

# HOUSE COMMITTEE ON TRANSPORTATION

March 14, 2003 Hearing Room 357  
8:30 AM Tapes 49 - 50

**MEMBERS PRESENT:** Rep. Alan Brown, Chair  
Rep. Elizabeth Beyer, Vice-Chair  
Rep. John Mabrey Vice-Chair  
Rep. Jackie Dingfelder  
Rep. George Gilman  
Rep. Mitch Greenlick  
Rep. Cliff Zauner

**STAFF PRESENT:** Janet Adkins, Administrator  
Ryan Sherlock, Assistant

**MEASURE/ISSUES HEARD:** HB 2853 – Public Hearing  
HB 2997 – Public Hearing and Work Session  
HB 2747 – Public Hearing  
HB 3138 – Public Hearing

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b><u>Tape 49, A</u></b>		
003	Chair Brown	Calls the meeting to order at 9:00 a.m., and opens a public hearing on HB 2853.
<b><u>HB 2853 – PUBLIC HEARING</u></b>		
005	Janet Adkins	Committee Administrator. Offers a description of HB 2853 and the proposed -1 amendment ( <b>EXHIBIT A</b> ).
025	Roger Martin	Oregon Transit Association, Executive Director. Offers testimony regarding HB 2853.
040	Rep. Beyer	Asks if this bill would affect any other transportation district.
045	Martin	Explains that this would only affect the one district.
055	Chair Brown	Closes the public hearing on HB 2853, and opens a public hearing on HB 2997.
<b><u>HB 2997 – PUBLIC HEARING</u></b>		
060	Janet Adkins	Committee Administrator. Offer a description of HB 2997, and the proposed -2 amendment ( <b>EXHIBIT B</b> ).
075	Cliff Olson	Oregon Petroleum Marketers Association. Offers testimony in support of HB 2997.
090	Paul Romain	Oregon Petroleum Marketers Association. Offers testimony in support of HB 2997.
110	Rep. Greenlick	Refers to an earlier discussion which indicated the taxes were collected when the fuel was pumped into the ground.
115	Adkins	Explains that the taxes on the dealers are taxed when the fuel is pumped into the ground and the consumer is taxed when the fuel goes into their automobile.
120	Rep. Greenlick	Clarifies that statute dictates that there are two separate times at

130	Dave Tyler	which tax is assessed. Oregon Department of Transportation, Chief Financial Officer. Offers written testimony ( <b>EXHIBIT C</b> ) in support of HB 2997.
150	Adkins	Asks who would be exempt from this bill.
160	Tyler	Explains that truckers who have documentation showing they pay the weight-mile tax rather than the gas tax, and further comments on who is exempt.
165	Chair Brown	Discusses his experience with the card lock system.
175	Bob Russell	Oregon Trucking Association, President. Offers testimony in support of HB 2997.
195	Chair Brown	Closes the public hearing on HB 2997, and opens a work session on HB 2997.

**HB 2997 – WORK SESSION**

<b>200</b>	<b>Rep. Beyer</b>	<b>MOTION: Moves to ADOPT HB 2997-2 amendments dated 03/13/03.</b>
<b>205</b>		<b>VOTE: 7-0</b>
	<b>Chair Brown</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>210</b>	<b>Rep. Beyer</b>	<b>MOTION: Moves HB 2997 to the floor with a DO PASS AS AMENDED recommendation.</b>
<b>215</b>		<b>VOTE: 7-0</b>
	<b>Chair Brown</b>	<b>AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.</b>
<b>220</b>	<b>Rep. Zauner</b>	<b>MOTION: Moves HB 2997 be placed on the CONSENT CALENDAR.</b>
		<b>VOTE: 7-0</b>
	<b>Chair Brown</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
225	Chair Brown	Closes the work session on HB 2997, and opens a work session on HB 2747.

**HB 2747 – PUBLIC HEARING**

230	Janet Adkins	Committee Administrator. Offers a description of HB 2747 with reference to the applicable federal tax code ( <b>EXHIBIT D</b> ) and relevant news articles ( <b>EXHIBITS E, F, and G</b> ).
250	Senator Ringo	Senate District 17. Offers written testimony ( <b>EXHIBIT H</b> ) in support of HB 2747.
355	Chair Brown	Refers to his businesses use of SUV vehicles.
360	Sen. Ringo	Explains that the purpose of the bill is not to limit the legitimate use of the tax write-off, but to close the abuse of the loop-hole.
375	Rep. Dingfelder	Explains that she is a co sponsor of the bill, and points out that she did not intend to limit the legitimate use of the tax break.

**TAPE 50, A**

005	Rep. Zauner	Asks whether there are any statistics which would indicate a loss in sales of these vehicles due to the bill.
010	Sen. Ringo	Explains his belief that the tax loop-hole is an added incentive, and may affect the decision of purchasing a larger vehicle.
015	Rep. Mabrey	Clarifies that Sen. Ringo would be willing to hold off action on the bill to address the concerns of the Farm Bureau.
020	Sen. Ringo	Acknowledges, addressing the concerns of the Farm Bureau.
030	Rep. Greenlick	Asks whether another proposed bill, which would generally disconnect the state from the federal tax code, would address this problem.
035	Sen. Ringo	Explains that he does think the problem would be addressed by the other bill, but observes that the other bill would probably not pass.

040	Chair Brown	Points out that the bill does have a subsequent referral.
045	Don Schellenberg	Oregon Farm Bureau. Offers testimony in opposition to HB 2747.
065	Chair Brown	Asks the committee if anyone has a question of Ms. Buchanan from the Department of Revenue.
070	Rep. Dingfelder	Asks if the Department of Revenue or the Division of Motor Vehicles currently tracks the types of vehicles which use this tax break.
075	Debra Buchanan	Department of Revenue. Explains that her Department does not track such information.
080	Rep. Dingfelder	Clarifies that they could get a breakdown of which types of businesses are claiming the exemption.
085	Buchanan	Explains that the information could be obtained, discusses how the farming information could be obtained.
095	Rep. Greenlick	Clarifies how Oregon tax forms would need to change to obtain the information.
105	Buchanan	Discusses what changes would be needed to discover who was using the tax break.
125	Rep. Greenlick	Clarifies that the proposal being discussed would be a disconnect from future changes to the federal tax code.
130	Buchanan	Explains that there is currently a proposal for a partial disconnect, and another for a complete disconnect from the federal tax code.
145	Adkins	Refers to the news articles on the subject, and asks why heavier farm trucks are not talked about.
150	Buchanan	Explains that she is unsure to how heavy farm trucks are covered.
165	Chair Brown	Closes the public hearing on HB 2747, and opens a public hearing on HB 3138.

**HB 3138 – PUBLIC HEARING**

175	Janet Adkins	Committee Administrator. Offers a description of HB 3138.
195	Victor Hoffer	Marion County. Offers testimony in support of HB 3138.
325	Rep. Greenlick	Points out that Mr. Hoffer is rather more experienced than he lets on. Discusses the prior hearing which outlined the options for non-profit organizations to obtain custom plates without legislation.
350	Hoffer	Discusses the absence of a relevant non-profit.
420	Chair Brown	Closes the public hearing on HB 3138, and adjourns the meeting at 9:58 a.m.

**EXHIBIT SUMMARY**

- A – HB 2853, -1 amendment, Staff, 1 p.**
- B – HB 2997, -2 amendment, Staff, 1 p.**
- C – HB 2997, written testimony, Dave Tyler, 1 p.**
- D – HB 2747, Federal Tax Code, Staff, 6 pp.**
- E – HB 2747, news article, Staff, 2 pp.**
- F – HB 2747, news article, Staff, 2 pp.**
- G – HB 2747, news article, Staff, 4 pp.**
- H – HB 2747, written testimony, Senator Charlie Ringo, 1 p.**