

**COMMITTEE**

**March 31, 2003 1:00 PM STATE CAPITOL BUILDING**

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

Members Excused: Senator Ted Ferrioli, Vice Chair

Witnesses Present: Carl Hosticka, METRO Counsel  
Reed Wagner, Lane County  
Judie Hammerstad, Mayor, Lake Oswego  
John Hartsock, Committee for the Future of Damascus  
Gary Conkling, Beaverton School District  
Linda Ludwig, League of Oregon Cities  
Mark Cottle, Mayor, Sherwood Oregon  
Denis Molden, Washington County Board of Commissioners

Staff Present: Paul Warner, Legislative Revenue Office  
Mazen Malik, Legislative Revenue Office  
Richard Yates, Legislative Revenue Office  
Ryan Sherlock, Committee Assistant

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**TAPE 76, SIDE A**

003 Chair Deckert Calls meeting to order at 1:11 a.m.

OPENS PUBLIC HEARING ON SB 626

010 Mazen Malik Explains SB 626 which creates a revenue sharing task force to study revenue sharing by jurisdictions that share urban growth boundaries. Exhibit 1.

045 Carl Hosticka Testifies in support of SB 626 because it addresses the problem of the "fiscalization of land use". Refer to written testimony. Exhibit 2.

135 Chair Deckert Asks what specific problem the proposed task force would be addressing.

140 Hosticka Details the geographic regions which would be addressed, and outlines the general problem.

155 Chair Deckert Asks if the state should be the convener of the task force.

160 Hosticka Responds affirmatively reasoning that any proposal from the task force would come back to the legislature.

165 Reed Wagner Responds that in other states that adopted task forces, it was overseen by the legislature.

175 Judie Hammerstad Explains that SB 626 is outside the legislative package of her City, but offers testimony in support of SB 626 because a task force would create an incentive for districts to share in the burden of industrial land, which is needed in the Metro area.

250 John Hartsock Discusses the committee on the future of Damascus. Testifies in

support of SB 626 because it addresses the shortfall in funding for local land improvements and development.

- 325 Sen. Ringo Points out that this issue underlines the severity of the local funding problem.
- 345 Gary Conkling Testifies in neutrality for SB 626 and expresses concerns that the bill could adversely affect school funding.

**TAPE 77, SIDE A**

- 005 Linda Ludwig Testifies in opposition to SB 626. Expresses concerns over the broad language of the bill that would affect many cities and counties outside the Metro area. Discusses concerns from various cities.
- 040 Mark Cottle Discusses the growth of Sherwood and testifies in "cautious support" for SB 626 in regards to a sub-regional analysis rather than a blanket of the Metro area.
- 085 Chair Deckert Asks if Cottle is speaking for Washington County Mayors.
- 090 Cottle Responds affirmatively.
- 100 Denis Molden Testifies in opposition to SB 626 because it would not address the problems or succeed in offering a range of solutions.
- 135 Sen. Ringo Points out that the bill merely proposes a task force.
- 140 Molden Expresses his concern that the outcome of the task force has already been decided, and the task force would only work to further that pre-decision.
- 165 Sen. Ringo Asks if the problem is really with huge development costs of the Damascus area.
- 170 Molden Responds that it is part of the problem and that everyone needs to agree on the problems before moving on to the process of finding a solution.
- 175 Chair Deckert Asks if Mr. Molden sees value in a sub-regional review.
- 180 Molden Discusses the value of a sub-regional focus, and concerns regarding this option.
- 200 Hosticka Comments on the opposition to the proposed task force.
- 235 Chair Deckert Asks that Mr. Hosticka meet with some of mayors who have concerns regarding the bill, and introduces into the record written testimony from the City of Wilsonville.

OPENS PUBLIC HEARING ON HB 2312

- 270 Dick Yates Explains HB 2312 which limits definitions in the law to the qualifying statute relating to the Master Settlement Agreement.

CLOSES PUBLIC HEARING ON HB 2312

OPENS WORK SESSION ON HB 2312

- 295 Sen. Starr MOTION: MOVES HB 2312 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
- 305 Sen. Deckert ORDER: HEARING NO OBJECTION, MOTION PASSES: 5-0-1.

SENATORS EXCUSED: FERRIOLI.

Sen. Corcoran will carry the bill on the Senate Floor.

CLOSES WORK SESSION ON HB 2312

OPENS PUBLIC HEARING ON HB 2135

310	Dick Yates	Explains the bill, the issues previously brought up, and the proposed changes.
350	Sen. Hannon	Asks Mr. Yates if the bill would allow deficit spending.
370	Yates	Responds that it allows the state to create a debt, but not to spend.
385	Paul Warner	Discusses the intent of the legislation.
400	Sen. Hannon	Asks that regardless of the policy implications of the bill, would this bill allow deficit spending.

**TAPE 76, SIDE B**

- 010	Warner	Explains that the state can have a cash deficit situation at any time and not have that constitute deficit spending.
		Discussion follows.
035	Sen. Hannon	Asks about timing of tax payments.
		Discussion follows.

CLOSES PUBLIC HEARING ON HB 2135

050	Chair Deckert	Adjourns the meeting at 2:08 p.m.
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- Tape Log Submitted by,

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- Tara Lantz, Committee Assistant

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**EXHIBIT SUMMARY**

1. SB 626, Mazen Malik, Staff Measure Summary, 1p.
2. SB 626, Carl Hosticka, Written Testimony, 2pp.
3. SB 626, City of Wilsonville, Written Testimony, 1p.
4. HB 2312, Richard Yates, Staff Measure Summary, 1p.