

SENATE REVENUE COMMITTEE
April 24, 2003 1:00 PM STATE CAPITOL BUILDING

Members Present: Senator Ryan Deckert, Chair
Senator Ted Ferrioli, Vice Chair
Senator Tony Corcoran
Senator Charlie Ringo

Members Excused: Senator Lenn Hannon
Senator Bruce Starr

Witnesses Present: Diane Belt, Oregon Association of County Tax Collectors
Dan Olsen, Washington County
Jeff Misley, Sussman Shank LLP
Pat Clancy, Municipal Debt Advisory Commission
Harvey Rogers, Preston, Gates, and Ellis
Jack Kenny, Oregon Housing and Community Services
Mike Carrier, Oregon Parks and Recreation Department
Bob Repine, Oregon Housing and Community Services

Staff Present: Paul Warner, Legislative Revenue Office
Richard Yates, Legislative Revenue Office
Lizbeth Martin-Mahar, Legislative Revenue Office
Mazen Malik, Legislative Revenue Office
Tara Lantz, Committee Assistant

TAPE 105, SIDE A

005 Chair Deckert Calls meeting to order at 1:10pm.

OPENS PUBLIC HEARING ON HB 2029

020 Mazen Malik Explains HB 2029 which updates the statues to allow for change in technology and medium of storage. Exhibit 1.

042 Diane Belt Testifies in support of HB 2029 because it saves time and brings the current system up to date with technology. Refer to written testimony. Exhibit 2.

058 Sen. Corcoran Expresses concern that people might complain that they are not able to get hard copies and asks if there is a back up system.

062 Belt Responds that there is a back up system and that they haven't stored anything like that for a long time.

Discussion follows.

CLOSES PUBLIC HEARING ON HB 2029

OPENS PUBLIC HEARING ON HB 2030

082 Malik Explains HB 2030 which allows for the certified mail receipt record to be on electronic format or computer printout. Exhibit 3. Explains the -3 amendment (Exhibit 4) which establishes a Tax Bankruptcy Account with recovered

amounts of taxes of cases where the county could not previously collect. Discusses revenue impact. Exhibit 5.

- 160 Belt Testifies in support of HB 2030 because it would save time and money by utilizing new services provided by the U.S. Postal Service. Refer to written testimony. Exhibit 6. Offers support on behalf of the Washington County Department of Assessment and Taxation for the -3 amendments because it allows counties to hire outside counsel for bankruptcy cases, resulting in more revenues. Refer to written testimony. Exhibit 7.
- 230 Sen. Ringo Asks if most bankruptcy filings were from in state or out of state.
- 234 Belt Responds they were all from out of state.
- 245 Belt Gives data from different counties on bankruptcy filings.
- 251 Sen. Deckert Asks if the other counties are okay with the -3 amendments.
- 253 Belt Responds affirmatively and discusses cases that have affected numerous counties.
- Questions and answers follow.
- 290 Sen. Deckert Asks if there should be a mechanism at the state level to help counties with bankruptcy cases.
- 292 Dan Olson Responds that Multnomah County, Washington County, and Clackamas County have collaborated and hired one law firm to represent them in bankruptcy and have a fee splitting system.
- 309 Belt Explains how the fund would work and gives examples of other states that have similar programs.
- 322 Sen. Deckert Asks how this account would benefit the county.
- 325 Belt Responds that it gives the county the opportunity to hire outside counsel to represent them in complicated bankruptcy cases.
- Questions and answers follow.
- 333 Olson Discusses experience with bankruptcy cases and testifies in support of the -3 amendments because it provides counsel an incentive to retrieve money for the counties in bankruptcy cases.
- 410 Jeff Misley Discusses experience with bankruptcy cases and why outside counsel is necessary in receiving money from the cases.

TAPE 106, SIDE A

- 061 Sen. Ringo Asks if it is not reasonable to make this an opportunity for the entire state and not just the metro area.
- 067 Misley Responds that there has been a greater effort on a state level.
- 080 Sen. Deckert Asks about the Texas model.
- 081 Misley Responds that Texas has pursued this as a collaborative effort between a number of counties.

Discussion follows.

CLOSES PUBLIC HEARING ON HB 2030

OPENS PUBLIC HEARING ON HB 2131

140	Richard Yates	Explains HB 2131 which authorizes state and local government issuers of bonds to enter into agreements for exchange of interest rates. Exhibit 8.
165	Pat Clancy	Testifies in support of HB 2131, discussing the work done by the Municipal Debt Advisory Commission in coming up with the bill. States that it is an attempt to fix problems faced by local governments in issuing bonds.
182	Harvey Rogers	Gives detailed overview of HB 2131.
349	Jack Kenny	Testifies in support of HB 2131 because it gives Housing and Community Services a tool to be used in facilitating the development of affordable housing. Refer to written testimony. Exhibit 10.
370	Sen. Corcoran	Asks if there is any opposition to this bill.
373	Kenny	Responds negatively.
389	Sen. Ferrioli	Asks what the advantage is in trading bonds.
391	Kenny	Responds that if you broaden the market you get better returns and it reduces risk.

TAPE 105, SIDE B

002	Sen. Ferrioli	Asks what broadening the market means.
005	Clancy	Responds that there are several other states that are involved in swapping, allowing for additional savings.

CLOSES PUBLIC HEARING ON HB 2131

OPENS WORK SESSION ON HB 2131

032	Sen. Ringo	MOTION: MOVES HB 2131 A TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
035	Sen. Deckert	ORDER: HEARING NO OBJECTION, MOTION PASSES: 4-0-2. SENATORS EXCUSED: HANNON, STARR. Sen. Courtney will carry the bill on the Senate Floor.

CLOSES WORK SESSION ON HB 2131

OPENS WORK SESSION ON HB 2029

040	Sen. Corcoran	MOTION: MOVES HB 2029 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
043	Sen. Deckert	ORDER: HEARING NO OBJECTION, MOTION PASSES: 4-0-2. SENATORS EXCUSED: HANNON, STARR. Sen. Corcoran will carry the bill on the Senate Floor.

CLOSES PUBLIC HEARING ON HB 2029

OPENS WORK SESSION ON SB 778

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| 060 | Mike Carrier | States that they were opposed to the original bill, but that with the amendments it appears to be closer to what they want. Does not offer support or testify against the amendments, but states that the -2 amendments look better minus the problem that the Parks and Recreation Department is not included in the commission. |
| 117 | Bob Repine | Testifies that they don't object with the concept of the amendments, but feel that the commission should include the historical society and an architect involved in historical architecture. Expresses concern over the language of providing administrative support. |

CLOSES WORK SESSION ON SB 778

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| 167 | Sen. Deckert | Adjourns meeting at 2:17pm. |
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Tape Log Submitted by,

Tara Lantz, Committee Assistant

Exhibit Summary:

1. HB 2029, Mazen Malik, Staff Measure Summary, 1p.
2. HB 2029, Diane Belt, Written Testimony, 1p.
3. HB 2030, Mazen Malik, Proposed HB 2030-3 Amendments, 20pp.
4. HB 2030, Mazen Malik, Staff Measure Summary, 1p.
5. HB 2030, Mazen Malik, Revenue Impact Statement, 1p.
6. HB 2030, Diane Belt, Written Testimony, 2pp.
7. HB 2030, Diane Belt, Written Testimony, 2pp.
8. HB 2131, Richard Yates, Staff Measure Summary, 1p.
9. HB 2131, Richard Yates, Staff Measure Summary from General Government Committee, 1p.
10. HB 2131, Jack Kenny, Written Testimony, 1p.
11. SB 778, Lizbeth Martin-Mahar, Proposed SB 778-1 Amendments, 4pp.
12. SB 778, Lizbeth Martin-Mahar, Proposed SB 778-2 Amendments, 4pp.
13. SB 778, Lizbeth Martin-Mahar, Staff Measure Summary SB 778-1, 1p.
14. SB 778, Lizbeth Martin-Mahar, Staff Measure Summary SB 778-2, 1p.