

SENATE REVENUE COMMITTEE
FEBRUARY 18, 2003 1:00 PM STATE CAPITOL BUILDING

Members Present: Senator Ryan Deckert, Chair
Senator Ted Ferrioli, Vice Chair
Senator Tony Corcoran
Senator Lenn Hannon
Senator Charlie Ringo
Senator Bruce Starr

Witnesses Present: David Longanecker, Western Interstate Commission for Higher Education
John Phillips, Department of Revenue
Doug Ebner, Marion County Assessor
Debra Buchanan, Department of Revenue
Dexter Johnson, Legislative Counsel

Staff Present: Paul Warner, Legislative Revenue Office
Mazen Malik, Legislative Revenue Office
Tara Lantz, Committee Assistant

TAPE 34, SIDE A

004 Chair Deckert Calls meeting to order at 1:08pm.

OPENS PUBLIC HEARING ON SB 225

017 Mazen Malik Explains Section 1 of SB 225 which changes the value of payments on exempt port properties to Real Market Value (RMV). Exhibits 1-2.

029 Malik Explains Sections 2 and 3 of SB 225 which freezes annual growth in Maximum Assessed Value (MAV) for farm and open space land.

044 Malik Explains Section 4 of SB 225 which sets an effective date.

046 Malik Explains Sections 5 and 6 of SB 225 which establishes Assessed Value (AV) and Maximum Assessed Value (MAV) for partially exempt and specially assessed land.

053 Malik Explains Sections 7 and 8 of SB 225 which sets an effective date.

061 Malik Explains Sections 9 and 10 of SB 225 which takes out unnecessary requirement.

066 Malik Discusses revenue impact of SB 225. Exhibit 3.

082 John Phillips Testifies in support of SB 225 because it fixes unanticipated problems created from Measure 50. Exhibit 5. Begins by discussing section 1.

127 Phillips Discusses sections 2, 3, and 4.

150 Phillips Discusses sections 5, 6, 7, and 8.

209 Phillips Discusses sections 9 and 10.

- 233 Sen. Hannon Asks why sections 2 and 3 weren't dealt with in 1997.
- 240 Phillips States that he believes people didn't understand this adjustment would need to be made. Explains why it is necessary now.
- 287 Sen. Hannon Asks if there is typically a quicker rise in property evaluation on special assessed property rather than residential.
- 294 Phillips Answers that special assessed properties are so varied he can't answer that.
- 312 Sen. Hannon Asks how it would affect the look back period after a special exemption was no longer in effect.
- 330 Phillips Responds that once a property is disqualified taxes are determined by what the taxes would have been.
- 365 Doug Ebner Responds that they compute each year individually.
- Discussion follows.

CLOSES PUBLIC HEARING ON SB 225

OPENS WORK SESSION ON SB 225

- 415 Sen. Corcoran MOTION: MOVES SB 225 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
- 421 Sen. Hannon States that he will vote it out of committee but reserves the right to vote no after he checks it out with his own county assessor.
- 442 Sen. Deckert ORDER:
ROLL CALL VOTE: MOTION PASSES: 4-0-2.
SENATORS VOTING AYE: CORCORAN, HANNON, STARR, DECKERT.
SENATORS EXCUSED: RINGO, FERRIOLI.
Sen. Corcoran will carry the bill on the Senate Floor.

CLOSES WORK SESSION ON SB 225

OPENS PUBLIC HEARING ON SB 228

TAPE 35, SIDE A

- 013 Malik Explains SB 228 which permits disclosure of property valuation to lessor, lessee, or other person in possession of property. Exhibit 6. States that there is no revenue or fiscal impact. Exhibits 7-8.
- 029 Phillips Testifies in support of SB 228 because it allows the Department of Revenue to accurately value property and prevents double assessments. Exhibit 9.
- 069 Sen. Deckert Asks what the Department of Revenue does without these changes.
- 071 Phillips Responds that they currently call the entity that reported the information and try to make sure everything is accurate and possibly ask for written authorization.
- 088 Buchanan Testifies in support of SB 228 because it allows flexibility to work with taxpayers and their designees. Exhibit 9.

104 Sen. Hannon Asks about language of the bill on lines 22-26.

119 Phillips Responds that that is the language that allows them to disclose between parties.

127 Sen. Hannon Asks if somebody could find out additional information beyond the value of the property.

133 Phillips Responds that he doesn't believe any conversations would involve anything else.

136 Sen. Hannon Points Phillips to a section that includes reporting to child support enforcement services.
Discussion follows.

168 Dexter Johnson States that the substance of the language isn't being changed but clarified.

182 Sen. Hannon Asks whether information other than value of property can be obtained.

194 Johnson Responds negatively.
Discussion follows.

CLOSES PUBLIC HEARING ON SB 228

OPENS WORK SESSION ON SB 228

244 Sen. Starr MOTION: MOVES SB 228 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.

249 Sen. Deckert ORDER: HEARING NO OBJECTION, MOTION PASSES: 5-0-1. SENATOR EXCUSED: CORCORAN.
Sen. Deckert will carry the bill on the Senate Floor.

OPENS PUBLIC HEARING ON SB 229

248 Malik Explains SB 229 which changes the due date for additional taxes owed as a result of court decision. Exhibit 10. Discusses revenue impact. Exhibit 11.

301 Phillips Testifies in support of SB 229 because it fixes the unintended consequence of SB 125 (1999 Regular Legislative Session) of extending due dates to tax appeal cases. Exhibit 13.

369 Sen. Deckert Asks if there are any cases right now pending litigation that this would affect.

380 Phillips Responds that there could be and that Sen. Deckert has a good point that the language should maybe only include appeals after the effective date of the bill.

419 Sen. Deckert Suggests making changes to the bill to exclude tax appeals currently in process.

423 Phillips Agrees that the changes should be made.

CLOSES PUBLIC HEARING ON SB 229

OPENS WORK SESSION ON SB 232

TAPE 34, SIDE B

003	Sen. Hannon	Discusses why he initially objected SB 232 and why he now supports it without amendments. Refers members to memo from the Association of Counties in support of SB 232. Exhibit 14.
017	Sen. Hannon	MOTION: MOVES SB 232 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
023	Sen. Deckert	ORDER: HEARING NO OBJECTION, MOTION PASSES: 5-0-1. SENATOR EXCUSED: CORCORAN.
040	David Longanecker	Gives brief outline of presentation: Western Interstate Commission for Higher Education (WICHE) and Oregon. Exhibit 15.
051	Longanecker	Gives brief history of WICHE.
059	Longanecker	Discusses mission of WICHE.
074	Longanecker	Discusses regional priorities of WICHE
078	Longanecker	Discusses student Exchange Programs.
107	Longanecker	Discusses other WICHE programs.
121	Longanecker	Discusses Oregon's higher education situation.
145	Longanecker	Discusses the growing demand for higher education in Oregon.
234	Longanecker	Discusses Oregon's increasingly higher need students. Questions and answers interspersed.
314	Longanecker	Discusses Oregon's limited financial aid system.
378	Longanecker	Discusses Oregon' higher education future.
433	Sen. Deckert	Adjourns meeting at 2:41pm.

Tape Log Submitted by,

Tara Lantz, Committee Assistant Reviewed by Kim Taylor James

Exhibit Summary:

1. SB 225, Mazen Malik, Staff Measure Summary, 1p.
2. SB 225, Mazen Malik, Main Points, 1p.
3. SB 225, Mazen Malik, Revenue Impact Statement, 1p.
4. SB 225, Mazen Malik, Fiscal Impact Statement, 1p.
5. SB 225, John Phillips, Written Testimony, 8pp.
6. SB 228, Mazen Malik, Staff Measures Summary, 1p.
7. SB 228, Mazen Malik, Revenue Impact Statement, 1p.
8. SB 228, Mazen Malik, Fiscal Impact Statement, 1p.
9. SB 228, John Phillips and Debra Buchanan, Written Testimony, 3pp.

10. SB 229, Mazen Malik, Staff Measure Summary, 1p.
11. SB 229, Mazen Malik, Revenue Impact Statement, 1p.
12. SB 229, Mazen Malik, Fiscal Impact Statement, 1p.
13. SB 229, John Phillips, Written Testimony, 2pp.
14. SB 232, Gil Riddell, Written Testimony, 1p.
15. David Longanecker, WICHE and Oregon Presentation, 8pp.
16. David Longanecker, WICHE's Role in the Dynamic West, 2pp.