

PUBLIC HEARING AND WORK SESSION: SJR 1; SB 123

WORK SESSION: SB 410

TAPES 042 A/B

043 A

SENATE REVENUE COMMITTEE

February 22, 1999 - 3:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Randy Miller, Chair

Senator Thomas Wilde, Vice Chair

Senator Lee Beyer

Senator Tom Hartung

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Lizbeth Martin-Mahar, Economist, Legislative Revenue Office

Ed Waters, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Larry Arnold, Fire Chief, Lebanon Fire District

Duane Miller, Lebanon Fire District

Chuck Begley Lebanon Fire District

Gary Holliday, Director of Finance, City of Albany

Invited Testimony: Senator Mae Yih, District 19

TAPE 042, SIDE A

008 Chair Miller Meeting called to order at 3:05 p.m.

OPENED PUBLIC HEARING ON SJR 1 AND SB 123

029 Larry Arnold Presented testimony in opposition to measure. (Exhibit 1)

107 Duane Miller Spoke in opposition to the measure.

188 Chuck Begley Spoke in opposition to the measure.

250 Gary Holliday Presented testimony in opposition to measure. (Exhibit 2)

OPENED WORK SESSION ON SB 123

341 Sen. Beyer From the taxing districts' perspective, will the taxing districts be in the same place with the passage of SB 123, had the 1997 legislature not inadvertently made the error?

346 Lizbeth Martin-
Mahar With SB 123 and SJR 1 together.

352 Martin-Mahar Discussed (-1) amendment, proposed by Sen. Yih. (Exhibit 3) Reviewed the (-1) amendment section by section.

Revenue impact statement distributed for the (-1) amendment. (Exhibit 4)

411 Martin-Mahar Described (-2) amendment, proposed by Sen. Yih. (Exhibit 5)

Revenue impact statement distributed for the (-2) amendment. (Exhibit 6)

433 Martin-Mahar Described (-3) amendment. (Exhibit 7)

Revenue impact statement distributed for the (-3) amendment. (Exhibit 8)

454 Sen. Beyer The amendments and SB 123 adjust just the taxes in Linn and Deschutes Counties and do not effect the tax rates in any other county?

460 Martin-Mahar Concurred.

TAPE 043, SIDE A

038 Sen. Beyer What does B9 (j) of the (-2) amendment do? (Exhibit 5)

040 Martin-Mahar It ensures that school districts are imposing the maximum rate; at this time school districts don't have to, but school districts can still be reimbursed with the State school funding formula.

044 Sen. Beyer This could apply to any school district in the State?

046 Martin-Mahar Concurred; but B13 applies only to Linn and Deschutes Counties.

059 Discussion regarding the oversight that was made by the 1997 legislature; this was not the intent.

101 Chair Miller Requested if Sen. Yih was aware and supported the (-1) (Exhibit 3), (-2) (Exhibit 5) and (-3) (Exhibit 7) amendments to SB 123?

102 Sen. Yih Spoke in support of the amendments to SB 123. (Exhibits 3, 5 and 7) Senator Neil Bryant is also in agreement with the amendments. Is in agreement with the amendments. Referenced Elizabeth Harchenko's distributed by witnesses today. From the taxpayers viewpoint the effect is the law enforcement levy base was paid twice by taxpayers.

132 Chair Miller Some testimony has argued that taxpayers voted for the levy, while expecting tax relief under Measure 50. Requested Sen. Yih's response to that testimony?

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| 143 | Sen. Yih | It is two separate issues. Citizens of the two affected counties should receive the same relief from Measure 50 that other counties' taxpayers have received. The citizens of the two affected counties should also expect to pay for levies voted on. |
| 158 | Chair Miller | Is it fair to surmise that some taxpayers voted for the levy believing property tax relief would be afforded through Measure 50? |
| 163 | Yih | There are many reasons to approve levies. The issues are not related, taxpayers in the affected counties should receive the same tax relief as the rest of the State. |
| 172 | Vice Chair Wilde | MOTION: MOVED (-1) AMENDMENTS TO SB 123 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED. |
| 178 | Vice Chair Wilde | MOTION: MOVED (-2) AMENDMENTS TO SB 123, AS PREVIOUSLY AMENDED BY THE (-1) AMENDMENTS, BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED. |
| 184 | Vice Chair Wilde | MOTION: MOVED (-3) AMENDMENTS TO SB 123, AS PREVIOUSLY AMENDED BY THE (-1) AND (-2) AMENDMENTS, BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED. |
| 191 | Vice Chair Wilde | MOTION: MOVED SB 123, AS AMENDED, TO THE SENATE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION. |
| 195 | VOTE | <p>ROLL CALL VOTE: MOTION PASSES 5-0-0</p> <p>SENATORS VOTING AYE: Beyer, Hartung, Starr, Wilde, Chair Miller</p> <p>Senators Bryant and Yih will carry the bill.</p> |

WORK SESSION ON SJR 1

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| 203 | Lizbeth Mahar | Martin- | <p>Reviewed the (-1) amendment, proposed by Sen. Yih at the February 15 public hearing.</p> <p>Described (-3) amendment, proposed by Sen. Yih. (Exhibit 10)</p> |
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Discussed the (-3) revenue impact. (Exhibit 11)

Distributed the (-1) revenue impact. (Exhibit 9)

309 Vice Chair Wilde MOTION: MOVED (-1) AMENDMENTS TO SJR 1 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED.

318 Vice Chair Wilde MOTION: MOVED (-3) AMENDMENTS TO SJR 1, AS PREVIOUSLY AMENDED BY THE (-1) AMENDMENTS, BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED.

325 Chair Miller Requested that Legislative Counsel draft a final set of amendments, which would encompass all of the amendments, adopted today, prior to final action on the measure.

332 Sen. Beyer Did the (-3) amendments to SJR 1 replace Sen. Yihís proposed (ñ2) amendments presented February 15?

333 Martin-Mahar The (-2) amendments were a technical clarification and were not necessary.

341 Sen. Beyer How is SB 123 affected if the voters do not adopt SJR 1?

345 Martin-Mahar Described what the passage of SB 123 would accomplish.

Described what the passage of SJR 1 would accomplish and what the effect would be if the voters refuse to pass SJR 1.

REOPENED THE WORK SESSION ON SB 123

359 Chair Miller MOTION: MOVED TO RECONSIDER THE VOTE BY WHICH THE COMMITTEE PASSED SB 123, AS AMENDED. OUT OF COMMITTEE. HEARING NO OBJECTION, THE CHAIR SO ORDERED.

With the bill back before the Committee, requested that Legislative Counsel draft a final set of amendments, which would encompass all of the amendments, adopted

today, prior to final action on the measure.

TAPE 042, SIDE B

WORK SESSION ON SB 410

005	Ed Waters	Described (-2) amendment, which blend the (-1) amendments and the additional language that a winning multi-state lottery ticket must have been sold in Oregon in order to be taxable by Oregon . (Exhibit 12)
020	Vice Chair Wilde	MOTION: MOVED (-2) AMENDMENTS TO SB 410 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED.
027	Vice Chair Wilde	MOTION: MOVED SB 410, AS AMENDED, TO THE SENATE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.
031	VOTE	ROLL CALL VOTE: MOTION PASSES 5-0-0 SENATORS VOTING AYE: Beyer, Hartung, Starr, Wilde, Chair Miller Sen. Starr will carry the bill.
043	Chair Miller	Meeting adjourned at 4:03 p.m.

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Submitted by, Reviewed by,

Joan Green Kim T. James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. *SB 123, Arnold, Written testimony, 19 pages
2. *SB 123, Holliday, Written testimony, 6 pages

3. SB 123, Sen. Yih, (-1) amendments, (DJ/ps) 02/22/99, 3 pages
4. SB 123, Martin-Mahar, SB 123-1 Revenue impact statement, 2 pages
5. SB 123, Sen. Yih, (-2) amendments, (DJ/ps) 02/22/99, 5 pages
6. SB 123, Martin-Mahar, SB 123-2 Revenue impact statement, 2 pages
7. SB 123, Martin-Mahar, (-3) amendments, (DJ/ps) 02/22/99, 1 page
8. SB 123, Martin-Mahar, SB 123-3 Revenue impact statement, 2 pages
9. SJR 1, Martin-Mahar, SJR 1-1 Revenue impact statement, 1 page
10. SJR 1, Sen. Yih, (-3) amendments, (DJ/ps) 02/22/99, 1 page
11. SJR 1, Martin-Mahar, SJR 1-3 Revenue impact statement, 2 pages
12. SB 410, Waters, (-2) amendments, (DJ/ps) 02/17/99, 1 page