

**PUBLIC HEARING AND WORK SESSION:**

**SB 684, SB 745**

**TAPES 084-085, A**

**SENATE REVENUE COMMITTEE**

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**March 26, 2001 — 8:30 A.M. - HEARING ROOM A - STATE CAPITOL BUILDING**

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Members Present: Senator Ted Ferrioli, Chair

Senator Lee Beyer, Vice Chair

Senator Susan Castillo

Senator Tony Corcoran

Senator Gary George

Senator John Minnis

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Lizbeth Martin-Mahar, Legislative Revenue Office

Carol Phillips, Committee Assistant

Witnesses: Senator Joan Dukes, Senate District 1

George Kiepke, Clatsop Chair, Board of County  
Commissioner

Timothy J. Gannaway, Clatsop County Commissioner

Tom Linhares, Columbia County Assessor

John Phillips, Department of Revenue, Property Tax  
Division

**TAPE 084, SIDE A**

005 Chair Ferrioli Meeting called to order at 8:39 a.m.

014 Lizbeth Martin-  
Mahar Gave overview of SB 745. The bill allows a surviving spouse of any veteran to file a claim for a property tax exemption at any time throughout the year if the veteran has died during the previous or current tax year. If taxes on the exempt value have been paid, then a refund shall be made for paid taxes and interest. Applies to tax years beginning on or after July 1, 2001.

#### OPENED PUBLIC HEARING ON SB 745

040 Sen. Joan Dukes Testified in support of the bill. Stated this is a little bill that will do good things for people who truly need what is provided in the bill. The glitch in the current law, which prompted the creation of SB 745, is that surviving spouses of veterans have to go in and file within 90 days after the death of the veteran. Many of these are elderly people who are struggling through social security, insurance forms, and other major issues at a particularly difficult time in their lives. County services have been cut back, so resources to help these people are not as great as they should be. It gives the spouse a few more months in which to make the claim. Exhibit 4 is a letter of support of the bill from the Director of Oregon Department of Veterans' Affairs.

#### CLOSED PUBLIC HEARING ON SB 745

#### OPENED WORK SESSION ON SB 745

086 Vice Chair L.  
Beyer MOTION:  
  
MOVES SB 745 TO THE SENATE FLOOR  
WITH A DO PASS RECOMMENDATION.

088 Chair Ferrioli ORDER:  
  
ROLL CALL VOTE: THE MOTION PASSES:  
7 — 0 — 0

SENATORS VOTING AYE: CASTILLO,  
CORCORAN, GEORGE, MINNIS, STARR, L.  
BEYER, FERRIOLI.

Sen. Dukes will carry the bill on the Senate  
Floor.

CLOSED WORK SESSION ON SB 745

106 Martin-Mahar Stated that SB 684 exempts from taxation real and personal property of a rural health care facility under the following conditions: only new construction of a facility can be exempt from taxation, the exemption must be first approved by the county governing body and then authorized by other local taxing districts in the county, the health care facility is located in a remote rural health service area, and the average travel time to the facility is more than 30 minutes from a population center of 30,000 people or more. The property tax exemption is for three years beginning on or after July 1, 2002.

Questions and answers followed.

145 Sen. Corcoran Pointed out that although he is in favor of the bill, he wanted his one objection to be on the record. Is distressed there is no local preemption in the bill and that the tax credit is forced.

153 Chair Ferrioli Stated he expected local taxing jurisdictions to grant exemptions to the tax exemptions created by SB 684.

185 Sen. Minnis Asked how many requests for exemption may have been made. Feels that if local communities have an interest in providing a property tax exemption, then the local governing bodies should be the ones to do that and suffer whatever the consequences might be.

212 Chair Ferrioli Asked Legislative Revenue staff to prepare a report regarding requests for property tax

exemptions as asked for by Sen. Minnis.

OPENED PUBLIC HEARING ON SB 684

225 Sen. Joan Dukes Testified in support of the bill. Said there is interest around the Astoria area for more medical facilities. A dialysis center was recently opened, but more facilities are needed.

268 George Kiepke Testified in support of the bill. Stated that all rural counties face similar problems. Explained that in rural areas patients have to be diagnosed and then stabilized for transport to an area that can treat them. Transportation itself can have a traumatic effect on the patients involved not only physically but financially as well. Passage of this bill would benefit the entire state of Oregon. Exhibit 7.

372 Timothy J. Gannaway Testified in support of the bill. In talking with local physicians, became aware that the future will hold an even greater need for local medical facilities than today. Steps must be taken now to plan for that increased demand. Census data show that on average rural areas have an older demographic than urban areas. In Clatsop county that is even more true, because people want to retire near the coast. The Astoria area is lacking an oncologist and a urologist, two professions very much in demand in an area with an older population. Many of the seniors have to travel over two hours for consultation or treatment. Exhibit 8.

**TAPE 085, SIDE A**

018 Sen. Minnis Asked if tele-medicine was an alternative that might be utilized in light of remote rural location. A few years ago this type of technology was purported to be the wave of the future. Doctors could be in rural areas but consult with specialists in urban areas via computer or two-way imaging of some sort.

- 033 Gannaway Responded that local officials would like to have tools at their disposal to attract this to enhance health care in the county.
- 040 Kiepke Said the answer to the question is, "No." Telemedicine technology is not currently available in Clatsop county or other rural Oregon areas.
- Further comments, and questions and answers followed.
- 086 Tom Linhares Does not oppose the bill, and gave several reasons for not opposing it: The bill is narrowly focused in that it exempts only new construction, and the time limit on the exemption is only three years.
- Assorted questions and answers interspersed.
- 179 Phillips Added that, regarding the definition of a health care facility, would be interested in discussing if it should include long-term care nursing facilities or other types of services.
- Questions and answers interspersed.
- 248 Chair Ferrioli Observed that the bill in its current form requires jurisdictions to maintain a split tax role to keep track of who does and does not have tax exemptions. Asked Mr. Linhares if that would be burdensome to county tax assessors or be considered a state mandate.
- 254 Linhares Responded it does require that new construction accounts be separated or that differing taxing districts approve the exemptions, thereby causing different tax rates.
- 271 Chair Ferrioli Since this could be accomplished through the existing chart of accounts within assessors' offices, let the record show that no additional mandate would be required.

CLOSED PUBLIC HEARING ON SB 684

OPENED WORK SESSION ON SB 684

283 Vice Chair L. Beyer MOTION:  
MOVES SB 684 TO THE SENATE FLOOR  
WITH DO PASS RECOMMENDATION.

289 Chair Ferrioli ORDER:  
HEARING NO OBJECTION, THE MOTION  
PASSES: 7-0-0  
Sen. Dukes will carry the bill on the Senate  
Floor.

299 Chair Ferrioli Adjourned meeting at 9:36 a.m.

Submitted by, Reviewed by,

Carol Phillips Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. SB 745, Martin-Mahar, Staff Measure Summary, 1 pp.
2. SB 745, Martin-Mahar, Revenue Impact Statement, 1 pp.
3. SB 745, Martin-Mahar, Fiscal Impact Statement, 1 pp.
4. SB 745, Sen. Dukes, Written testimony dated March 21, 2001, 1 pp.
5. SB 684, Martin-Mahar, Staff Measure Summary, 1 pp.
6. SB 684, Martin-Mahar, Revenue Impact Statement, 1 pp.
7. SB 684, Kiepke, Written testimony dated March 26, 2001, 3 pp.
8. SB 684, Gannaway, Written testimony dated March 26, 2001, 2 pp.