

PUBLIC HEARING: SB 2

PUBLIC HEARING AND WORK SESSION: HB 2138

WORK SESSION: HB 2046 (RECONSIDER), HB 2452 (RE-PASSAGE)

TAPE 055 A

SENATE REVENUE COMMITTEE

MARCH 8, 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

Ed Waters, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Senator Brady Adams, District 25

Sandy Willet, Commission on Child Care

Susan Browning, Department of Revenue

TAPE 055, SIDE A

005 Chair Miller

Meeting called to order at 3:02 p.m.

WORK SESSION ON HB 2452

- 009 Distributed written testimony submitted by Don Schellenberg. (Exhibit 5)
- 011 Chair Miller The motion passing HB 2452 out of Committee last week was an improper motion, as the bill had a prior subsequent referral to the Committee on Ways and Means. Requested that the Committee reconsider that vote.
- 017 Sen. Starr MOTION: MOVED TO RECONSIDER THE VOTE BY WHICH THE COMMITTEE PASSED HB 2452 OUT OF COMMITTEE ON MARCH 4. HEARING NO OBJECTION, THE CHAIR SO ORDERED.
- 020 Chair Miller MOTION: MOVED HB 2452 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION. AND BE REFERRED TO COMMITTEE ON WAYS AND MEANS BY PRIOR REFERENCE. HEARING NO OBJECTION, THE CHAIR SO ORDERED. (ALL MEMBERS PRESENT)

WORK SESSION ON HB 2046

- 025 Chair Miller Requested that the Committee reconsider the vote whereby the Committee passed HB 2046. HB 2046 shortens the timeframe from three years to two years that must elapse for property subject foreclosure because of delinquent property tax.
- 029 Chair Miller MOTION: MOVED TO RECONSIDER THE VOTE BY WHICH THE COMMITTEE PASSED HB 2046 OUT OF COMMITTEE ON MARCH 4. HEARING NO OBJECTION, THE CHAIR SO ORDERED.
- 031 No further action taken at this time.

PUBLIC HEARING ON SB 2

- 036 Sen. Adams Spoke in support of the measure. Requested that the implementation date of 01/01/2000 be amended to 01/01/1999.
- 090 Sen. Hartung Is there a reason why this could not be called a tax cut?

092	Sen. Adams	It is a tax cut in that it is less tax that affected families would pay. Explained why the tax credit model was chosen.
107	Chair Miller	What is a "qualified" child care expense?
116	Ed Waters	"Qualified" means the child care provider would be registered, have a taxpayer identification number, etc. so that expenses could be receipted.
122	Chair Miller	If a relative cares for the child(ren), the relative were paid casually, not as a business, the parent would not qualify for the credit?
126	Ed Waters	It would need to be reported as earned income by the caregiver.
128	Chair Miller	Does the care provider need to be registered or licensed as a business?
132	Waters	Payment to a casual child care provider may be eligible for the credit, with certain restrictions.
138	Chair Miller	Spoke to concern that all working parents incur child care expenses and as the budget allows the concept should be expanded.
151	Sen. Adams	The intent is that the concept would continue to be expanded in future sessions to include more working parents, as the budget allows.
162	Sen. Beyer	"Sen. Adams, would you be opposed to scaling out the bill, to include more families?"
165	Sen. Adams	"I would support anything that would help more families, but remain fiscally responsible."
168	Sen. Beyer	Requested that staff prepare different models that would phase-out the bill.
183	Waters	Spoke to the current phase out and how the scale was figured for the current bill; there are ways to gain a more gradual phase out.

194 Sen. Beyer Is there a matrix showing the impact to families?

197 Waters Not currently, but it could be provided.

220 Wendy Willet Presented testimony in support of measure. (Exhibit 1)

225 Waters Distributed revenue impact statement. (Exhibit 2)

PUBLIC HEARING ON HB 2138

259 Ed Waters Described HB 2138, which clarifies that a surplus kicker refund made to individuals is a refund of personal income tax.

Distributed House staff measure summary, revenue and fiscal and impact statements. (Exhibit 3)

279 Susan Browning Presented testimony in support of measure. (Exhibit 4)

320 Vice Chair Wilde If the State defines it as a refund will the federal government challenge that?

325 Browning The refund is passed through to the taxpayers as a refund of personal income tax.

WORK SESSION ON HB 2138

345 Sen. Hartung MOTION: MOVED HB 2138 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.

351 VOTE ROLL CALL VOTE: MOTION PASSES 4-0-1

SENATORS VOTING AYE: Beyer, Hartung, Starr, Wilde

SENATORS EXCUSED: Chair Miller

Sen. Starr will carry the bill.

367 Vice Chair Wilde Meeting adjourned at 3:27 p.m.

Submitted by, Reviewed by,

Joan Green Kim T. James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. SB 2, Willet, Written testimony, 3 pages
2. SB 2, Waters, Revenue impact statement, 3 pages
3. HB 2138, Waters, House staff measure summary, revenue and fiscal impact statements, 2 pages
4. HB 2138, Browning, Written testimony, 1 page
5. HB 2452, Schellenberg, Written testimony, 1 page