

Senate Bill 739

Sponsored by COMMITTEE ON ENVIRONMENT AND LAND USE

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**.

Requires public entity receiving claim for compensation for reduction in fair market value of private real property because of land use regulation to notify claimant in writing how public entity intends to respond to claim. Requires public entity that notifies claimant of intention to modify, remove or not apply land use regulation to notify claimant of additional taxes due if property will be disqualified for special assessment or exemption from taxation.

A BILL FOR AN ACT

1 Relating to compensation for reduction in value due to land use regulation.

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

3 **SECTION 1. Sections 2 and 3 of this 2005 Act are added to and made a part of ORS**
4 **chapter 197.**

5 **SECTION 2. (1) Within 90 days after receiving a claim for compensation under chapter**
6 **1, Oregon Laws 2005, the public entity, as defined in chapter 1, Oregon Laws 2005, shall notify**
7 **the claimant owner, as defined in chapter 1, Oregon Laws 2005, in writing by first class mail**
8 **whether the public entity intends:**

9 (a) **To dispute the claim on the merits;**

10 (b) **To compensate the owner; or**

11 (c) **To modify, remove or not apply the land use regulation, as defined in chapter 1,**
12 **Oregon Laws 2005.**

13 (2) **If the public entity notifies the claimant owner that the public entity intends to**
14 **modify, remove or not apply the land use regulation:**

15 (a) **The public entity shall state in the notice whether modifying, removing or not apply-**
16 **ing the land use regulation constitutes a change of use that disqualifies the property for a**
17 **special assessment, as described in ORS 308A.703, or a riparian habitat exemption under ORS**
18 **308A.350 to 308A.383, and, if so, state the amount of additional tax due under ORS 308A.368**
19 **or 308A.700 to 308A.733.**

20 (b) **Within 60 days after receiving the notification, the claimant owner may withdraw the**
21 **claim for compensation instead of accepting the modification, removal or nonapplication of**
22 **the land use regulation and paying the additional taxes due under ORS 308A.368 or 308A.700**
23 **to 308A.733.**

24 **SECTION 3. (1) When a public entity, as defined in chapter 1, Oregon Laws 2005, intends**
25 **to enact or adopt a land use regulation, as defined in chapter 1, Oregon Laws 2005, that may**
26 **reduce the value of private real property, the public entity shall complete a private real**
27 **property market value impact report that includes:**

28 (a) **A list of tax lots whose fair market value may be reduced by the land use regulation;**

29 (b) **An estimate of the amount of reduction in fair market value anticipated for each tax**
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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 **lot identified under this section; and**

2 **(c) Any other information that the public entity finds pertinent in determining the po-**
3 **tential for a proposed land use regulation to reduce the fair market value of the tax lots**
4 **identified under this section.**

5 **(2) A public entity that completes a private real property market value impact report**
6 **under this section shall file a copy of the report, electronically or in writing, with:**

7 **(a) The revenue officer and the fiscal officer of the public entity at least 60 days before**
8 **the date on which the regulation is scheduled to be enacted or adopted; and**

9 **(b) The Oregon Department of Administrative Services.**

10 **(3) The department shall make each private real property market value impact report**
11 **available to the public, including publishing the reports on a searchable public website on the**
12 **Internet, together with information relating to claims for compensation under chapter 1,**
13 **Oregon Laws 2005.**

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