

## HOUSE COMMITTEE ON AGENCY PERFORMANCE & OPERATIONS

May 13, 1999 Hearing Room E

8:00 a.m. Tapes 75 - 76

**MEMBERS PRESENT:** Rep. Jane Lokan, Chair

Rep. Kathy Lowe, Vice-Chair

Rep. Betsy Close

Rep. Dan Gardner

Rep. Tim Knopp

Rep. Jeff Kruse

Rep. Bob Montgomery

Rep. Kitty Piercy

**STAFF PRESENT:** Pat Zwick, Administrator

Susan M. Pettey, Administrative Support

**MEASURES HEARD:** SCR 9 Public Hearing

SCR 9 Work Session

SB 262 Public Hearing

SB 262 Work Session

SJR 2 Public Hearing

SJR 2 Work Session

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.

TAPE/#	Speaker	Comments

**TAPE 75, A**

004

Chair Lokan

Opens the meeting at 8:12 a.m., and opens the public hearing on SCR 9.

**SCR 9 PUBLIC HEARING**

024

Pat Zwick

Committee Administrator. Explains that SCR 9 commends Scott David Brosius for his accomplishments during his baseball career, and particularly during the 1998 season. Highlights the following:

- Native Oregonian
- Third baseman, New York Yankees
- During the 1998 season, the New York Yankees set a major league record with 125 victories, including a victory over the San Diego Padres in the World Series
- 1998 World Series Most Valuable Player
- Hit .471, with two important home runs.

035

Larry Hermo

Coach, Rex Putnam High School. Describes accomplishments of Scott Brosius. Discusses Mr. Brosius' career at Rex Putnam High School, Linfield College, and in professional baseball.

044

Hermo

Indicates that Brosius' high school career was unremarkable. Adds that by the end of high school, no major colleges had expressed interest in Brosius. At that time, he was 6'1" tall, and weighed approximately 160 pounds; currently he is 6'2", and 205 pounds. Mr. Hermo suggested Brosius consider Linfield College.

Comments on Brosius' excellence as a student. Indicates that upon entering Linfield College, Brosius' GPA was 3.87, and after completion of his first year, he attained a GPA of 4.0.

States that at the end of his junior year at Linfield in 1987, Brosius signed his first professional contract, and is currently in his 12<sup>th</sup> season. Adds that Brosius began his major league career in 1991, playing six seasons with the Oakland A's. Indicates that in 1997, he was released by Oakland to the New York Yankees.

Comments that Brosius received an offer from a New York company to autograph baseball cards. Asserts that when he declined, he was offered \$60 per autograph. Indicates that Brosius' response was, I don't sell my signature. Opines that Brosius is an outstanding individual, and Oregon should be proud of him.

086

Chair Lokan

Asks if Mr. Brosius is playing baseball in this area next week.

102

Hermo

Indicates that Mr. Brosius will play in Seattle in August, but the tickets are sold out.

113

Chair Lokan

Closes the public hearing on SCR 9, and opens the work session.

**SCR 9 WORK SESSION**

117	Rep. Lowe	<b>MOTION: Moves SCR 9 be sent to the floor with a BE ADOPTED recommendation.</b>
		<b>VOTE: 7-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>EXCUSED: 1 - Kruse</b>
	Chair Lokan	<b>The motion CARRIES.</b>  <b>REP. LOKAN will lead discussion on the floor.</b>
130	Chair Lokan	Closes work session on SCR 9, and opens public hearing on SB 262.
<b><u>SB 262 PUBLIC HEARING</u></b>		
132	Rodney Pitzer	Interim Administrator, State Board of Tax Service Examiners (SBTSE). Speaks in support of SB 262. Submits and summarizes written testimony ( <b>EXHIBIT A</b> ). Explains that SB 262 reinforces the idea that individuals with a lapsed license are licensees for purposes of restoration, and need to be at the same competence level as all other licensees upon renewal.
169	Rep. Montgomery	Asks if a rule will be set requiring continuing education
185	Pitzer	Describes the continuing education rule.
193	Chair Lokan	Asks if SB 262 adds a fee for continuing education.
198	Pitzer	Responds, no.
203	Rep. Close	Comments on her teaching certificate status. Asks why continuing education is necessary for tax professionals whose licenses have lapsed.
206	Pitzer	Explains that it is necessary only for active license renewal.
214	Rep. Close	Asks if fees are paid in the interim on lapsed licenses.
216	Pitzer	Replies that the only fee is to return to active status. Adds that there is no fee for inactive or lapse status.

231	Chair Lokan	Asks if continuing education has to be repeated if a license is lapsed for a period of time.
243	Pitzer	Addresses renewal requirements.
275	Rep. Knopp	Asks how often license renewal is required.
281	Pitzer	Answers that licenses must be renewed yearly.
283	Rep. Knopp	Asks if all tax professionals are required to have 30 hours continuing education, or only lapsed licensees.
287	Pitzer	Responds that all active licensees have continuing education requirements.
289	Rep. Piercy	Comments on the necessity of the continuing education requirement of 30 hours per year.
304	Pitzer	Explains the mission of the Tax Board.
327	Rep. Lowe	Comments on the number of tax code changes. Supports the continuing education requirement of 30 hours per year.
340	Rep. Close	Asks if it is 30 credit hours.
343	Pitzer	Responds that the requirement is 30 clock hours.
345	Rep. Close	Asks how continuing education requirements can be met.
349	Pitzer	Describes various methods of fulfilling the continuing education requirement.
366	Rep. Close	Asks for an average cost of the required hours of continuing education to the tax professional.
369	Pitzer	Answers that he does not know because it varies depending on the choice of classes. Adds that the cost can range from zero to three to four hundred dollars.
387	Rep. Close	Asks if the continuing education hours requirement can be met in one seminar.
390	Pitzer	Explains various options available to meet the continuing education requirement.
409	Rep. Montgomery	Asks if SB 262 is necessary.

417	Pitzer	Explains that SB 262 clarifies current statute.
437	Chair Lokan	Closes public hearing on SB 262, and opens the work session.
<b><u>SB 262 WORK SESSION</u></b>		
459	Rep. Montgomery	<b>MOTION: Moves SB 262 to the floor with a DO PASS recommendation.</b>
		<b>VOTE: 7-0</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 1 - Kruse</b>
	Chair Lokan	<b>The motion CARRIES.</b>  <b>REP. LOKAN will lead discussion on the floor.</b>
464	Chair Lokan	Closes work session on SB 262, and opens public hearing on SJR 2.
<b><u>SJR 2 PUBLIC HEARING</u></b>		
<b>TAPE 76, A</b>		
062	Zwick	Summarizes provisions of SJR 2.
085	John Mangis	Director, Department of Veterans Affairs (DVA). Speaks in support of SJR 2. Explains that SJR 2 is a proposed amendment to the Oregon Constitution that extends eligibility to receive veterans' home loans. Indicates that SJR 2 would allow post-Vietnam veterans to procure DVA loans. Provides historical background on the establishment of the DVA loan program. Indicates that veterans who entered the service prior to 1977 are currently eligible for DVA loans. Addresses the 30-year limit, meaning World War II and Korean War veterans are excluded from the DVA loan program.
131	Mangis	Indicates that soldiers serve in volatile areas that are not war zones. Adds that the National Guard and Reserves are currently trained for deployment abroad. Notes that individuals that enter the Reserves for training purposes only are currently excluded from the DVA loan programs. States that SJR 2 would allow veterans who served in active duty, but lack the necessary days of service to qualify for a loan, to include training for purposes of DVA loan eligibility.

151	Chair Lokan	Asks if this will be on the ballot in November 2000.
153	Mangis	Responds that it will be on the general election ballot.
179	Chair Lokan	Comments on interest rates.
188	Mangis	Indicates the current interest rate is 5.9%. Discusses bond sales.
194	Rep. Montgomery	Asks about National Guard eligibility for the DVA home loan program.
206	Mangis	Explains qualification requirements. Adds that the Department of Defense establishes the criteria.
242	Mangis	Addresses the specific criteria for receiving medals and ribbons.
251	Mangis	Explains that the DVA no longer refinances existing loans.
289	Chair Lokan	Asks if a veteran would qualify after mobilization for less than 210 days.
299	Mangis	Discusses the exclusions. Adds that this bill makes the home loan program available to national guard or reserve veterans when they have served.
316	Mangis	Discusses the Desert Storm operation.
334	Rep. Lowe	Asks for clarification of medal award.
347	Mangis	Provides examples of "hot spot" service relative to medal eligibility.
379	Charles Smith	Director, Debt Management Division, Oregon State Treasury. Submits and summarizes written testimony ( <b>EXHIBIT B</b> ). Explains that SJR 2 would amend the Oregon constitution to extend the Veterans' Home Loan Program to veterans who have served in the armed forces of the United States after December 31, 1976. Addresses the sale of state general obligation bonds.
423	Smith	Discusses the creation of the State Debt Policy Advisory Commission. Addresses self-supporting and tax-supported debt.
454	Chair Lokan	Asks about the stability of the Veterans' Bond Fund during recessionary periods.
<b>TAPE 75, B</b>		

039	Smith	Describes program changes in the past 15 years that assure stability of the bond fund.
052	Mike Caldwell	Colonel, Oregon National Guard. Speaks in support of SJR 2. Comments that mobilization for the specific purpose of creating eligibility in the home loan program is highly unlikely to occur.
091	Caldwell	Believes National Guardsman deserve eligibility for the DVA home loan program. Discusses current military active duty. Comments on Operation Desert Storm.
128	Caldwell	Expresses personal appreciation of the home loan program that allowed his family to buy farm property when he was a child.
135	Rep. Montgomery	Asks how much money a National Guardsman Corporal is paid.
140	Caldwell	Responds, approximately five to six hundred dollars a month.
149	Kevin Converse	Resident of Corvallis, Oregon. Speaks in support of SJR 2. Believes that Guardsmen deserve the same access to the home loan program as active duty personnel.
178	Jack Magnuson	United Veterans Groups of Oregon. Speaks in support of SJR 2. Discusses his personal experience with the Veterans Home Loan Program. Urges referral of SJR 2 to the House floor.
201	Chair Lokan	Closes public hearing on SJR 2, and opens work session.
<b><u>SJR 2 WORK SESSION</u></b>		
212	Rep. Close:	<b>MOTION: Moves SJR 2 be sent to the floor with a BE ADOPTED recommendation.</b>
		<b>VOTE: 7-0</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 1 - Kruse</b>
	Chair Lokan	<b>The motion CARRIES.</b>
222	Chair Lokan	Closes work session on SJR 2. Adjourns the meeting at 9:20 a.m.

Submitted By, Reviewed By,

Susan M. Pettey, Pat Zwick,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A ñ SB 262, written testimony, Rodney Pitzer, 3 pp.**

**B ñ SJR 2, written testimony, Charles Smith, 1 p.**