

SENATE REVENUE COMMITTEE

MARCH 24, 1999 - 3:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Randy Miller, Chair

Senator Lee Beyer

Senator Tom Hartung

Senator Charles Starr

Members Excused: Senator Thomas Wilde, Vice Chair

Staff: Paul Warner, Legislative Revenue Officer

Steve Meyer, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Representative Jeff Merkley, House District 16

Senator Cliff Trow, Senate District 18

Robert Baldwin, Corvallis Education Coalition

Frieda Christopher, David Douglas Schools

Representative Barbara Ross, House District 35

Jim Scherzinger, Portland Public School District

Bruce Sorte, Corvallis Education Coalition

Doug Tindall, Oregon Department of Transportation

Al Shannon, Oregon School Boards Association

Burton Weast, Special District Associations

Bill Penhollow, Association of Oregon Counties

Dave Barenberg, League of Oregon Cities

TAPE 071, SIDE A

004 Chair Miller Meeting called to order at 3:03 p.m.

PUBLIC HEARING ON SB 471, SB 550 AND SB 746

020 Sen. Cliff Trow Spoke in support of the SB 471. Submitted testimony on behalf of Rep. Lane Shetterly.
(Exhibit 1)

100 Sen. Trow Continued with testimony in support of measures.

116 Chair Miller Your testimony recommended limiting revenue raising to 10% or \$500/student?

121 Sen. Trow That was modeled after SB 550 (1997).

139 Rep. Barbara Ross Presented testimony in support of measures. (Exhibit 2)

193 Chair Miller Do you believe if a solid floor were established for every Oregon student that the State would have to restrain the limits, as it relates to court challenges?

Shouldn't a local district have the choice of how much tax they want to impose upon themselves to support education in their district?

208 Rep. Ross The State needs to establish and pay for a basic core in education. I don't feel that there would be court challenges if local options are crafted correctly and the State defines and provides for a basic core.

229 Chair Miller Requested that the witnesses and Committee give thought to how to define the basic

core. Also consideration can be given to, within the parameters of Measure 5 restrictions, whether or not the numbers can be moved.

- 251 Sen. Trow Requested that in crafting a local options bill that the Task Force's recommended limitations be considered. Former Rep. VanVleet could speak to those recommendations.
- 268 Sen. Hartung Spoke to Pre-Measure 5 days when the Beaverton and Corvallis districts were willing to tax themselves for a superior school system. The question is how does the State accommodate the districts that are not willing to tax themselves and meet the requirements for a basic education.
- 296 Rep. Jeff Merkley Spoke to the measures and fear that implementing the local option would reduce the pressure for funding of quality basic education for all of Oregon's children. Requested that local options be contingent on achievement of defining and securing a quality basic education for all of Oregon's students.
- 395 Rep. Merkley Continued with testimony to measures.

TAPE 072, SIDE A

- 015 Frieda Christopher Presented testimony in opposition to measures. Discussed graph. (Exhibit 3)
- 091 Chair Miller If all schools were adequately funded would you still be opposed to other school districts enacting local options to go beyond the State's basic funding?
- 099 Christopher Arts, music, after-school athletics, even at the elementary level, must be included in a basic core. If all of the above items are included in a core, along with adequate maintenance budgets, there is very little else to be provided.
- 109 Chair Miller How did David Douglas manage to keep arts, music, sports, etc.?
- 116 Christopher Discussed how sports, arts and music have been preserved through encouraging creative thinking by staff and building partnerships. David Douglas has maintenance needs that have been unfunded so that the sports, arts and music needs could be met.
- 147 Chair Miller What is the age of your history textbooks?

149	Christopher	David Douglas is on cycle for the textbooks.
156	Sen. Starr	One of the coping mechanisms at David Douglas has been larger class size, correct?
163	Christopher	Yes, discussed ways they have accommodated teachers in larger classes.
212	Bruce Sorte	Spoke in support of the measures.
275	Sorte	Continued with testimony in support of measures.
339	Robert Baldwin	Presented testimony in support of measures. (Exhibit 4)

TAPE 071, SIDE B

031	Baldwin	Continued with testimony in support of measures, (Page 2, Exhibit 4).
067	Scherzinger	Spoke in support of the measures.
131	Scherzinger	Continued with testimony in support of the measures.
185		Distributed chart describing school local option tax issues and property tax local option constitutional limits. (Exhibit 8)
		Distributed revenue impact statements for SB 471 (Exhibit 9), SB 550 (Exhibit 10) SB 746. (Exhibit 11)

198	Al Shannon	Presented testimony in support of measure. (Exhibit 5)
236	Doug Tindall	Presented testimony in support of measure. (Exhibit 6)
252	Burton Weast	Spoke to the measure and requested that the bill be amended to include special districts.
304	Sen. Beyer	Would the (-1) amendment include special districts? (Exhibit 7)
308	Weast	Yes.
314	Bill Penhollow	Spoke in opposition to the measure; the counties do not receive refunds on taxes paid for diesel on all county vehicles. The (-1) amendment would include all county vehicles, (Exhibit 7).
		If the measure were tied to a funding increase the counties would not be in opposition. A decrease in funds to the State Highway fund would hit counties disproportionately in their road fund budgets.
398	Dave Barenberg	Spoke to the measure. The League's position is to oppose any tax breaks on alternative fuels, etc. from the Highway fund, however in this instance the cities already have an exemption.
415	Sen. Beyer	The counties position is that they only get the exemption for diesel used in road maintenance, is that similar for the cities?
396	Barenberg	The cities have a broader exemption; it applies to all diesel powered vehicles. Reiterated Mr. Penhollow's testimony that this measure would have an impact on the road system and shares his concern of implementing this measure when the road revenues are essentially flat. Agreed that the impact would be lessened if the measure were tied to a funding increase.
445		Distributed revenue impact statement. (Exhibit 12)

-

Submitted by, Reviewed by,

Joan Green Kim T. James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. SB 471, Trow, Written testimony submitted for Rep. Shetterly, 1 page
2. *SB 471, Ross, Written testimony, 2 pages
3. *SB 471, Christopher, Chart, 1 page
4. *SB 471, Baldwin, Written testimony, 2 pages
5. SB 718, Shannon, Written testimony, 5 pages
6. SB 718, Tindall, Written testimony, 2 pages
7. SB 718, Sen. Beyer, (-1) amendment, (JR/ps) 03/24/99, 1 page
8. *SB 471, Meyer, Chart, 3 pages
9. SB 471, Meyer, Revenue impact statement, 1 page
10. SB 746, Meyer, Revenue impact statement, 1 page
11. SB 718, Meyer, Revenue impact statement, 1 page

*Refers also to SB 550 and SB 746