

BILL INTRODUCTION

PUBLIC HEARING: HB 2032, HB 2461, HB 2477, HB 2716, HB 2718

TAPE 61 — 62 A

**HOUSE SCHOOL FUNDING AND TAX
FAIRNESS/REVENUE COMMITTEE**

FEBRUARY 23, 2001 — 1:30 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Representative Lane Shetterly, Chair

Representative Deborah Kafoury, Vice Chair

Representative Alan Bates

Representative Chris Beck

Representative Alan Brown (1:48 arrived)

Representative Mark Hass

Representative Max Williams (1:54 arrived)

Representative Bill Witt (1:54 arrived)

Members Excused: Representative Janet Carlson, Vice Chair

Staff: Paul Warner, Legislative Revenue Officer

Ed Waters, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Ute Testerman, Committee Clerk

Witnesses: Debra Buchanan, Department of Revenue

Rep. Betsy Close, House District 36

Patti Whitney-Wise, Oregon Hunger Relief Task
Force

Sharon Thornberry, Oregon Food Bank

Elinore Phillips, Sweet Home Gleaners, Inc.

Sally Asay, Food for Lane County

Laurie Trieger, Food for Lane County

Lavera Puchacz, Food for Lane County Gleaners

TAPE 61, SIDE A

009 Chair Shetterly Meeting called to order at 1:40 p.m.

BILL INTRODUCTION

017 Chair Shetterly The vote for LC 2493 is for the purpose of introduction only. The merits of the proposal will be discussed, if the bill comes before the Committee.

026 Rep. Bates **MOTION: INTRODUCTION, AS COMMITTEE BILLS, OF LC 2493 DATED 02/02/2001 (EXHIBIT 1).**

HEARING NO OBJECTION, THE CHAIR SO ORDERED. (ALL MEMBERS PRESENT EXCEPT VICE CHAIR CARLSON, EXCUSED)

OPENED PUBLIC HEARING ON HB 2032, HB 2461, HB 2477, HB 2716, HB 2718

036 Ed Waters Reviewed the introductory overview sheet, which lists all of the credit items on the agenda today and provides basic revenue impact information. (Exhibit 2)

070 Chair Shetterly Questioned specifically the numbers on HB 2718.

074 Waters Does not have hard numbers on the number of taxpayers benefited by this for a revenue impact.

Provided a description of the HB 2718 and discussed the background. (Exhibit 3)

107 Debra Buchanan Described the funding models that could be used for the refundable credit and the Elderly Rental Assistance program, (ERA). (Exhibit 4)

197 Chair Shetterly Requested how the federal refund works.

197 Buchanan The federal government can go into debt for these payments, the State cannot.

Continued with testimony and option 3, (Page 2, Exhibit 4).

233 Chair Shetterly Recessed public hearings on HB 2032, HB 2716, HB 2461 and HB 2718.

CONTINUED WITH PUBLIC HEARING ON HB 2477 ONLY

241 Ed Waters Provided a description of the measure and discussed the background. (Exhibit 5)

256 Rep. Close Betsy Presented testimony in support of measure. (Exhibit 6)

265 Rep. Witt Is the phase out intended to apply the same way the federal phase out operates?

292 Rep. Close It reflects the IRS code.

297 Chair Shetterly The criteria are the same and it is a matter of connecting the federal code?

299 Waters As far as the base credit is concerned, discussed specific provisions where the measure would not connect.

300 Rep. Witt Requested revenue impact on measure.

302 Waters Reviewed revenue impact. (Reference Exhibit 2)

RESUMED PUBLIC HEARING ON HB 2718

397 Patti Whitney-Wise Presented testimony in support of measure. (Exhibit 7)

443 Sharon Thornberry Presented testimony in support of measure. (Exhibit 8)

516 LRO staff Distributed informational material for member review:

1. Staff Measure Summary and Tax Expenditure Report excerpt 1.120, Waters. ((Exhibit 9)
2. Staff Measure Summary and Tax Expenditure Report excerpt 1.135, Waters. (Exhibit 10)
3. Staff Measure Summary, Waters. (Exhibit 11)

- 045 Elinore Phillips Spoke in support of the measure.
 Questions and discussion regarding process.
- 089 Sally Asay Spoke in support of the measure.
- 140 Laurie Trieger Spoke in support of the measure.
- 164 Lavera Puchacz Spoke in support of the measure.
 Questions and discussion regarding non-profit status.
- 201 Rep. Beck Requested information on options available on how to broaden this particular program.
- 211 Whitney-Wise Last session the Revenue Committee expanded the credit and the measure died in Ways and Means; spoke of hesitance to broaden measure if it will affect passage of measure although would like to see the program expanded.
- 244 Thornberry Willing to expand it, but echoed Whitney-Wise's statements.
 Questions and discussion regarding the program and how it operates.
- 314 Chair Shetterly Meeting adjourned at 2:39 p.m.

Submitted by, Reviewed by,

Joan Green Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. Bill Introduction, LC 2493, dated 02/02/2001, (DJ/ps), LRO staff, 5 pages
2. HB 2032, Revenue impact for selected tax credits, Waters, 1 page
3. HB 2718, Staff Measure Summary and Tax Expenditure Report excerpt 1.143, Waters, 3 pages
4. HB 2032, Testimony, Buchanan, 2 pages
5. HB 2477, Staff Measure Summary, Waters, 1 page
6. HB 2477, Testimony, Rep. Close, 1 page
7. HB 2718, Testimony, Whitney-Wise, 1 page
8. HB 2718, Testimony, Thornberry, 1 page
9. HB 2032, Staff Measure Summary and Tax Expenditure Report excerpt 1.120, Waters, 2 pages
10. HB 2716, Staff Measure Summary and Tax Expenditure Report excerpt 1.135, Waters, 2 pages

11. HB 2461, Staff Measure Summary, Waters, 1 page