

INFORMATIONAL MEETING

PUBLIC HEARING: SB 1211

PUBLIC HEARING AND WORK SESSION: SR 4

TAPES 085 - 086 A

SENATE REVENUE COMMITTEE

APRIL 8, 1999 - 3:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Randy Miller, Chair

Senator Thomas Wilde, Vice Chair

Senator Charles Starr

Members Excused: Senator Lee Beyer

Senator Tom Hartung

Staff: Paul Warner, Legislative Revenue Officer

Ed Waters, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Invited Testimony: Brian Reeder from the Department of Revenue

Witnesses: Senate President Brady Adams, Senate District 25

Cindy Becker, Oregon Emerging Business Initiative

Donald Douglas, Oregon Emerging Business Initiative

Bob Wiggins, Legal Anywhere, Inc.

Gary Carlson, Associated Oregon Industries

TAPE 085, SIDE A

005 Chair Miller Meeting called to order at 3:02 p.m.

OPENED PUBLIC HEARING ON SR 4

006 Senate President
Brady Adams Spoke in support of the measure.

007 Sen. Starr Questioned what the timing of the educational lobby day scheduled for tomorrow will influence or affect this measure.

011 Pres. Adams Was not aware of the occurrence tomorrow of the school lobby activity, however the measure doesn't address school funding. The measure strongly states that school funding should not be dependent on the legislature's ability to raise taxes or keep the over-collected taxes.

021 Sen. Starr Concurred and this should help in discussions.

023 Chair Miller Concurred with Senate President. "In my view this is not a fight between the kicker and education, but the kicker vs. funding expansion for all areas of this government."

042 Vice Chair Wilde Commented to the issue that children will not be in school tomorrow and finds that perplexing.

OPENED WORK SESSION ON SR 4

052 Vice Chair Wilde MOTION: MOVED SR 4 TO THE SENATE FLOOR WITH A DO ADOPT RECOMMENDATION.

057 VOTE ROLL CALL VOTE: MOTION PASSES 3-0-2

SENATORS VOTING AYE: Starr, Wilde, Chair Miller

SENATORS EXCUSED: Beyer, Hartung

Senate President Adams will carry the bill.

INFORMATIONAL

069	Warner	Introduced Brian Reeder from the Department of Revenue, who is here, by legislative mandate, to report on the impact of SB 123, which passed in 1995.
081	Brian Reeder	Reported on SB 123 and Oregon's Capital Gains Deferral Program. (Exhibit 2)
150	Reeder	Continued with presentation and summary and conclusions, (Page 1, Exhibit 2).
237	Chair Miller	If the list of opportunities were expanded would it encourage or stimulate additional activity?
280	Reeder	The restrictions in the current program are more on the source of the gains rather than where the reinvestment is made. Discussed the two sets of requirements.
		Distributed a March 1999 article from Oregon Business magazine. (Exhibit 3)

OPENED PUBLIC HEARING ON SB 1211

329	Cindy Becker	Spoke in support of the measure. Distributed written testimony from Raymond Johnson (Exhibit 4) and Blair Minniti (Exhibit 5).
404	Donald Douglas	Presented testimony in support of measure. (Exhibit 6)

TAPE 086, SIDE A

025	Douglas	Continued with presentation and item #5, (Page 2, Exhibit 6).
100	Douglas	Continued with presentation and discussed the Department of Revenue's report.
134	Douglas	Continued with presentation and speaks to how SB 1211 could be a compliment to the federal code.

185	Vice Chair Wilde	What was Congresses rationale in limiting reinvestment to 60 days?
192	Douglas	Spoke to whom Congress was trying to target.
192	Vice Chair Wilde	Two years is a more reasonable number.
206	Douglas	Continued with testimony and spoke to how SB 1211 is a very targeted bill that will have a large impact on the Oregon economy.
292	Vice Chair Wilde	Discussed "angel" investors (financial or business backers) and their importance to the development of new products and/or businesses resulting from product development. Related a personal story.
335	Douglas	Spoke to the grouping of angels and how it benefits all.
334	Vice Chair Wilde	The measure seems ideally suited to Oregonís environment.
368	Bob Wiggins	Spoke in support of the measure.
423	Gary Carlson	Spoke in support of the measure.
457		Distributed revenue impact statement. (Exhibit 7)
458	Vice Chair Wilde	Meeting adjourned at 4:01 p.m.

Submitted by, Reviewed by,

Joan Green Kim T. James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. SR 4, Warner, Staff measure summary and fiscal impact statement, 2 pages
2. Informational, Reeder, Handout, 21 pages
3. Informational, Reeder, Magazine article, 3 pages
4. SB 1211, Becker, Written testimony submitted for Raymond Johnson, 2 pages
5. SB 1211, Becker, Written testimony submitted for Blair Minniti, 1 page
6. SB 1211, Douglas, Written testimony, 3 pages
7. SB 1211, Waters, Revenue impact statement, 2 pages