

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

May 29, 2003 Hearing Room E
1:00 PM Tapes 68 - 69

MEMBERS PRESENT: Rep. Dan Doyle, Chair
Rep. Linda Flores, Vice-Chair
Rep. Laurie Monnes Anderson, Vice Chair
Rep. Vic Backlund
Rep. Phil Barnhart
Rep. Betsy L. Close
Rep. Joanne Verger

STAFF PRESENT: Cara Filsinger, Administrator
Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: HB 3611 – Public Hearing
HJR 54 – Public Hearing
SB 7 A – Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
Tape 68, A 004	Chair Doyle	Calls meeting to order at 1:04 p.m., announces order agenda items will be considered, and opens a work session on introduction of Speaker-approved committee bills.
<u>INTRODUCTION OF SPEAKER-APPROVED COMMITTEE BILL</u>		
011	Rep. Monnes Anderson	MOTION: Moves LC 3642 (SEE EXHIBIT B OF COMMITTEE MINUTES DATED MAY 22, 2003) BE INTRODUCED as a committee bill.
	Chair Doyle	VOTE: 5-0-2 EXCUSED: 2 - Reps. Backlund and Flores Hearing no objection, declares the motion CARRIED.
029	Chair Doyle	Closes the work session on introduction of Speaker-approved committee bills and opens a public hearing on SB 7 A.
<u>SB 7 A – PUBLIC HEARING</u>		
	Chair Doyle	Announces that the SB 7 A3 amendments proposed by Rep. Dalto will not be considered today (EXHIBIT A), and enters into record a joint statement from Senators Courtney and Winters in support of SB 7 A (EXHIBIT B).
	Katie Cannon	Director, Oregon State Fair. Testifies in support of SB 7 A. Submits summary of SB 7A (EXHIBIT C). Explains that the measure allows the State Fair to have a cooperative working relationship with a non-profit foundation. States they are in the process of developing the foundation. States it is clear what the relationship would be and what the limitations would be on that relationship.
054	Kathy Goss	Chair, Oregon State Fair Board of Commissioners. Reports that the commissioners support the bill.
067	Chair Doyle	Asks Cannon to explain the intent of Section 2(3).

	Cannon	Explains the intent is to allow the State Fair to support those activities, especially at the fair grounds. Gives example of raising money to restore historical doors on the stadium.
078	Chair Doyle	Comments that he is concerned (3) seems to be giving the agency broad discretion on how to use supplies, staff, and services for the foundation.
099	Cannon	Explains that in drafting the bill they worked with Senators Courtney and Winters, Legislative Counsel, and their assistant attorney general. States their assistant attorney general had done some research to see if other agencies are allowed to do this sort of thing. Gives example of the Oregon Law Commission being allowed to cooperate with foundations. Agrees the paragraph is very open.
104	Rep. Barnhart	Comments he is familiar with the operation of the University of Oregon Foundation, and states that people will not contribute to the foundation if the overhead is too high.
128	Rep. Verger	Asks that the witnesses give a scenario of what they might do that would be addressed by (3).
	Cannon	Explains that if the foundation wants to put on a reception for potential donors, her staff would have to coordinate the events and would need to provide the foundation with tickets for admission and parking. Perhaps a sponsor will provide the food and they would help coordinate it; it takes the coordination and the agency providing some services.
168	Rep. Verger	Asks if the motivation is to put them in a better position of expanding their base.
	Cannon	Responds affirmatively. States the letter from Senators Courtney and Winters provides information on what has been going on at the State Fair. This would help expand their activities. Gives examples of replacing doors on historic building and building arena, and the need to help the 4-H and FFA.
204	Rep. Verger	Comments on the importance of 4-H and FFA in rural Oregon. The success of the agency means they are contributing to the lives of young people.
224	Chair Doyle	States there is concerned about tightening the language in Section 3. Asks that they work together to get an amendment.
	Chair Doyle	Closes the public hearing on SB 7 A and opens public hearings on HB 3611 and HJR 54.

HB 3611 and HJR 54 – PUBLIC HEARINGS

250	Rep. Linda Flores	District 51. Testifies in support of HB 3611 and HJR 54. States that HB 3611 is based on actual revenue as opposed to projected, which the current kicker law is established upon. Comments on how the projection is made currently and the eight misses on the forecast. HB 3611 would require that growth be based on actual income to the state and help move the state to a more economically stable planning process. It allows for a five percent growth in government over two years.
	Rep. Flores	Submits and explains chart comparing revenue results of the current kicker law and HB 3611 (EXHIBIT D).
343	Kevin Mannix	Attorney in private practice and citizen. Testifies in support of HB 3611 and particularly HJR 54. States this is the best kicker reform this session because it moves away from the false projection and it tells what will happen to the excess revenues. Comments on existing system of projecting revenues. This

		proposal strengthens the kicker law and makes it smarter. Comments on the formula for distribution of the funds in the proposed legislation. Encourages the committee to support the referral. Suggests implementing legislation is necessary and it could be passed in the session afterward but it would be better to have implementation legislation so people will know what will happen. Advises that “purposes deemed to be emergencies by the Legislative Assembly” is left open. Suggests it could be limited by including a provision for a two-thirds vote of the House and the Senate, or by a majority vote.
452	Mannix	Comments that the repeal provision should be at least eight years, or no repeal at all. Comments on chart submitted by Rep. Flores (EXHIBIT D) .
TAPE 69, A		
019	Chair Doyle	States that Section 14 of HJR 54 is repealed on June 30, 2007; it is only that section that references July 1, 2003.
	Mannix	Withdraws his suggestion on the repealing language he suggested.
026	Rep. Flores	Comments she thinks this is a good planning tool. Comments there were recessions in 1982 and 1992 and now in 2002-03. States there needs to be a plan to look ahead and believes this is a good tool for doing that.
030	Chair Doyle	Advises members there are a couple of things to look to for amendments, and that the committee may revisit the issue in this proposal or another measure relating to the kicker in the next couple of weeks.
043	Chair Doyle	Closes the public hearings on HB 3611 and HJR 54 and adjourns the meeting at 1:35 p.m.

EXHIBIT SUMMARY

- A – SB 7, SB 7 A3 amendments, Rep. Dalto, 2 pp**
- B – SB 7, prepared statement, Senators Courtney and Winters, 1 p**
- C – SB 7, prepared statement, Katie Cannon, 7 pp**
- D – HB 3611, revenue chart, Rep. Flores, 1 p**