

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

MARCH 20, 2001 — 1:30 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Representative Lane Shetterly, Chair

Representative Alan Bates

Representative Chris Beck

Representative Mark Hass

Representative Max Williams (2:01 arrived)

Representative Bill Witt

Members Excused: Representative Janet Carlson, Vice Chair

Representative Deborah Kafoury, Vice Chair

Representative Alan Brown

Staff: Paul Warner, Legislative Revenue Officer

Ed Waters, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Dolores Raymond, Creative Transitions in
Aging

Sally Madden, Alzheimer's Association

Bonnie Kiester, Washington County

Arnold Scheller, Washington County

Randall Edwards, Oregon State Treasurer's Office

Mike Parker, Oregon State Treasurer's Office

Dave McDonald, Oregon University System

Tracy Williams, Citizen

Lula Younce, Washington County

Kris Richards, Alzheimer's Association

Andi Miller, Alzheimer's Association

Jason Williams, Taxpayer Association of Oregon

Jim Davis, Oregon State Council of Senior Citizens,
United Seniors of Oregon, Coalition of Seniors and
People with Disabilities and Alzheimer's Association

Bob Castagna, Oregon Catholic Conference

TAPE 93, SIDE A

005 Chair Shetterly Meeting called to order at 1:38 p.m.

OPENED PUBLIC HEARING ON HB 2332

015 Ed Waters Provided a description of the measure and
discussed the background.

023 Rep. Witt Spoke in support of the measure.

035 Dolores Presented testimony in support of measure.
Raymond (Exhibit 3)

LRO Staff Distributed submitted testimony:

Testimony, Bettis. (Exhibit 2)

Testimony, Wadlin. (Exhibit 4)

Testimony, Fischer. (Exhibit 5)

143 Sally Madden Presented testimony in support of measure.
(Exhibit 6)

237 Bonnie Kiester Presented testimony in support of measure.
(Exhibit 7)

344 Arnold Scheller Presented testimony in support of measure.
(Exhibit 8)

TAPE 94, SIDE A

OPENED PUBLIC HEARING ON HB 3080

- 019 Ed Waters Provided a description of the measure and discussed the background.
- 031 Randall Edwards Presented testimony in support of measure. (Exhibit 9)
- There is a revenue impact for this measure. (Reference Exhibit 1)
- 100 Rep. Bates "What is the income level of families contributing to this plan?"
- 120 Michael Parker Do not have a good indication of who is participating in Oregon; we are getting broad geographic distribution — do not have information from other states as to income level of participants.
- 142 Rep. Beck "How are people being informed of the program; is information being provided through hospitals to families with newborns?"
- 147 Edwards Spoke of ways to market the product.
- 172 Dave McDonald Spoke in support of the measure.
- 191 Tracy Williams Spoke in support of the measure.
- 220 Chair Shetterly How did you find out about the plan?
- 223 Williams Through my broker and other parents.
- 226 Waters Described the effect of the (-1) amendment. (Exhibit 10)

REOPENED PUBLIC HEARING ON HB 2332

- 247 Kris Richards Presented testimony in support of measure. (Exhibit 11)

TAPE 93, SIDE B

- 022 Lula Younce Presented testimony in support of measure. (Exhibit 12)
- 071 Andi Miller Presented testimony in support of measure. (Exhibit 13)
- 108 Jim Davis Presented testimony in support of measure. (Exhibit 14)
- 203 Bob Castagna Spoke in support of the measure.
- 262 Jason Williams Presented testimony in support of measure.

(Exhibit 15)

OPENED PUBLIC HEARING ON HB 2704

- 303 Ed Waters Provided a description of the measure and discussed the background.
- 316 Rep. Witt Spoke in support of the measure.
- 345 Rep. Beck Questioned what the effect would be to different age groups; is that kind of data available?
- 350 Waters Not directly; age data is not available on income tax returns; there is parallel data that could be applied, but the information would be "squishy".
- 380 Chair Shetterly If it is revenue neutral why a \$900,000 impact. (Exhibit 1)
- 385 Waters Adjusting the values could tighten it; the impact gets less over time because the standard deduction amounts are not indexed for inflation.
- Questions and discussion regarding:
1. Dual incomes vs. single incomes and ability to pay.
 2. Equity issue; should taxpayers that marry be penalized?
 3. Making the revenue numbers as neutral as possible.
- 487 Chair Shetterly Meeting adjourned at 3:03 p.m.

Submitted by, Reviewed by,

Joan Green Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. HB 2704, Preliminary Revenue Impact of Selected Tax Concepts, Waters, 1 page
2. HB 2332, Testimony, Bettis, 1 page
3. HB 2332, Testimony, Raymond, 13 pages
4. HB 2332, Testimony, Wadlin, 2 pages
5. HB 2332, Testimony, Fischer, 1 page

6. HB 2332, Testimony, Madden, 2 pages
7. HB 2332, Testimony, Kiester, 2 pages
8. HB 2332, Testimony, Scheller, 5 pages
9. HB 3080, Testimony, Edwards, 3 pages
10. HB 3080, (-1) amendment, (DJ/ps) 03/01/01, LRO Staff 1 page
11. HB 2332, Testimony, Richards, 3 pages
12. HB 2332, Testimony, Younce, 2 pages
13. HB 2332, Testimony, Miller, 8 pages
14. HB 2332, Testimony, Davis, page
15. HB 2332, Testimony, Williams, page