

HOUSE SPECIAL SESSION COMMITTEE ON BUDGET
Second Special Session

March 2, 2002 Hearing Room F
2:00 p.m. Tapes 6 - 7

MEMBERS PRESENT:

Rep. Ben Westlund, Chair
Rep. Jan Lee
Rep. Susan Morgan
Rep. Kurt Schrader
Rep. Lane Shetterly

STAFF PRESENT:

Adrienne Sexton, Administrator
Paul Warner, Legislative Revenue Officer
Dick Yates, Legislative Revenue Office
Harrison Conley, Legislative Counsel's Office
Sandy Thiele-Cirka, Administrative Support

MEASURES HEARD:

Public Hearing and Work Session
HJR 76
HB 4034-A
HB 4041
HB 4042
Introduction of Committee Measures
LC 53 – Revenue Bonds for State School Funds

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.

TAPE/#	Speaker	Comments
TAPE 6, A		
004	Chair Westlund	Calls meeting to order at 2:29 p.m. and opens public hearing on HJR 76.
<u>HJR 76 – PUBLIC HEARING</u>		
008	Chair Westlund	Closes public hearing on HJR 76 and opens work session on HJR 76.
<u>HJR 76 – WORK SESSION</u>		
010	Paul Warner	Legislative Revenue Officer, Legislative Revenue Office. Summarizes and submits amendments –2 (3/1/02), -4 (3/2/02) and the –5 (3/2/02) amendments (EXHIBIT A). Reviews the estimated end-of-year balance chart (EXHIBIT B).
043	Rep. Shetterly	Provides additional clarification (EXHIBIT B).
052	Rep. Shetterly	MOTION: Moves to ADOPT HJR 76 –2 amendments dated 3/1/02.
055	Rep. Schrader	Comments on the amendments not before the committee. Notes possible confusion between SJR 50 and HJR 76.

072	Rep. Shetterly	Responds that Rep. Schrader's question is based on the possibility that both resolutions will be on ballot.
083	Rep. Schrader	Questions the purpose of the -5 amendments (EXHIBIT A).
085	Chair Westlund	Responds that the -5 amendments (EXHIBIT A) are being proposed as a back up.
095	Rep. Schrader	Responds in agreement.
101	Rep. Lee	Notes concern and opposition to the 200 and 220 figures being proposed. States opposition to the -2, -4, and -5 amendments (EXHIBIT A).
114	Chair Westlund	Acknowledges concerns and states that if the proposed amount is not approved that the ability to fund schools will be in question.
121	Rep. Lee	States support for the resolution but not the proposed dollar figure.
124	Rep. Shetterly	Provides further clarification regarding the location of the fund.
138	Rep. Lee	Comments on the backfill situation and the remaining budget shortfall.
156		VOTE: 4-1-0 AYE: 4 – Morgan, Schrader, Shetterly, Westlund NAY: 1 - Lee The motion CARRIES.
158	Rep. Shetterly	MOTION: Moves to ADOPT HJR 76-4 amendments dated 3/2/02. VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
160	Chair Westlund Rep. Shetterly	MOTION: Moves to ADOPT HJR 76-5 amendments dated 3/2/02. VOTE: 3-2-0 AYE: 3 - Morgan, Shetterly, Westlund NAY: 2 - Lee, Schrader The motion CARRIES.
165	Chair Westlund Chair Westlund	MOTION: Moves HJR 76 be sent to the floor with a BE ADOPTED AS AMENDED recommendation. VOTE: 4-1-0 AYE: 4 - Morgan, Schrader, Shetterly, Westlund NAY: 1 - Lee The motion CARRIES.
	Chair Westlund	REP. SHETTERLY will lead discussion on the floor.
179	Chair Westlund	Closes work session on HJR 76 and opens public hearing on HB 4034 A.

HB 4034 A - PUBLIC HEARING

186	Chair Westlund	Closes public hearing on HB 4034 A and opens work session on HB 4034 A.
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HB 4034 A - WORK SESSION

191	Rep. Shetterly	MOTION: Moves to ADOPT HB 4034 –A2 amendments dated 3/1/02 (EXHIBIT C). VOTE: 5-0-0
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210	Chair Westlund	Hearing no objection, declares the motion CARRIED .
211	Rep. Shetterly	MOTION: Moves HB 4034A to the floor with a DO PASS AS AMENDED recommendation. VOTE: 5-0-0
215	Chair Westlund	Hearing no objection, declares the motion CARRIED . REP. SHETTERLY will lead discussion on the floor.
216	Chair Westlund	Closes work session on HB 4034A and opens public hearing on HB 4041.
<u>HB 4041 - PUBLIC HEARING</u>		
219	Chair Westlund	Closes public hearing on HB 4041 and opens work session on HB 4041.
<u>HB 4041 - WORK SESSION</u>		
234	Warner	Summarizes –2 amendments (3/1/02) (EXHIBIT D).
242	Rep. Shetterly	MOTION: Moves to ADOPT HB 4041 –2 amendments dated 3/1/02.
248	Rep. Shetterly	Provides additional clarification on the ballot title opinion. VOTE: 4-1-0 AYE: 4 - Morgan, Schrader, Shetterly, Westlund NAY: 1 - Lee
	Chair Westlund	The motion CARRIES.
270	Chair Westlund	MOTION: Moves HB 4041 to the floor with a DO PASS AS AMENDED recommendation. VOTE: 4-1-0 AYE: 4 - Morgan, Schrader, Shetterly, Westlund NAY: 1 - Lee
	Chair Westlund	The motion CARRIES. REP. SHETTERLY will lead discussion on the floor.
277	Chair Westlund	Closes work session on HB 4041 and opens public hearing on HB 4042.
<u>HB 4042 - PUBLIC HEARING</u>		
279	Chair Westlund	Closes public hearing on HB 4042 and opens work session on HB 4042.
<u>HB 4042 - WORK SESSION</u>		
284	Warner	Summarizes and reviews –1 amendment (3/2/02) (EXHIBIT E).
305	Rep. Schrader	Questions and requests clarification of line 20 and the current language.
312	Warner	Responds the current language reflects current law.
319	Rep. Shetterly	Clarifies title reflected on the agenda.
324	Rep. Shetterly	MOTION: Moves to ADOPT HB 4042 –1 amendments dated 3/2/02.
329	Rep. Lee	Acknowledges support.
334	Rep. Shetterly	

MOTION: Moves HB 4042 to the floor with a DO PASS AS AMENDED recommendation.

338 Chair Westlund Hearing no objection, declares the motion CARRIED.
REP. SHETTERLY will lead discussion on the floor.

342 Chair Westlund Recesses meeting 2:50 p.m. and reconvenes at 3:43 p.m. Opens a public hearing on the introduction of committee bills.

INTRODUCTION OF COMMITTEE BILLS

LC 53 - PUBLIC HEARING

354 Chair Westlund Closes public hearing on the introduction of LC 53 and opens a work session on LC 53.

LC 53 - WORK SESSION

371 Dick Yates Economist, Legislative Revenue Office. Summarizes LC 53 **(EXHIBIT F)**. Notes similarities with HB 4034.

389 Rep. Shetterly Questions if the figure should be \$120 million.

400 Harrison Conley Deputy Legislative Counsel, Legislative Counsel's office. Responds that SJR 50 provides the \$120 million and LC 53 adds \$100 million in order that the total equals \$220 million.

413 Rep. Schrader Requests clarification that SJR 50 is \$120 million and LC 53 is \$100 million. Ask how the figures are interfaced.

416 Conley Responds and clarifies that LC 53 will only be enacted if HJR 76 fails and SJR 50 passes at the election.

432 Rep. Shetterly Questions the consequences if SJR 50 is not on the ballot.

438 Conley Responds that if SJR 50 is on the ballot, that situation is addressed in HB 4034.

452 Rep. Shetterly **MOTION: Moves LC 53 BE INTRODUCED as a committee bill.**

456 Rep. Schrader Questions if SJR 50 passes and HJR 76 fails whether the goal of LC 53 is to allocate tobacco revenue bonds to generate the \$220 million figure.

468 Chair Westlund Responds affirmatively.

VOTE: 4-1-0

AYE: 4 - Morgan, Schrader, Shetterly, Westlund

NAY: 1 - Lee

472 Chair Westlund **The motion CARRIES**

481 Chair Westlund Recesses meeting at 3:48 p.m.

TAPE 7, A

001 Chair Westlund Reconvenes meeting at 4:31 p.m. and opens public hearing on HB 4043.

HB 4043 - PUBLIC HEARING

003 Chair Westlund Closes public hearing on HB 4043 and opens work session on HB 4043.

HB 4043 - WORK SESSION

008 Rep. Shetterly **MOTION: Moves HB 4043 to the floor with a DO PASS recommendation.**

VOTE: 3-0-2

AYE: 3 - Morgan, Shetterly, Westlund

EXCUSED: 2 – Lee, Schrader

Chair Westlund

The motion CARRIES.

REP. SHETTERLY will lead discussion on the floor.

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Chair Westlund

Recesses the meeting at 4:34 p.m.

NOTE: The committee did not reconvene.

Submitted By,

Reviewed By,

Sandy Thiele-Cirka,
Administrative Support

Adrienne Sexton,
Administrator

EXHIBIT SUMMARY

A – HJR 76, -2 (3/1/02), -4 (3/2/02), -5 (3/2/02) amendments, staff, 3 pp

B – Education Stability Fund Balance Chart, staff, 1 p

C – HB 4034A, -A2 amendment, dated 3/1/02, staff, 1 p

D – HB 4041, -2 amendment, dated 3/1/02, staff, 1 p

E – HB 4042, -1 amendment, dated 3/2/02, staff, 1 p

F – LC 53 (HB 4043), dated 3/2/02, staff, 16 pp