 June 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 June 29, 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