

**INFORMATIONAL MEETING
DAS REPORT ON CHARGES & FEES
TAPES 34-35, A**

**SENATE REVENUE COMMITTEE
FEBRUARY 14, 2005 8:30 AM STATE CAPITOL BUILDING**

Members Present: Senator Ryan Deckert, Chair
Senator Gary George
Senator Rick Metsger
Senator Floyd Prozanski
Senator Charles Starr

Witness Present: Kelly Freels, Department of Administrative Services

Staff Present: Paul Warner, Legislative Revenue Officer
Barbara Guardino, Committee Assistant

TAPE 34, SIDE A

005 Chair Deckert Calls meeting to order at 8:35 a.m. Announces the Department of Administrative Services will present an update on the increases charges and fees as the tax rate has fallen.

INFORMATIONAL MEETING

015 Paul Warner Directs members' attention to SB 333, section 3 (**EXHIBIT 1**) which established a process for fees in 1995.

041 Chair Deckert Asks what makes up these fees?

043 Kelly Freels Directs members' attention to Statewide Fee Overview paper version of slide show (**EXHIBIT 2**) and sample fee report from DAS data base – actual report is 65-75 pages long (**EXHIBIT 3**).

060 Freels Will cover three areas:
1) Statutory requirements
2) 2003-05 report results
3) Observations/comments

065 Freels Slide 2: Definition
Slide 3: SB 333 (1995) Discusses page 3, section 3

085 Freels Slide 4: Currently Collected Information
Slide 5: Fee Revenue Estimates vs. Legislatively Adopted Budgets

105 Freels Slide 6: Number of Fees by Program Area (approximately 2,500 in data base)

110 Warner In terms of dollar amounts, biggest areas are higher education and OHSU, which are not included in this report.

119 Sen. George Comments on fee report.

134 Freels Continues review of slide 6. Points out that 80% of fees are in Natural

		Resources and Consumer and Business Services. Slide 7: Number of Fees by Agency
145	Freels	
165	Chair Deckert	Asks if agencies can increase fees or if this requires legislative action.
169	Freels	Responds, if the legislature gives agencies administrative authority, then it has to ratify increases.
174	Chair Deckert	Asks if there has been an up-tick in fees in past 5-6 years.
178	Freels	Responds yes, increases have occurred short-term and long-term.
197	Freels	Slide 8: Who pays Fees In Oregon? These figures are tentative.
215	Freels	Slide 9: Statewide Fee Changes
222	Freels	Slide 10: Fee Changes in Major Agencies, bar chart
238	Freels	Begins observations. Points out, there is no intersection between the fee report and the budget process. Comments on the fee report. Questions whether information on this report is being used.
277	Freels	Does not know the cost of producing this report.
289	Chair Deckert	Asks how many employees are needed to administer this section.
306	Freels	Responds, one clerical person works part-time on this report. Cost is insignificant, but if it's not usable he questions whether it's worth producing at all.
326	Chair Deckert	Follow-up questions concerning higher education tuition fees.
333	Freels	DAS has excluded tuition from any analysis. Fee data base isn't tied into technical budget system. Can provide information concerning cost of tuition fees.
355	Warner	Will provide higher education fee information. Dept. of Higher Education would be glad to speak before the committee.
395	Sen. George	Do other analyses include tuition and fees in their measurements?
419	Warner	Yes. Largest component is higher education; second is health and hospitals.
422	Sen. Prozanski	Comments on font size of fee report.
442	Freels	Responds, it is unreadable, to illustrate a point.
445	Chair Deckert	One question this committee needs to answer is whether Section 3 is even necessary.
456	Freels	Suggests a conversation between Legislative Revenue and Legislative Fiscal offices concerning what kind of information is helpful.

035	Warner	Follows up on issue of working with fiscal office. He will return before the committee with recommendations based on those discussions.
066	Sen. George	Comments, more analysis would be better than 68 pages of unreadable data.
070	Sen. George	Asks if Treasurer's Office delivered information promised last week.
081	Warner	They provided information to LRO. That information will be available during Wednesday's discussion (February 16).
087	Chair Deckert	Adjourns meeting at 9:08 a.m.

Tape Log Submitted by,

Barbara Guardino, Committee Assistant

Exhibit Summary:

1. Informational, Section 3, page 3 of Senate Bill 333, Warner, 1 pp.
2. Informational, Statewide Fee Overview, Freels, 10 pp.
3. Informational, sample pages from fee report, Freels, 2 pp.