

HOUSE SPECIAL SESSION COMMITTEE ON BUDGET RECONCILIATION

3rd Special Session

June 27, 2002 Hearing Room F
9:00 AM Tape 11

MEMBERS PRESENT: **Rep. Rep. Westlund, Chair**
 Rep. Tom Butler
 Rep. Gary Hansen
 Rep. Betsy Johnson
 Rep. Susan Morgan
 Rep. Kurt Schrader
 Rep. Lane Shetterly

STAFF PRESENT: **Paul Warner, Legislative Revenue Officer**
 Larry Nisswender, Legislative Fiscal Office
 Andrew Morris, Committee Assistant

MEASURES HEARD: **Bill Introduction**
 LC 55-1

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 1, A		
004	Chair Westlund	Calls meeting to order at 9:48 and opens a work session for bill introduction.
<u>LC 55-1 INTRODUCTION</u>		
009	Paul Warner	Legislative Revenue Officer. Explains LC 55-1, which sets up a task force and council to explore education funding. States that a final report would be due to the 72 nd Assembly.
047	Chair Westlund	Asks if the bill should contain language to set a date during the next session for a special election.
071	Rep. Butler	States that consumption raising taxes do not have to occur in a special election.
084	Rep. Morgan	Opines that putting a specific timeline for an election could create problems.
102	Rep. Butler	Refers to page 2 sub 4 and offers a conceptual change requiring that two meetings be held in eastern Oregon at different locations because of the size of the congressional district.
114	Rep. Morgan	Adds that southern Oregon should have more than one meeting location also. States that there may be some overlap with other committees with this discussion.
120	Rep. Shetterly	States that this measure would usurp the Revenue Committee's work.

126	Chair Westlund	Asks if this LC has more of a function and purpose than the current work being done.
134	Rep. Shetterly	Responds that this LC is a more defined approach than the current revenue subcommittee. States that this LC should be a next step of what is currently in place and not usurp it.
155	Chair Westlund	Asks if there is anything that precludes the merging of the existing and proposed groups.
160	Rep. Shetterly	Responds he is unsure.
168	Rep. Schrader	Explains that the intention of the LC is to augment and give credence to existing work. Comments on previous task forces. States a need to look for a new tax system for K-12 education. Explains the potential make up of the task force.
220	Chair Westlund	Asks what the appropriation should be for the bill.
228	Rep. Schrader	Responds that he is unsure.
239	Warner	States that an estimate of expenses is about \$40,000.
255	Chair Westlund	Relates that it is difficult to spend any extra money with the current budget constrictions. States that \$40,000 may not be enough money to complete the task.
265	Rep. Johnson	Adds that there needs to be enough money that the bill's goal can be accomplished.
275	Chair Westlund	States that \$50,000 may be a more appropriate amount of money.
282	Rep. Hansen	Asks if a mechanism could be added that would allow the task force to approach e-board when a more exact cost figure is figured out.
288	Chair Westlund	Responds that special permission is not needed to approach e-board.
293	Rep. Morgan	States that an appropriate amount of money needs to be established.
308	Rep. Schrader	States that the \$40,000 would be an appropriate starting point.
312	Chair Westlund	States that the hearing is for bill introduction only. Comments on funding.
330	Larry Nisswender	Legislative Fiscal Office. States that when the bill is back before the committee a fiscal statement will be issued. Notes that the bill would have a minimal impact if it was introduced during a regular session. States that existing staff and resources can be used to help offset costs, although staff availability issues have been raised.
352	Rep. Butler	Asks how a large fire season would impact the e-board funds.
367	Nisswender	Responds that the amount set aside for fire fighting funds is minimal. States that the task force is a small amount of money.
380	Rep. Butler	Relates concerns with the possible costs of the fire season.
398	Warner	Comments on discussions that took place in 1989 about the tax structure.
411	Chair Westlund	

		Relates an anecdote. Discusses the need for tax reform and a Rainy Day fund.
432	Rep. Schrader	Comments on the advisory council set-up. Adds a conceptual amendment to page three that the Speaker would appoint people to the council in consultation with the majority and minority leaders.
467	Rep. Schrader	MOTION: Moves LC 55-1 BE INTRODUCED as a committee bill as amended by the committee. (HB 4063)
475	Chair Westlund	VOTE: 7-0-0
480	Chair Westlund	Hearing no objection, declares the motion CARRIED. Calls a recess at 10:18 a.m. <i>The committee never reconvened and was closed for the duration of the Third Special Session.</i>

Submitted By,

Reviewed By,

Andrew Morris,
Committee Assistant

Adrienne Sexton,
Administrator

EXHIBIT SUMMARY

NO EXHIBITS WERE SUBMITTED