

HOUSE COMMITTEE ON LAND USE AND REGULATORY FAIRNESS

May 24, 2001
3:30 p.m.

Hearing Room 357
Tapes 21 - 22

MEMBERS PRESENT: Rep. Max Williams, Chair
Rep. Kurt Schrader, Vice-Chair
Rep. Chris Beck
Rep. Betsy Close
Rep. Kathy Lowe
Rep. Karen Minnis
Rep. Susan Morgan

STAFF PRESENT: Virginia Gustafson Lucker, Counsel
Jane Bodenweiser, Committee Assistant

MEASURE/ISSUES HEARD: HB 3998 Public Hearing

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 21, A		
003	Chair Williams	Opens the meeting at 4:00 p.m. and introduces Paul Warner from Legislative Revenue who will review revenue options for Measure 7.
<u>HB 3998 PUBLIC HEARING</u>		
020	Paul Warner	Legislative Revenue Submits testimony and testifies on revenue options for Measure 7 compensation fund (EXHIBIT A). Introduces three options and says there are other possibilities.
207	Vice Chair Schrader	Asks about the ability to bond.
209	Warner	Replies that the adequacy issue in Option B would be a concern.
217	Chair Williams	Asks what his confidence level is on the two options.
222	Warner	Discusses the differences in Options A and B.
240	Chair Williams	States that the \$200 million amount discussed is a minimal amount needed for bonding. Says that the bonding piece of this legislation is not mandatory.
271	Warner	Discusses the potential of a bonding issue. Continues his discussion of Revenue options.
322	Rep. Beck	Asks how the third option would be implemented.
326	Warner	Replies that it not yet clear how it would be implemented.
363	Vice Chair Schrader	Asks about the constitutional issues connected with these options.
365	Warner	Says Options A and B would require some constitutional resolution and that Option C would not.
405	Rep. Beck	Asks for clarification of the "exception value."
422	Warner	Says the net exception value is the actual increase in value of the improvements and the gross exception value would be a whole

460	Chair Williams	new assessed value on the total property.
464	Warner	Asks if the figures offered in "Exhibit A" are net or gross.
492	Chair Williams	Replies that they are net figures.
		Asks about Option B and wonders if there would be some sensitivity to the tax imposed on exception value.
TAPE 22, A		
041	Warner	Says there would be some sensitivity, but doubts there would be dramatic changes.
069	Rep. Beck	Asks if the revenue response would be proportionate to the tax response.
074	Warner	Replies, yes.
095	Rep. Beck	Asks about the real estate transfer tax and wonders why this option has not been considered.
107	Warner	Says that would be another option, but was not included because it is not triggered by a land development transaction.
136	Rep. Beck	Asks about the issuance of bonds.
149	Warner	Advises that the longer the revenue stream, the better.
193	Sue Hanna	Legislative Counsel
		Continues a sectional analysis of SB 3998 starting with Section 13.
196	Vice Chair Schrader	Asks for a review of Section 12 on page 6, subsection 2, line 31 relating to property restrictions that would not be entitled to compensation.
218	Counsel Lucker	Explains that if the existing regulations were clear and objective, they would not be subject to a claim.
230	Hanna	Suggests a possible clearer language. Continues the sectional analysis.
253	Vice Chair Schrader	Asks who gets to make the determination as to the kind of compensation.
361	Chair Williams	Recesses the meeting for a call of the House at 4:50 p.m.
367	Rep. Minnis	Reconvenes the meeting at 5:00 p.m.
369	Hanna	Continues sectional analysis of HB 3998.
TAPE 21, B		
068	Vice Chair Schrader	Asks about the appointment of a Compensation and Conservation Ombudsman in Section 29.
070	Hanna	Replies that they are mediators/negotiators. Continues sectional analysis.
098	Rep. Beck	Asks about the \$5 million allocated in Section 32, line 39.
103	Hanna	Replies that it would be to implement the provisions of the whole act.
150	Vice Chair Schrader	Closes the public hearing on HB 398 and adjourns the meeting at 5:15 p.m.

Submitted By,

Reviewed By,

Jane Bodenweiser,
Committee Assistant

Virginia Gustafson Lucker,
Counsel

EXHIBIT SUMMARY

A – HB 3998, written testimony submitted by Paul Warner, 6 pp