

HOUSE REVENUE COMMITTEE
FEBRUARY 12, 2003, 2003 8:30 AM STATE CAPITOL BUILDING

Members Present: Representative Lane Shetterly, Chair
Representative Wayne Scott, Vice Chair
Representative Joanne Verger, Vice Chair
Representative Phil Barnhart
Representative Vicki Berger
Representative Pat Farr
Representative Mark Hass
Representative Elaine Hopson
Representative Max Williams

Members Excused:

Witness Present: Tom Linhares, Columbia County Assessor
Oregon State Association of Assessors
J.L. Wilson, NFIB

Staff Present: Paul Warner, Legislative Revenue Office
Mazen Malik, Legislative Revenue Office
Dick Yates, Legislative Revenue Office
Kathy Tooley, Committee Assistant

TAPE 40, SIDE A

004 Chair Shetterly Calls meeting to order at 8:34 a.m.

PUBLIC HEARING HB 2023

013 Mazen Malik Presented a description, (Exhibit 1), and background (Exhibit 2) of the measure and -2 amendment (Exhibit 3). Bill has minimal revenue impact, and no fiscal impact.

030 Chair Shetterly The concern was that a delinquent filer could take advantage of the system, choose the year of delinquency, call it the first year and get the penalty. The intent was if this was a first time filer, legitimately ignorant of filing requirements. Tom Linhares, does this measure do what it was intended to do?

036 Tom Linhares Answers affirmatively.

040 Chair Shetterly The -2 amendment replaces the -1?

044 Malik Answered affirmatively.

050 Chair Shetterly Have you looked at the -2 amendments?

053 JL Wilson The amendment addresses the issue.

061 Chair Shetterly Closed public hearing on HB 2023.

OPENED WORK SESSION ON HB 2023

062 Rep. Verger **MOTION: MOVED (-2) AMENDMENT INTO HB 2023, DATED 02/07/2003 BE ADOPTED.**

065 Chair Shetterly **HEARING NO OBJECTION THE CHAIR SO ORDERS. (ALL MEMBERS PRESENT EXCEPT WILLIAMS AND HOPSON, EXCUSED)**

066 Rep. Verger **MOTION: MOVED HB 2023 AS AMENDED TO THE HOUSE FLOOR WITH A DO PASS RECOMMENDATION.**

068 **ROLL CALL: MOTION PASSED 7-0-2
REPRESENTATIVES VOTING AYE: Barnhart, Berger, Farr, Hass, Scott, Verger, Chair Shetterly. REPRESENTATIVES EXCUSED: Hopson, Williams* (see meter 252 for Rep. Williams vote).**

Rep. Barnhart will carry the bill.

OPENED PUBLIC HEARING ON HB 2024

080 Mazen Presented a description and background on the measure. HB 2024 has no fiscal or revenue impact (Exhibit 4).

092 Linhares Testified in favor of HB 2024. The measure is requested by the OSAA to simplify Board of Property Tax Appeals procedures.

120 Rep. Berger It appears by having a record of appeals settled before the board it would give you a picture of a systemic problem. Am I wrong?

110 Linhares You are not wrong. The statutes as currently written, require that written stipulation be given to the board so they have a record of it.

145 Hass Can you comment on how HB 2024 and HB 2025 are linked?

148 Linhares It was intended that they be included in one bill.

OPENED PUBLIC HEARING ON HB 2025

157 Chair Shetterly Opened HB 2025 to be heard in conjunction with HB 2024. Discussed distribution of letter from Yamhill County Clerk in support of HB 2024 and HB 2025 (Exhibit 6).

150 Linhares HB 2025 allows immediate reduction in value if the property owner and assessor stipulate to the property value and allows for immediate refund. HB 2025 deals with the period of time before December 31 the deadline to appeal property value. HB 2024 deals with the period of time after the appeal has been filed and the property owner and assessor agree and stipulate in writing before the Board of Property Tax Appeals convenes.

215 Chair Shetterly In both cases, HB 2024 and HB 2025 streamline the process benefiting taxpayer and assessor, saving the effort required in the appeals process to get the agreed upon reduction and refund.

226 Chair Shetterly Closed the public hearing on HB 2024 and HB 2025.

OPENED WORK SESSION ON HB 2024

226 Rep. Hass **MOTION: MOVED HB 2024 TO THE HOUSE FLOOR WITH A DO PASS RECOMMENDATION**

232

**ROLL CALL: MOTION PASSED 8-0-1
REPRESENTATIVES VOTING AYE: Barnhart, Berger, Farr, Hass, Scott,
Verger, Williams, Chair Shetterly. REPRESENTATIVE EXCUSED:
Hopson.**

Rep. Scott will carry the bill.

OPENED WORK SESSION ON HB 2025

241 Rep. Hass

**MOTION: MOVED HB 2025 TO THE HOUSE FLOOR WITH A DO PASS
RECOMMENDATION**

245

**ROLL CALL: MOTION PASSED 8-0-1
REPRESENTATIVES VOTING AYE: Barnhart, Berger, Farr, Hass, Scott,
Verger, Williams, Chair Shetterly. REPRESENTATIVE EXCUSED:
Hopson.**

Rep. Hass will carry the bill.

OPENED WORK SESSION ON HB 2023

252 Chair Shetterly

**MOTION: REQUESTED UNANIMOUS CONSENT TO RETURN TO THE
WORK SESSION ON HB 2023 FOR THE PURPOSE OF ALLOWING REP.
WILLIAMS TO VOTE. HEARING NO OBJECTION THE CHAIR SO
ORDERED.**

252 Chair Shetterly

Rep. Williams how do you vote?

253 Rep. Williams

Aye.

FINAL VOTE ON HB 2023 IS 8-0-1.

OPENED PUBLIC HEARING ON HB 2026

262 Mazen

Presented a description and background on the measure. HB 2026 has no fiscal or revenue impact (Exhibit 7).

277 Linhares

Testified in favor of HB 2026. Explained currently small water associations, which are exempt from property taxes under current statutes, are required to re-file every year. This bill would eliminate re-filing each year in cases where ownership or use does not change.

307 Chair Shetterly

Closed Public Hearing on HB 2026.

OPENED WORK SESSION ON HB 2026

308 Verger

**MOTION: MOVED HB 2026 TO THE HOUSE FLOOR WITH A DO PASS
RECOMMENDATION**

315

**ROLL CALL: MOTION PASSED 8-0-1
REPRESENTATIVES VOTING AYE: Barnhart, Berger, Farr, Hass, Scott,
Verger, Williams, Chair Shetterly. REPRESENTATIVE EXCUSED:
Hopson.**

Rep. Berger will carry the bill.

OPENED HEARING ON HB 2197

340	Yates	Presented description and background of HB 2197.
365	Yates	Described -1 amendment, allows eligible persons to use described method of determining value of timber that is harvested.
415	Yates	Described -2 amendments, only looks at value in small tract program.
480	Yates	Gave background of -3 amendment, describes qualifications to enter into program, (Exhibit 8).

TAPE 41, SIDE A

015	Chair Shetterly	By directive of the Department, it will come back to the Legislature with a review of the statute in 2009. Want to make sure disincentives are built that would not allow woodland owners to opt in and out of program.
026	Hass	How were these rates and values agreed to or arrived upon?
040	Yates	Explained methodology behind how the rates were developed.
055	Chair Shetterly	For the record, it is good to know the intent is to be revenue neutral, so in 2009, that would be the basis on which to make the adjustment.
066	Chair Shetterly	For the record, by a nod of your head indicate approval of -3 amendments: Kristina McNitt, Oregon Small Woodlands Association and Oregon Department of Forestry Technical Working Group; Wally Rutledge, Oregon Department of Forestry; and Norm Miller from Department of Revenue. All nodded.
071	Chair Shetterly	The fiscal impact is anticipated and included in the governor's budget, there is no referral to Ways and Means, and can be sent to the floor.
079	Barnhart	The attempt of the bill is to reduce the incentive to cut lumber prematurely in order to pay property taxes and to make sure over the harvest cycle taxes are paid.

OPENED WORK SESSION ON HB 2197

097	Rep. Williams	MOTION: MOVED (-1) AMENDMENT INTO HB 2197, BE ADOPTED.
099	Chair Shetterly	HEARING NO OBJECTION THE CHAIR SO ORDERS.
100	Rep. Verger	MOTION: MOVED (-2) AMENDMENT INTO HB 2197, BE ADOPTED.
102	Chair Shetterly	HEARING NO OBJECTION THE CHAIR SO ORDERS.
103	Rep. Barnhart	MOTION: MOVED (-3) AMENDMENT INTO HB 2197, BE ADOPTED.
105	Chair Shetterly	HEARING NO OBJECTION THE CHAIR SO ORDERS.
107	Rep. Farr	MOTION: MOVED HB 2197 TO THE HOUSE FLOOR AS AMENDED WITH A DO PASS RECOMMENDATION.

**ROLL CALL: MOTION PASSED 8-0-1
REPRESENTATIVES VOTING AYE: Barnhart, Berger, Farr, Hass, Scott,
Verger, Williams, Chair Shetterly. REPRESENTATIVE EXCUSED:
Hopson.**

Chair Shetterly and Rep. Verger will carry the bill.

123	Chair	Closed the work session on HB 2197.
125	Verger	MOTION: MOVED TO RECONSIDER THE VOTE BY WHICH LC 2040 WAS INTRODUCED AS A COMMITTEE BILL AT THE REQUEST OF THE LEAGUE OF OREGON CITIES AND THE ASSOCIATION OF OREGON INDUSTRIES.
127	Chair Shetterly	Clarifies the bill is being introduced at the request of The League of Oregon Cities only.
147	Chair Shetterly	HEARING NO OBJECTION THE CHAIR SO ORDERS.
148	Chair Shetterly	MOTION: MOVED INTRODUCTION OF LC 2040 AS A COMMITTEE BILL AT THE REQUEST OF THE LEAGUE OF OREGON CITIES.
149	Chair Shetterly	HEARING NO OBJECTION, THE CHAIR SO ORDERS.
151	Chair Shetterly	Clarifies for all of the committee bills introduced today, that those bills are entered as Committee Bills, but do not indicate support or opposition by the members of the Committee.
171	Chair Shetterly	MOTION: MOVED INTRODUCTION OF LC 353 AS A COMMITTEE BILL AT THE REQUEST OF ASSOCIATED OREGON INDUSTRIES, OREGON METALS INDUSTRY COUNCIL, OREGON FARM BUREAU, OREGON DAIRY FARMER'S ASSOCIATION, AND OREGON SEED COUNCIL, FURTHER MOVED INTRODUCTION OF LC 2117, LC 2376, AND LC 2338 AS COMMITTEE BILLS.
176	Chair Shetterly	Any discussion?
178	Barnhart	LC 2117 is the technical fix bill?
180	Chair Shetterly	Answers affirmatively.
181	Chair Shetterly	HEARING NO OBJECTION, THE CHAIR SO ORDERS.
183	Chair Shetterly	Meeting adjourned at 9:15 a.m.

Tape Log Submitted by,

Kathy Tooley, Committee Assistant Reviewed by Kim Taylor James

Exhibit Summary:

1. Malik, Revenue Impact HB 2023-2, 1 page
2. Malik, Staff Measure Summary HB 2023-2, 1 page
3. Malik, HB 2023-2 Proposed Amendment, 1 page
4. Malik, Staff Measure Summary HB 2024, 1 page

5. Shetterly, Letter in support of HB 2024 and HB 2025 from Jan M. Coleman OACC BOPTA Legislative Chair, 1 page
6. Malik, Staff Measure Summary HB 2025, 1 page
7. Malik, Staff Measure Summary HB 2026, 1 page
8. Yates, -3 Amendment HB 2197, 1 page
9. Chair Shetterly, LC 2040 Introduction, 22 pages
10. Chair Shetterly, LC 353 Introduction, 24 pages
11. Chair Shetterly, LC 2117 Introduction, 6 pages
12. Chair Shetterly, LC 2376 Introduction, 5 pages
13. Chair Shetterly, LC 2338 Introduction, 17 pages