

HOUSE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

February 19, 2003 Hearing Room D
1:00 PM Tape 15

MEMBERS PRESENT: **Rep. Patti Smith, Chair**
 Rep. Vicki Berger, Vice-Chair
 Rep. Mary Gallegos, Vice-Chair
 Rep. Mark Hass
 Rep. Dave Hunt
 Rep. Steve March
 Rep. Dennis Richardson

STAFF PRESENT: **Kimberly A. Medford, Committee Administrator**
 Linda K. Gatto, Committee Assistant

MEASURE HEARD: **HB 2622 – Public Hearing and Work Session**

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 15, A		
004	Chair Smith	Calls the meeting to order at 1:07 p.m. and opens the public hearing on HB 2622.
<u>HB 2622 PUBLIC HEARING</u>		
010	Rep. Patridge	House District 6. States that HB 2622 is the E-commerce Enterprise Zone technical fix legislation. Provides an overview of the benefits and submits correspondence, (EXHIBIT A) .
048	Rep. Patridge	Explains that HB 2622 revenue impacts have already been included in the revenue forecast and companies have invested as a result. Notes that HB 2622 has been reviewed and will not have additional revenue impacts.
072	Pat Allen	Small Business and Emerging Technology Manager, Oregon Economic and Community Development Department. Submits (EXHIBIT B) and describes the E-commerce Enterprise Zone Program. Discusses the investment income tax credit qualifications and time line.
109	John Phillips	Department of Revenue. States support for HB 2622.
113	Rep. March	Asks about non-residents qualifying for an income tax credit.
125	Phillips	Explains that he can not provide that information.
142	Rep. Hass	Asks if Dell Commuter's site was based on the E-commerce Enterprise Zone incentive.
146	Allen	Responds that Dell is one of a dozen firms that made site decisions based in part to the availability of this benefit.
144	Rep. Hass	States that the intention of the legislation was to provide an incentive for development and that call centers were not the kind of facility that the legislation intended under E-commerce Enterprise Zones.

182	Allen	Explains Dell Computer's call centers.
Brief Recess 192 – 254		
255	Debra Buchanan	Department of Revenue.
262	Rep. March	Asks about non resident qualifications for income tax credits.
270	Buchanan	Refers to page 2, line 21, references ORS Chapter 316. Explains that the non-resident provision is referring to the individual non-resident. Provides details to clarify.
288	Chair Smith	Closes the public hearing on HB 2622 and opens the work session on HB 2622.
<u>HB 2622 WORK SESSION</u>		
290	Rep. Gallegos	MOTION: Moves HB 2622 to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Revenue BE RESCINDED.
296	Chair Smith	VOTE: 7-0 Hearing no objection, declares the motion CARRIED. REP. PATRIDGE will lead discussion on the floor.
306	Chair Smith	Closes the work session on HB 2622 and adjourns the meeting at 1:27 p.m.

EXHIBIT SUMMARY

- A – Prepared testimony, Representative Rob Patridge, 2 p**
- B – Prepared testimony, Pat Allen, 2 pp.**