

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

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**FEBRUARY 6, 2001 — 1:30 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING**

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Members Present: Representative Lane Shetterly, Chair

Representative Janet Carlson, Vice Chair

Representative Alan Bates

Representative Chris Beck

Representative Alan Brown

Representative Mark Hass

Representative Max Williams

Representative Bill Witt

Members Excused: Representative Deborah Kafoury, Vice Chair

Staff: Paul Warner, Legislative Revenue Officer

Lizbeth Martin-Mahar, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Gary Carlson, Associated Oregon  
Industries

**TAPE 36, SIDE A**

004 Chair Shetterly Meeting called to order at 1:41 p.m.

**OPENED WORK SESSION ON HB 2612**

- 011 Lizbeth Martin-  
Mahar Provided a description of the (-1) amendment and what the impact would be to the measure. (EXHIBITS 1-2)
- 024 Chair Shetterly This would bring the roll back of the maximum assessed value in line with the changes made in the original printed measure?
- 025 Martin-Mahar Concurred.
- 029 Rep. Hass The (-1) amendment, (Exhibit 2), will allow for an appeal of the maximum assessed value, regardless of the reason, should the loss occur between January 1 and July 1?
- General concurrence that the amendments address that.
- 036 Rep. Williams What would be the impact to a property if it had been used for "cooking meth"?
- 041 Chair Shetterly That is one of the scenarios discussed; it should now be covered with the (-1) amendment, (Exhibit 2).
- 045 Rep. Witt **MOTION: MOVED LC (-1) AMENDMENTS DATED 02/06/01 TO HB 2612 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED. (ALL MEMBERS PRESENT EXCEPT KAFOURY, EXCUSED)**
- 049 Rep. Witt **MOTION: MOVED HB 2612 TO THE HOUSE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.**
- 052 **ROLL CALL VOTE: MOTION PASSED 8-0-1**
- REPRESENTATIVES VOTING AYE: Bates, Beck, Brown, Hass, Williams, Witt, Carlson, Chair Shetterly**
- REPRESENTATIVES EXCUSED: Kafoury**
- Rep. Hass will carry the bill.**
- OPENED PUBLIC HEARING ON HB 2278**
- 063 Lizbeth Martin-  
Mahar Provided a description of the measure and discussed the background, inclusive of 1997 discussion items. (EXHIBITS 3-4)
- 108 Gary Carlson Spoke in support of the measure.

- 131 Rep. Bates Why aren't more businesses paying on time?
- 146 Carlson Unable to answer the question.
- 156 Rep. Witt Spoke in support of the measure and the (-1) amendments. (EXHIBIT 5)
- 182 Chair Shetterly The Revenue impact statement did not take in to account the (—1) amendments, correct?
- 184 Martin-Mahar Concurred.
- 187 Chair Shetterly Reviewed changes to the Revenue impact with the (-1) amendment.
- 200 Martin-Mahar Reviewed numbers from the 1997 session that would provide a ballpark of the (-1) amendments Revenue impact.
- 206 Rep. Witt If a severe penalty is charged, as is currently done, it results in two things:
1. Taxpayers avoid filing a report altogether.
  2. When a government assesses a penalty that is "beyond reasonable" creditability is lost with the taxpayers.
- 224 Rep. Williams Concurred with Rep. Witt comments; related personal antidote.

**OPENED WORK SESSION ON HB 2278**

- 252 Rep. Williams **MOTION: MOVED LC (-1) AMENDMENTS DATED 02/06/2001 TO HB 2278 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED. (ALL MEMBERS PRESENT EXCEPT KAFOURY, EXCUSED)**
- 257 Rep. Witt **MOTION: MOVED HB 2278 TO THE HOUSE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.**
- 263 **ROLL CALL VOTE: MOTION PASSED 8-0-1**
- REPRESENTATIVES VOTING AYE: Bates, Beck, Brown, Hass, Williams, Witt, Carlson, Chair Shetterly**
- REPRESENTATIVES EXCUSED: Kafoury**
- Rep. Witt will carry the bill.**

272 Chair Shetterly Meeting adjourned at 1:59 p.m.

Submitted by, Reviewed by,

Joan Green Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. HB 2612, (-1) Staff Measure Summary and Revenue statement, Martin-Mahar, 2 pages
2. HB 2612, (-1) amendment, (DJ/ps) 02/06/01, LRO Staff, 2 pages
3. HB 2278, Preliminary Staff Measure Summary, Revenue and Fiscal statements, Martin-Mahar, 3 pages
4. HB 2278, Handout, Martin-Mahar, 1 page
5. HB 2278, (-1) amendment, (DJ/ps) 02/06/01, Rep. Witt, 1 page