

PUBLIC HEARING & WORK SESSION:

HB 2192, SB 1037-B

TAPE 206 A

HOUSE REVENUE COMMITTEE

JUNE 9, 1997 8:30 AM HEARING ROOM A STATE CAPITOL BUILDING

MEMBERS PRESENT: Rep. Tom Brian, Chair

Rep. Lee Beyer, Vice-Chair

Rep. Tony Corcoran

Rep. Randall Edwards

Rep. Leslie Lewis

Rep. Anitra Rasmussen

Rep. Lane Shetterly

Rep. Ken Strobeck

WITNESSES EXCUSED: Rep. Mark Simmons

WITNESSES PRESENT: David Bennett, Condominium Study Committee

Rich Vile, Condominium Study Committee

Stan Mayfield, Condominium Study Committee

STAFF PRESENT: Steve Meyer, Economist

Barbara Guardino, Committee Assistant

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TAPE 206 SIDE A

Called meeting to order 8:55 a.m. Opened public hearing on SB 1037-B
007 Chair Brian

PUBLIC HEARING -- SB 1037-B

Refer to written testimony (EXHIBIT A) "Summary SB 1037 B-Engrossed"

018 David
Bennett

Condominium Study Committee supports amendments to include floating condominiums in bill. Needs technical adjustments.

Condominium Study committee includes representatives from, real estate industry, and some attorneys.

Noted, this is a housekeeping bill, nothing controversial. Primarily allows flexibility for homeowner associations and developers in defining what are common elements of condominiums. Bill helps associations and courts identify who owns which rights in a condo.

059 Rich Vile

One issue to address a legal problem: (white board drawing) Boundary of condo development site, three condo (living) units. Series of parking spots. Bill prohibits condo owners from numbering parking spots the same as unit numbers. More importantly, policy issue says, if a parking spot is needed as a dumpsite, under current law, 100 % of residents have to agree. Bill would change this to 75 %, and space user would have to be willing to give up spot.

102 Stan
Mayfield

Testified in support of bill . Agreed, this is housekeeping bill except for two changes.

WORK SESSION -- SB 1037-B

123 Vice Chair
Beyer

**MOTION TO MOVE HB 1037-B TO FLOOR WITH A DO PASS
RECOMMENDATION.**

7 - 0 - 2

**IN A ROLL CALL VOTE, MEMBERS VOTING AYE: RES. CORCORAN,
EDWARDS, RASMUSSEN, SHETTERLY, STROBECK; VICE CHAIR BEYER,**

CHAIR BRIAN.

MEMBERS EXCUSED: REPS LEWIS, SIMMONS.

125 VOTE

MOTION CARRIED. REP. SHETTERLY WILL LEAD DISCUSSION ON THE FLOOR.

PUBLIC HEARING -- HB 2192

- 135 Chair Brian Opened public hearing on HB 2192. Sole intent is to merge two actions committee has already taken into one bill. Merged will be SB 346, school funding formula; and HB3586, bond authority.
- 146 Steve Meyer (Refer to HB 2192 -1, EXHIBIT D). Noted, one minor change, adjusting stop loss dollar amount for district with change in resident students. This change is necessary because of other language in the bill. Language in original bill to deal with students being counted by two districts. If one district is stop-loss district, adjusting for students will not adjust dollars.
- 165 All Questions and discussion concerning HB 2192 -1 amendments.

WORK SESSION -- HB 2192

- 209 Vice Chair Beyer **MOTION TO MOVE HB 2192 -1 AMENDMENTS INTO HB 2192.**
- 216 Chair Brian Advised, HB 2192 had a subsequent referral to Ways and Means, and speaker has given permission to waive this. Will send a letter to Ways and Mean advising this.
- 221 Chair Brian **ASKED MEMBERS FOR ANY OBJECTIONS TO MOVING HB 2192 -1 AMENDMENTS INTO HB 2192. HEARING NO OBJECTIONS, CHAIR SO ORDERED.**
- 229 Vice Chair Beyer **MOVED HB 2192 TO THE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION. MOVED THAT SUBSEQUENT REFERRAL TO HOUSE WAYS AND MEANS COMMITTEE BE RESCINDED.**
- 8 - 0 - 1
- IN A ROLL CALL VOTE, MEMBERS VOTING AYE: REPS. CORCORAN, EDWARDS, LEWIS, RASMUSSEN, SHETTERLY, STROBECK; VICE CHAIR BEYER, CHAIR BRIAN.**

248 VOTE

MEMBERS EXCUSED: REP. SIMMONS.

MOTION CARRIED. CHAIR BRIAN WILL LEAD DISCUSSION ON THE FLOOR.

301 Chair
Brian Closed work session on HB 2192. Adjourned meeting at 9:13 a.m.

Submitted by, Reviewed by,

Barbara Guardino Kim James

Committee Assistant Revenue Office Manager

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EXHIBIT SUMMARY:

- A. SB 1037, Bennett, Summary SB 1037 B-Engrossed, 6 pp.
- B. SB 1037, Bennett, Condominiums: Oregon Condominium Act, 2 pp.
- C. SB 1037, Scherzinger, No Impact statement, 1 p.
- D. HB 2192, Meyer, Proposed Amendments: HB 2191 -1, 45 pp.
- E. HB 2192, Meyer, Staff Measure Summary, 2 pp.
- F. HB 2192, Meyer, Revenue Impact of Proposed Legislation, 3 pp.
- G. HB 2192, Meyer, State School Fund and Total for K-12 Distribution, 10 pp.

PUBLIC HEARING & WORK SESSION: HB 3734

TAPE 207 A

HOUSE REVENUE COMMITTEE

JUNE 9, 1997 2:00 P.M. HEARING ROOM A STATE CAPITOL BUILDING

MEMBERS PRESENT: Rep. Tom Brian, Chair

Rep. Lee Beyer, Vice-Chair

Rep. Tony Corcoran

Rep. Randall Edwards

Rep. Anitra Rasmussen

Rep. Lane Shetterly

Rep. Ken Strobeck

MEMBERS EXCUSED: Rep. Mark Simmons

Rep. Leslie Lewis

WITNESSES PRESENT: Rep. Roger Beyer, District 28

Rep. Tim Josi, District 2

John Hassell, Simpson Timber Company, Washington

STAFF PRESENT: Dick Yates, Economist

Barbara Guardino, Committee Assistant

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TAPE 207 SIDE A

008 Chair Brian Called meeting to order at 2:45 p.m. Opened public hearing on HB 3734.

PUBLIC HEARING -- HB 3734

021 Rep. R. Beyer Testimony in favor of HB 3734. Directed members' attention to HB 3734 -1 (EXHIBIT A): Bill changes from current tax system on timberland owners to 100 % ad valorem tax system. Sets policy on how forestland is taxed.

Refer to "HB 3734A, 100% Ad Valorem Tax System..." (EXHIBIT B); and "Woods Crew Firefighting 1997 Wages" (EXHIBIT C).

Encouraged committee to overlook "political hype" and view this bill as a fairness issue.

092 Rep. Josi In 1991 when M5 passed, an attorney general opinion said M5 rates applied to severance taxes. (A privilege tax is the same as a severance tax.) Timber industry was taxed at 6 % severance tax, and land was taxed at 100 % ad valorem. In 1993, lawmakers reduced ad valorem tax to 20 %, added a 3.2 % privilege tax. This 3.2 % should have been 1.5 % because of M5 rates, according to attorney general. Because of that, timber industry is losing \$25 million annually.

Under HB 3734, landowners over 5,000 acres would convert to 100 % ad valorem taxes. Effective date 1999.

149 Rep. Josi Why is bill needed? It aligns forest property taxation with all other property. Timber used to be viewed as an extraction industry. That is no longer the case. It is a farming industry, so should be taxed on land. Also, privilege tax does not receive benefits of M50. This is unfair. Asked lawmakers to treat timber industry like it treats everyone else.

197 Rep. R. Beyer Concerning HB 3734 -1 amendments, small woodland owners own less than 5000 acres. Their property taxes would not change unless they chose ad valorem taxes over the current privilege tax system. Many small forestland owners are not in forest business. This is a one-time election, between January 1 and July 1, 1998.

230 All Questions and discussion

307 John Hassell Testified in opposition to HB 3734: Simpson Timber Company owns 122,000 acres of young timberland in Oregon. This bill would result in a tax increase, would penalize strategy of acquiring young timberland and holding it into maturity.

Vice
332 Chair Beyer Adjourned meeting at 3:07 p.m.

Submitted by, Reviewed by,

Barbara Guardino Kim James

Committee Assistant Revenue Office Manager

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EXHIBIT SUMMARY:

A. HB 3734, R. Beyer, Proposed Amendments: HB 3734 -1, 3 pp.

B. HB 3734, R. Beyer, HB 3734-A 100 % Ad Valorem Tax System for All Landowners Beginning July 1, 1999, 1 p.

C. HB 3734, R. Beyer, Woods Crew Firefighting 1997 Wages, 1 p.

D. HB 3734, Yates, OFIC Proposal to Tax Forest Land, 2 pp.

WORK SESSION: HB 2007, HJR 37,

TAPE 208 A

HOUSE REVENUE COMMITTEE

JUNE 9, 1997 4:30 P.M. HEARING ROOM F STATE CAPITOL BUILDING

MEMBERS PRESENT: Rep. Tom Brian, Chair

Rep. Lee Beyer, Vice-Chair

Rep. Tony Corcoran

Rep. Randall Edwards

Rep. Leslie Lewis

Rep. Anitra Rasmussen

Rep. Lane Shetterly

Rep. Mark Simmons

Rep. Ken Strobeck

STAFF PRESENT: Ed Waters, Economist

Dick Yates, Economist

Barbara Guardino, Committee Assistant

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TAPE 208 SIDE A

006 Chair Brian Called meeting to order at 5:20 p.m. Opened work session on HJR 37.

WORK SESSION, HJR 37

Vice
011 Chair
Beyer

**MOTION TO MOVE HJR 37 -7 AMENDMENTS INTO HJR 37 -3
AMENDMENTS OF HJR 37.**

015 Chair
Brian

**ASKED MEMBERS FOR ANY OBJECTIONS TO MOVING HJR 37 -7
AMENDMENTS INTO HJR 37 -3 AMENDMENTS OF HJR 37. HEARING NO
OBJECTIONS, CHAIR SO ORDERED.**

Vice
017 Chair
Beyer

MOTION TO MOVE HJR 37 -3 AMENDMENTS AS AMENDED INTO HJR 37.

019 Chair
Beyer

**ASKED MEMBERS FOR ANY OBJECTIONS TO MOVING HJR 37 -3
AMENDMENTS AS AMENDED INTO HJR 37.**

Vice
020 Chair
Beyer

**MOTION TO MOVE HJR 37 AS AMENDED TO THE FLOOR WITH A DO
PASS RECOMMENDATION.**

7 - 1 - 1

**IN A ROLL CALL VOTE, MEMBERS VOTING AYE: REPS. EDWARDS,
RASMUSSEN, SHETTERLY, SIMMONS, STROBECK; VICE CHAIR BEYER,
CHAIR BRIAN.**

021 VOTE

MEMBERS VOTING NO: REP. CORCORAN

MEMBERS EXCUSED: REP. LEWIS

**MOTION CARRIED. HOUSE SPEAKER LUNDQUIST WILL LEAD
DISCUSSION ON THE FLOOR.**

WORK SESSION - HB 2007

032 Vice Chair
Beyer

MOTION TO MOVE HB 2007 -7 AMENDMENTS INTO HB 2007.

034 Chair
Brian

**ASKED FOR ANY OBJECTIONS TO MOVING HB 2007 - 7 AMENDMENTS
INTO HB 2007. HEARING NO OBJECTIONS, CHAIR SO ORDERED.**

050 Vice Chair
Beyer

**MOTION TO MOVE HB 2007 AS AMENDED TO THE FLOOR WITH A DO
PASS RECOMMENDATION.**

7 - 1 - 1

**IN A ROLL CALL VOTE, MEMBERS VOTING AYE: REPS. EDWARDS,
RASMUSSEN, SHETTERLY, SIMMONS, STROBECK; VICE CHAIR BEYER,**

CHAIR BRIAN.

MEMBERS VOTING NO: REP. CORCORAN.

076 VOTE

MEMBERS EXCUSED: REP. LEWIS

**MOTION CARRIED. HOUSE SPEAKER LUNDQUIST WILL LEAD
DISCUSSION ON THE FLOOR.**

079 Chair
Brian

Adjourned meeting at 5:30 p.m.

Submitted by, Reviewed by,

Barbara Guardino Kim James

Committee Assistant Revenue Office Manager

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EXHIBIT SUMMARY:

A. HJR 37, Lundquist, Proposed Amendments: HJR 37 -7, 2 pp.

B. HB 2007, Lundquist, Proposed Amendments: HB 2007 -7, 11 pp.