PUBLIC HEARING HJR 11, 14

TAPES 84-85 A-B

HOUSE REVENUE COMMITTEE

MARCH 21, 2005 1:00 PM STATE CAPITOL BUILDING

Members Present:	Rep. Tom Butler, Chair
	Rep. Vicki Berger, Vice-Chair
	Rep. Mark Hass, Vice-Chair
	Rep. Brian Boquist
	Rep. Sal Esquivel
	Rep. Larry Galizio
	Rep. Betty Komp
	Rep. Andy Olson
	Rep. Chuck Riley
Witnesses Present:	Rep. Dave Hunt, District 40
	Sen. Frank Morse, District 8
	Sen. Richard Devlin, District 19
	Sen. Ben Westlund, District 27
	Ken Strobeck, League of Oregon Cities
	Sherry Olson, Mayor, North Plains

Don Otterman, City Manager, North Plains Tim McQuery, Mayor, Sweet Home Pat Gray, Finance Director, Sweet Home Craig Martin, City Manager, Sweet Home Brian Clem, Salem City Club Carol Robinson, Oregon Business Association Joan Smith, Vice-Chair, North Clackamas School Board Jonah Edelman, Executive Director, Stand for Children Lori Sattenspiel, Govt.Relations, Oregon Community Colleges Assn. Pat Farr, Lane County (2003 Representative District 14) Kappy Eaton, Governance Coordinator, League of Women Voters David Buchanan, State Chair, Common Cause Kathryn Firestone, Executive Director, Coalition for Schools David Williams, Oregon School Boards Assn. (OSBA) Art Schlack, Assn. of Oregon Counties (AOC) Lori Wimmer Whelan, Oregon Educators Assn. (OEA) John Marshall, Oregon School Boards Assn. Bob Shiprack, Building Trades Council Kate Richardson, State Treasurer's Office

Staff Present:

Paul Warner, Legislative Revenue Officer Steve Meyer, Economist Kristi Bowman, Committee Assistant

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002 Chair Butler Calls meeting to order at 1:06 p.m.

OPENS PUBLIC HEARING FOR HOUSE JOINT RESOLUTION 14

019 Rep. Dave Hunt Testifies in support of HJR 14. Reads from written testimony and refers to handouts (Exhibit 2). Regarding the current double majority process, Rep. Hunt states that "non-voters should not be able to trump the will of voters." This bill will assist schools and fire departments without financial expenditures.

117 Senator Frank Morse Testifies in support of HJR 14. Asks rhetorically, is the double majority issue about taxation or is it an issue about a fundamental function of democracy. Every vote should count, and those who choose not to participate should not be given more weight because they withhold their vote.

148 Rep. Galizio Asks if the legislative decision not to repeal the double-majority was a pragmatic or policy decision.

150 Rep. Hunt Responds that the decision was a "little of both." This bill is a compromise with local governments who would like a full repeal. By keeping the double majority requirement in the May and November elections when voters are expecting local property tax measures, it ensures that the majority of voters will be participating.

166	Ken Strobeck	Testifies in support of HJR 14. Refers to booklet "Local Property Tax Election Study" (Exhibit 3). Comments that the double majority only applies to local govt. property tax measure, not to any measure passed by the state. A repeal of the double majority was proposed in May 1998, and it was defeated by a 51% to 49% vote. Refers to research report by League of Oregon Cities that lists the double majority failures between 1997-2004 (Exhibit 4). Non-votes have become the determining factor in many local elections. Discusses specific local examples of recent double majority elections. States that the double majority requirement "contradicts our fundamental concepts of fairness, equality and democracy." The provisions in HJR 14 would "level the playing field" between voters and non-voters for at least two elections per year.
243	Sherry Olson	Testifies in support of HJR 14 because it supports the vote of the person who cares enough to vote. Comments that it is difficult to determine a voter's intent in a double majority election because a no vote or non-vote could mean voter apathy or a deliberate manipulation of the double majority system. Olson also discusses the challenges of maintaining accurate voter registration numbers.
283	Don Otterman	Testifies in support of HJR 14. Concurs with Sherry Olson's testimony. Discusses failed ballot measures since 1997 due to double majority. The double majority affects smaller communities the most because of the small number of votes needed to make up the double majority.
361	Senator Devlin	Submits written testimony (Exhibit 5). Comments that he and Rep. Hunt have proposed a similar measure in the Senate. Supports HJR 14 because it supports the voters who take the time to approve or disapprove a [local tax] measure. It supports the principles of a participatory democracy. The double majority is a bad concept, and it should be referred back to the voters for consideration.

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006	Tim McQueary	Reads from written testimony (Exhibit 6) in favor of HJR 14.
033	Pat Gray	Submits written testimony (Exhibit 7) in support of HJR 14. Discusses various ballot measures in Sweet Home affected by the double-majority.
058	Chair Butler	Asks about the November 2002 election in Sweet Home in which the voters passed the police department funding but did not pass the library funding. Additional discussion with Gray.
098	Rep. Berger	Clarifies with Gray that HJR 14 will still have the double majority requirement for the May and November elections.
128	Rep. Riley	Asks Gray: 1) what was the percentage of voter turn-out in November 2002; 2) if HJR 14 is passed, would it impact the number of special elections.
160	Gray	Responds: 1) she does not have the specific percentage of voter turn- out, but comments that it was over 50%. 2) There would still be special elections if the issue is critical, such as the library funding issue. Expresses concern that last fall's voter enrollment push will make it more difficult to achieve the double majority.

		Concurs with previous testimony of McQueary and Gray from Sweet Home who support HJR 14. The double majority is "life and death" for police and library services.
198	Brian Clem	Submits handout: Executive Summary of the Double Majority (Exhibit 8). Testifies in support of HJR 14 and comments that he is "enraged" that the double majority requirement is part of the democratic process.
228	Carol Robinson	Testifies in support of HJR 14 on behalf of the Oregon Business Association (OBA). The OBA supports HJR 14 in order to allow additional elections to be used to pass bond levy issues that support schools and public safety. Discusses a local election that was impacted by the double majority requirement.
287	Joan Smith	Testifies in support of HJR 14. Discusses a 1997 Clackamas school measure impacted by the double majority requirement.
385	Jonah Edelman	Testifies in support of HJR 14 because: 1) the double majority is wasteful; 2) the value of a non-voter's 'vote' compared to the value of a person who takes the time to vote; 3) the principle of one voter—one vote is "mocked" by the double majority rule. Submits written testimony (Exhibit 9).
410	Lori Sattenspiel	Testifies in support of HJR 14. Summarizes written testimony from two community colleges impacted by the double majority requirement (Exhibits 10 and 11). Comments on the additional costs and resources used for additional elections needed to pass the bond levies.

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019	Pat Farr	Testifies in support of HJR 14. Comments that with the double majority rule he is not assured that his vote will count.
035	Chair Butler	Asks for more information from League of Oregon Cities on the double majority impact. Asks for research report on the history of money expended in special elections and the local budget process.
070	Kappy Eaton	Testifies in support of HJR 14. Reads from written testimony (Exhibit 12).
086	David Buchanan	Testifies in support of HJR 14. The double majority rule encourages the concept of non-voting and works counter to other democratic processes. Recommends reviewing voter turnout and results in the May and November elections and look at eliminating the concept of rewarding "non-voting."
108	Kathryn Firestone	Submits written testimony (Exhibit 13) in support of HJR 14. The double majority rule has affected schools statewide. The standards of elections should be that each side should develop compelling arguments and let the voters decide. Comments on the increase of voters from last fall's voter push and how those increased numbers will affect the double majority requirement. HJR 14 is about the right and responsibility of voters to participate in the election process.
130	Chair Butler	Reads from written testimony submitted by Bob Livingston, Oregon State Firefighters, in support of HJR 14 (Exhibit 14).

145	David Williams	Supports HJR 14. Refers to handout (Exhibit 15) from the OSBA web site pertaining to all school elections since 1997 in which the double majority was in effect but a 50% vote was not received. Comments that people who choose not to vote are declining their right to representation on taxation issues.
171	Art Schlack	Testifies on behalf of AOC in support of HJR 14. AOC supports the concept of local control, and Oregon voters should have the right to amend or retain the double majority rule.
183	Lori Wimmer Whelan	Paraphrases written testimony (Exhibit 16). The OEA supports returning to the democratic principle of "majority rules" and supports HJR 14.

211 Chair Butler General comments to the committee members about the bill.

CLOSES PUBLIC HEARING FOR HJR 14

OPENS PUBLIC HEARING FOR HJR 11

228 Steve Meyer Gives overview of HJR 11 (Exhibit 17). The bill pertains to funding school capital costs. It revises the state constitution, requiring a 2/3 vote by the legislature to pass it on to the voters. It would redirect state lottery funds into the matching fund when the education stability fund reaches its limit.

250	Rep. Hunt	Testifies in support of HJR 11. Discusses HJR 18 in the 2003 regular session that had the same provisions as HJR 11. It was defeated on the House floor because it did not achieve a super-majority vote. Allows future legislators to expend excess lottery funds into a capital matching fund for K-12 schools. It is good for schools and construction jobs.	
311	Sen. Ben Westlund	Testifies in support of HJR 11. It lowers costs for all Oregonians by providing stable school capital funding.	
343	John Marshall	Testifies in support of HJR 11. Discusses the inability for low population areas to afford additional property taxes for local school repairs or construction. HJR 11 creates the authority for the legislature to help local school construction needs. It identifies a revenue source like the lottery fund to repay the construction debt, and it determines an equitable way to distribute the funds.	
409	Bob Shiprack	Testifies in support of HJR 11 because it would help create more construction jobs. The Building Trades Council sees it as a "jobs bill."	
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11	Rep. Hass	Asks Marshall about if voters will see this bill as a "fix" for schools.	
15	Marshall	Responds that it is relatively easy for voters to make a distinction between costs for staffing versus costs for capital costs This is only one piece of the overall school funding issue.	

030	Chair Butler	Adds that there is always a concern regarding the perception of voters on school issues. Expresses concern that some districts may postpone some construction projects and wait for a larger funding bill to take care of a bigger project.
040	Shiprack	Responds that the funding in HJR 11 is relatively small for all school projects in the state, and he would hope that there would be a review process in place to prohibit a school board from postponing minor repairs.
049	Rep. Komp	Comments that most schools are always in desperate need of help on construction projects.
058	Kate Richardson	Submits written testimony (Exhibit 18) from Randall Edwards, State Treasurer supporting HJR 11. Richardson states that the constitutional amendment in HJR 11 would only authorize the development of the program, not the actual program itself. Enabling legislation would have to create the program.

CLOSES PUBLIC HEARING FOR HJR 11

083 Chair Butler

Adjourns meeting at 2:35 p.m.

Kristi Bowman, Committee Assistant

Kim Taylor James, Committee Coordinator

Exhibit Summary:

- 1. 1. HJR 14, Revenue Impact Statement, Meyer, 1 pg., 03/18/05
- 2. 2. HJR 14, Testimony and Handouts, Rep. Hunt, 24 pp., 03/21/05
- 3. 3. HJR 14, Booklet: Local Property Tax Election Study, League of Oregon Cities, 42 pp., 03/04
- 4. 4. HJR 14, Handout: Double Majority Failures: 1997-2004, League of Oregon Cities, 6 pp., 03/21/04
- 5. 5. HJR 14, Testimony, Sen. Devlin, 1 pg., 03/21/05
- 6. 6. HJR 14, Testimony, McQueary, 1 pg., 03/21/05
- 7. 7. HJR 14, Testimony, Gray, 1 pg., 03/21/05
- 8. 8. HJR 14, Executive Summary, Salem City Club, 2 pp., 03/21/05
- 9. 9. HJR 14, Testimony, Edelman, 1 pg., 03/21/05
- 10. 10. HJR 14, Testimony, Pulliams, 1 pg., 03/21/05
- 11. 11. HJR 14, Testimony, Wendle, 1 pg., 03/21/05
- 12. 12. HJR 14, Testimony, Eaton, 1 pg., 03/21/05
- 13. 13. HJR 14, Testimony, Firestone, 2 pp., 03/21/05
- 14. 14. HJR 14, Testimony, Livingston, 1 pg., 03/21/05
- 15. 15. HJR 14, Handout: Ballot: Unofficial Election Results, OSBA, 2 pp., 03/21/05
- 16. 16. HJR 14, Testimony, Wimmer Whelan, 1 pg., 03/21/05
- 17. 17. HJR 11, Revenue Impact Statement, Meyer, 1 pg., 03/18/05
- 18. 18. HJR 11, Testimony, Edwards, 1 pg., 03/21/05