

## HOUSE AMENDMENTS TO SENATE BILL 281

By COMMITTEE ON LAND USE

May 23

1 On page 2 of the printed bill, delete lines 37 through 45.

2 On page 3, delete lines 1 through 13 and insert:

3 “**SECTION 6.** ORS 275.220 is amended to read:

4 “275.220. (1) In case of breach of condition or other default in performance of *[any]* a **land sale**  
5 contract made pursuant to ORS 275.190 or 275.200, the **governing body of a county** *[court]* may, by  
6 order made and entered in its records, declare *[such]* **the** breach or default and cancel *[such]* **the**  
7 **land sale** contract or enter into a new **purchase** agreement in writing. If the **land sale** contract is  
8 canceled **and the holder is found within the county**, a certified copy of the order shall be served  
9 as a summons is served by the sheriff upon the holder of *[such]* **the** canceled **land sale** contract.  
10 *[if the holder is found within the county, and]* If **the land sale contract is canceled and** the holder  
11 is not *[so]* found **within the county**, *[then]* **a certified copy of the order shall be served** by  
12 mailing it to the holder by registered mail or by certified mail with return receipt at the last-known  
13 address of the holder. Return of such service shall be made upon such copy of order.

14 “(2) Within 20 days after the service of the order of cancellation upon the holder, the holder of  
15 the canceled **land sale** contract may appeal from *[such]* **the** order to the circuit court for the county  
16 in which the land is located. The **circuit court shall try the** appeal *[shall be tried by the court]* as  
17 an action not triable by right to a jury. If appeal is not *[so]* taken or if it results, upon trial, in an  
18 affirmance of the order of cancellation, *[such]* **the** order *[shall become]* **becomes** absolute and the  
19 real property *[so]* forfeited *[again]* may be sold[,] without notice.

20 “(3) **In addition to the remedy for breach or default of a land sale contract under this**  
21 **section, a county may pursue any other remedy provided by law for breach or default of a**  
22 **land sale contract including, but not limited to, the remedy provided by ORS 93.905 to 93.940.**

23 “(4) **In case of breach of condition or other default in performance of a purchase agree-**  
24 **ment other than a land sale contract, a county may pursue any remedy provided by law for**  
25 **breach or default of a purchase agreement other than a land sale contract.”.**

26 Delete lines 38 through 45 and delete page 4.

27 On page 5, delete lines 1 through 10 and insert:

28 “**SECTION 9.** ORS 275.275 is amended to read:

29 “275.275. (1)(a) The proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310  
30 *[shall]* **must** be applied:

31 “(A) First, to refund the county general fund for the full amount advanced by the county to pay  
32 the state tax upon all properties upon which the county has foreclosed liens for delinquent taxes;

33 “(B) Second, to the county general fund in an amount equal to the penalty and fee described in  
34 ORS 312.120 for each property upon which the county has foreclosed a lien for delinquent taxes; and

35 “(C) Third, to refund the county general fund for all the costs and expenses incurred by the

1 county in the maintenance and supervision of such properties and in any suits by it to quiet its title  
2 to property sold. The proceeds applied as refunds under this subparagraph and subparagraph (A) of  
3 this paragraph shall not amount to more than the tax actually paid and the costs and expenses ac-  
4 tually incurred by the county.

5 “(b) After the refunds authorized under paragraph (a) of this subsection are made, the county  
6 treasurer shall credit to the **county** general fund [*of the county*] proceeds arising under ORS 275.090  
7 to 275.290 and 275.296 to 275.310 from the sale of real property acquired by the county in [*any*] a  
8 manner other than by foreclosure of delinquent tax liens or by exchange for land originally acquired  
9 by foreclosure of delinquent tax liens [*and proceeds arising under ORS 275.294 from any lease or*  
10 *conveyance granting rights to explore, prospect for or remove biogas that is produced by decomposition*  
11 *of solid waste at any land disposal site or former land disposal site owned by the county*]. The pro-  
12 ceeds described in this paragraph include payments for [*such*] **the** real property sold under  
13 [*contract*] **a purchase agreement** pursuant to ORS 275.190 or 275.200. [*As used in this paragraph,*  
14 *‘land disposal site’ has the meaning given that term in ORS 459.005.*]

15 “[*(2)(a) Except for the proceeds arising under ORS 275.294 that are described in subsection (1) of*  
16 *this section, all proceeds arising under ORS 275.294 shall be segregated from the proceeds described*  
17 *in subsection (1) of this section and shall be deposited in a separate account maintained by the county.*  
18 *Only moneys obtained under ORS 275.294, and interest earned thereon, shall be credited to the account*  
19 *established under this paragraph.*]

20 “[*(b) Not more than 10 percent of the proceeds arising under ORS 275.294 may be applied to re-*  
21 *imburse any taxing district within the county for costs and expenses necessarily incurred by the district*  
22 *in providing improved, additional or extraordinary services required on lands in the county as a result*  
23 *of exploration, drilling, mining, logging or other activities authorized under a lease or conveyance un-*  
24 *der ORS 275.294. Such services include, but are not limited to, fire protection and road construction*  
25 *and maintenance.*]

26 “[*(c) Ten percent of the proceeds arising under ORS 275.294 may be applied to reimburse the*  
27 *county for administrative expenses incurred under ORS 275.294 and this subsection. If, in any year,*  
28 *such expenses exceed 10 percent of the proceeds arising under ORS 275.294, the amount of expenses*  
29 *not reimbursed may be carried forward into succeeding years until the county is fully reimbursed.*  
30 *However, not more than 10 percent of the proceeds arising under ORS 275.294 in any one year may*  
31 *be used for such reimbursement.*]

32 “[*(d) Costs and expenses sought to be reimbursed under this subsection shall be verified by the*  
33 *county treasurer or auditor.*]

34 “[*(e) Moneys applied as reimbursement under this subsection shall be distributed by the county*  
35 *treasurer in accordance with an order of the county governing body.*]

36 “**(2) The proceeds arising under ORS 275.294:**

37 “**(a) Must be credited to the county general fund by the county treasurer, if received**  
38 **from a lease or conveyance granting rights to explore, prospect for or remove biogas that**  
39 **is produced by decomposition of solid waste at any land disposal site or former land disposal**  
40 **site owned by the county. As used in this paragraph, ‘land disposal site’ has the meaning**  
41 **given that term in ORS 459.005.**

42 “**(b) Must be segregated from the portion of the proceeds described in paragraph (a) of**  
43 **this subsection and deposited in a separate account maintained by the county. Interest**  
44 **earned on the segregated portion of the proceeds must be credited to the account established**  
45 **under this paragraph.**

1       “(c) May be used, in an amount that does not exceed 10 percent of the proceeds, to re-  
2       imburse a taxing district within the county for costs and expenses necessarily incurred by  
3       the district in providing improved, additional or extraordinary services required on lands in  
4       the county as a result of exploration, drilling, mining, logging or other activities authorized  
5       under a lease or conveyance under ORS 275.294. As used in this paragraph, ‘improved, addi-  
6       tional or extraordinary services’ includes, but is not limited to, fire protection and road  
7       construction and maintenance.

8       “(d) May be used to reimburse the county for its actual costs and expenses incurred  
9       under this subsection and under ORS 275.294 for:

10       “(A) The maintenance and supervision of a lease or conveyance granting rights to ex-  
11       plore, prospect for, mine or remove valuable minerals, oil or gas from the lands;

12       “(B) The maintenance and supervision of a lease or conveyance granting rights to con-  
13       duct underground storage, as defined in ORS 520.005; and

14       “(C) Litigation resulting from a lease or conveyance described in subparagraph (A) or (B)  
15       of this paragraph.

16       “(3)(a) After a portion of the proceeds [*is*] arising under ORS 275.090 to 275.290 and 275.296  
17       to 275.310 and a portion of the proceeds arising under ORS 275.294 are applied as provided in  
18       subsections (1) and (2) of this section, the balance of the proceeds arising under ORS 275.090 to  
19       [275.310] 275.290 and 275.296 to 275.310 and the balance of the proceeds arising under ORS  
20       275.294, including the payments for land sold under contract pursuant to ORS 275.190 or 275.200,  
21       [*shall*] **must** be distributed by the county treasurer as follows:

22       “(A) First, to [*any*] a municipal corporation that has filed a notice, in accordance with ORS  
23       275.130, relating to a local improvement lien against the property from which the sale proceeds are  
24       derived. The amount of the distribution to each municipal corporation [*shall*] **must** be in the prin-  
25       cipal amount of the lien, plus the interest and any penalties that accrued to the date of sale of the  
26       property.

27       “(B) Second, to governmental units in accordance with the formula provided in ORS 311.390  
28       [*which is currently being used*] for the distribution of tax collections. The amount distributed to  
29       governmental units [*shall*] **must** be the amount remaining after the distribution, if any, under sub-  
30       paragraph (A) of this paragraph.

31       “(b) Notwithstanding ORS 294.080, as used in this subsection, ‘balance of the proceeds [*arising*  
32       *under ORS 275.090 to 275.310*]’ includes all accumulated interest earned on the proceeds arising  
33       under ORS 275.294 **that are segregated pursuant to subsection (2)(b) of this section**, unless a  
34       court of competent jurisdiction rules otherwise.

35       “(4) Distribution of moneys under subsections (2) and (3) of this section [*shall*] **must** be made  
36       on or before June 30 in each year.

37       “(5) **The county treasurer or auditor shall verify the costs and expenses to be reimbursed**  
38       **under subsection (2) of this section.**

39       “(6) **The county treasurer shall distribute reimbursements under subsection (2) of this**  
40       **section in accordance with an order of the governing body of the county.”.**