

## SENATE AMENDMENTS TO HOUSE BILL 2485

By COMMITTEE ON FINANCE AND REVENUE

April 1

1 On page 1 of the printed bill, line 3, after “311.808” insert “and section 5, chapter \_\_\_\_\_,  
2 Oregon Laws 2015 (Enrolled Senate Bill 611)”.

3 On page 5, after line 8, insert:

4 “**SECTION 7.** If Senate Bill 611 becomes law, section 5, chapter \_\_\_\_\_, Oregon Laws 2015  
5 (Enrolled Senate Bill 611), is amended to read:

6 “**Sec. 5.** (1) Subject to section 2 [*of this 2015 Act*], **chapter \_\_\_\_\_, Oregon Laws 2015 (En-**  
7 **rolled Senate Bill 611)**, the property of a company described in ORS 308.515 (1) shall be granted  
8 an exemption under subsection (5) of this section if the company builds, maintains and operates a  
9 qualified project in Oregon.

10 “(2) A project is qualified under this section if:

11 “(a) The project requires capital investment in newly constructed or installed real or tangible  
12 personal property constituting infrastructure that enables the company to offer communication ser-  
13 vices, including [*a capacity of at least*] **the capacity to provide, at least, approximately** one gigabit  
14 per second symmetrical service, to a majority of the residential customers of the company’s  
15 broadband services; and

16 “(b) With respect to communication services offered by the company using the infrastructure,  
17 the company does not deny access to the communication services to any group of residential cus-  
18 tomers because of the income level of the residential customers in the local service area in which  
19 the residential customers reside.

20 “(3)(a) A company seeking the exemption granted under this section must submit an application  
21 to the Public Utility Commission, with a copy to the Department of Revenue, on or before January  
22 15 preceding the first property tax year for which the exemption is sought.

23 “(b) The application must include:

24 “(A) A certification that the project meets the requirements of subsection (2) of this section; and

25 “(B) An application fee of \$50,000.

26 “(c) The application fee shall be distributed evenly to the commission and the department to  
27 reimburse the commission for the costs of reviewing the application and the department for the costs  
28 of appraising the property of the company submitting the application.

29 “(4)(a) On or before March 1 of the year in which the application is submitted under subsection  
30 (3) of this section, the commission shall determine whether the project is a qualified project.

31 “(b) During the period in which the commission is making a determination under this subsection:

32 “(A) The commission may discuss the information included in the application with the company  
33 and the department;

34 “(B) The commission shall consult with any city with which the company has entered into a  
35 franchise fee agreement to provide services to which the application relates;

1 “(C) The company may amend the application; and  
2 “(D) Upon request of the company, the commission may grant an extension of not more than two  
3 weeks for a determination under this subsection.  
4 “(c) If the commission determines that the project is not a qualified project, the application may  
5 not be approved. The commission shall notify the company of the negative determination and state  
6 the reasons.  
7 “(d) If the commission determines that the project is a qualified project:  
8 “(A) The application shall be approved.  
9 “(B) The commission shall notify the company, the department and the assessor of each county  
10 in which the project is located of the approval.  
11 “(C) Subject to section 2 [of this 2015 Act], **chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled**  
12 **Senate Bill 611)**, the property of the company shall be granted the exemption under subsection (5)  
13 of this section beginning with the first property tax year that begins after the date of the determi-  
14 nation.  
15 “(5)(a) The property of a company described in subsection (1) of this section shall be granted  
16 an exemption for a property tax year in an amount equal to the positive value, if any, obtained by  
17 subtracting from the real market value of the company’s real property and tangible and intangible  
18 personal property, including property that would otherwise be assessed under section 8 [of this 2015  
19 Act], **chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled Senate Bill 611)**, that is allocated to Oregon  
20 and included in the unit subject to central assessment, reduced by the portion of the value of any  
21 exemption elected under ORS 307.126 that is allocated to Oregon, an amount equal to the greater  
22 of \$250 million or the real market value of the company’s real and tangible personal property lo-  
23 cated in Oregon as of the assessment date, without reduction for any exemption elected under ORS  
24 307.126.  
25 “(b) The exemption shall be granted for [*the lesser of 20 consecutive property tax years or*] the  
26 period during which an owner maintains and operates the qualified project.  
27 “(6) If the amount determined under subsection (5)(a) of this section is not positive, subject to  
28 section 2 [of this 2015 Act], **chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled Senate Bill 611)**, the  
29 real market value of the company’s real property and tangible and intangible personal property,  
30 excluding property that is assessed under section 8 [of this 2015 Act], **chapter \_\_\_\_\_, Oregon**  
31 **Laws 2015 (Enrolled Senate Bill 611)**, allocated to Oregon and included in the unit subject to  
32 central assessment, reduced by the portion of the value of any exemption elected under ORS 307.126  
33 that is allocated to Oregon, shall be the real market value of the company’s property allocated to  
34 Oregon for the property tax year.  
35 “(7)(a) If the property of a company is granted an exemption under this section for a property  
36 tax year, the property is not eligible for any other exemption from ad valorem property taxation for  
37 the property tax year.  
38 “(b) Notwithstanding paragraph (a) of this subsection:  
39 “(A) An exemption granted under ORS 307.126 to property that is granted an exemption under  
40 this section shall be allowed in the manner provided under this section and ORS 307.126.  
41 “(B) An exemption granted under this section for a property tax year has no effect on the ben-  
42 efits that the property of the company or the company may be granted under ORS chapter 285C or  
43 ORS 307.123 for the property tax year.”  
44 In line 9, delete “7” and insert “8”.  
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