

WORK SESSION: HB 3163A

TAPES 189 A/B, 190 A

HOUSE REVENUE COMMITTEE

MAY 29, 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. Mark Simmons

MEMBERS EXCUSED: Rep. Ken Strobeck

WITNESSES PRESENT: Grace Crunican, Oregon Dept. of Transportation (ODOT)

Gary Bauer, Oregon Independent Telephone Assn.

David Yandell, Office of Emergency Management (911) Ed Marges, Oregon Dept. of Transportation (ODOT) Greg McMurdo, Deputy Supt. Of Public Instruction

STAFF PRESENT: Steve Meyer, Economist

Dick Yates, Economist

Barbara Guardino, Committee Assistant

-

TAPE 189 SIDE A

006 Chair Brian Called meeting to order 9:00 a.m. Opened work session on HB 3163A.

WORK SESSION -- HB 3163A

Reviewed HB 3163 -A29 (EXHIBIT A).

First change is top of Page 2: Transponders, electronic filing

015 Dick Yates Line 5 "For any period in which the carrier reports and pays electronically"

Line 11: Report occur twice, 70th and 71st legislative assemblies

Page 15, Section 29a: Rewritten and generalized requirements that must be met.

042 Grace Crunican Testified concerning "Freight Study" date language.

071 Yates Continued review of HB 3163 -A29: Page 17 lines 21-23: Require Dept. of Revenue to reimburse providers of telephone subscriber tax for the cost of implementing tax.

075 Rep. Edwards Concerning Page 17, line 14: Asked, who is liable for nonpayment collection of tax?

080 Chair Brian Intent is not that telephone companies would be responsible to collect for non-payers. Same language as 911.

094 Rep. Lewis Asked, if a payer doesn't pay the entire bill, who takes a cut?

103 Gary Bauer In case of partial payment, PUC requires local exchange service first. If amount owing, it is rolled over, so tax would continue to grow on the bill.

130 David Yandell Over last 15 years, number citizens have refused to pay 911 tax. That amount grows against their bill but remains uncollected. Telecommunications companies are not required to pay the tax, the liability is on the subscriber.

150 Rep. Lewis Referred to HB 3163 -A29 Section 33: Concerning per line charge.

155 Chair Brian Section 33 is still a per line charge, looking to limit charge to two lines. Bill currently

charges businesses for every line.

- 175 Rep. Edwards Asked, is 71st Assembly review still in the bill? Yates answered yes.
- 213 Rep. Simmons Asked if committee has discussed sunset provision.
- 220 Vice Chair Beyer Pointed out page 16, Section 30a of bill mandates 2001 legislature to review provision.
- 242 Vice Chair Beyer **MOTION TO MOVE HB 3163 -A29 AMENDMENTS INTO HB INTO HB 3163.**
- 245 All Questions and discussion on whether to include Sections 30 and 33.
ASKED MEMBERS FOR ANY OBJECTION TO SUSPENDING THE RULES TO CONCEPTUALLY AMEND HB 3163 -A29 AMENDMENTS. ON PAGE 16 LINE 4, CHANGE "SECTION" TO "SECTIONS"; ADD AFTER # 30, "AND
- 279 Chair Brian **33."**
- HEARING NO OBJECTIONS TO SUSPEND THE RULES, CHAIR SO ORDERED.**
- ASKED FOR ANY OBJECTION TO MAKING ABOVE CHANGES TO HB 3163 -A29 AMENDMENTS. HEARING NO OBJECTION, CHAIR SO ORDERED.**
- 283 Chair Brian
- Moved out of suspension of rules.
- 290 Rep. Lewis Will oppose adoption of HB 3163 -A29 amendments, objected to creating a new tax that can be raised in future.
- 306 Chair Brian **NOTING REP. LEWIS' OBJECTION TO MOVING 3163 -A29 AMENDMENTS INTO HB 3163A, ADOPTED -A29 AMENDMENTS INTO HB 3163A.**
- 322 Chair Brian Noted HB 3163 -A28 amendments proposed by Rep. Lewis regarding driver education.
- 342 Ed Marges Explained, intent is to transfer responsibility for rules and regulations of driver education program from Department of Education (DOE) to Department of Transportation (ODOT).
- HB 3159 dealt with rules and regulations of program, it failed get out of committee. These amendments are being offered instead.
- 382 Crunican One problem with current driver education curriculum is, no safety tie. Tying curriculum to safety requirement will improve drivers education program and lower accident rates in young people.
- 407 Marges ODOT does bicycle safety training, safety seat, motorcycle safety training, alcohol DUI program.
- 422 Greg McMurdo As superintendent of public instruction, expressed support for amendment as written. Under this amendment, there would be no transfer of funds or transfer of position authority. This is an incomplete transfer. Would not oppose ODOT taking over driver

training, would like to see amendments for a complete takeover.

460 Chair Brian Committee has two options, to not move it, but develop it then send it to Senate Revenue Committee; or adopt amendments and send it to Senate Revenue Committee. Asked committee's preference.

TAPE 190 SIDE A

039 Rep. Lewis Would prefer to adopt HB 3163 -A28 amendments and address other concerns on Senate side.

048 Crunican Clarified, if bill remains as is, ODOT will do curriculum development. Makes no sense to split program between development, implementation.

067 McMurdo Noted, amendments would not affect driver education instructors.

072 Rep. Lewis **MOTION TO MOVE HB 3163 -A28 AMENDMENTS INTO HB 3163A.**

078 Chair Brian **ASKED FOR ANY OBJECTIONS TO MOVING HB 3163 -A28 AMENDMENTS INTO HB 3163A. NOTING OBJECTION BY REP. SIMMONS, CHAIR SO ORDERED.**

084 Vice Chair Beyer **MOVED HB 3163A TO THE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.**

087 Rep. Edwards Will support bill, although troubled by telephone access fee. Encouraged 1999 legislature to consider whether this fee is working, looking, or at least put in sunset.

099 Vice Chair Beyer Submitted telephones and calls for dollar ride have closer nexus (connection) than cigarette taxes.

Will not support HB 3163A due to access fee. Committee should have committed more cigarette tax to senior and disabled, and directed more of this money to rural areas. Dividing money up on per capita basis is wrong way to go.

107 Rep. Lewis Likes design build concept in package. Would have liked to see more modernization money for road projects. Package is too large, legislature risks entire package at ballot box. Should have come up with smaller package that voters would like.

Will support HB 3163A, although he agrees with much of what Rep. Lewis just mentioned. Package is too large, but past legislatures have failed to deal with road situation. Failing this bill would put off the inevitable and make repairs more expensive.

145 Rep. Shetterly Troubled by transportation fee, although recognizes cigarettes have no better nexus. Transportation access fee will benefit his district. Understands telecommunications objections, but has not heard a better idea.

Recognizes this bill is an evolving package that will change and may ultimately be resolved in conference committee. Concerned with public perception that ODOT is "a black hole for dollars." Challenged ODOT to show "concrete results." People don't like to pay taxes when they don't get anything for it.

Perfect opportunity to use legislative oversight to follow the money.

This is a difficult day for him. There is something in this bill for everyone to hate.

214 Rep. Simmons Weight mile increase is punitive. Uncomfortable with access fee. On the other hand, the analogy that "there is no road fairy" who will solve the problem is true. His district is rural, and many seniors and disabled need transportation. He is uncomfortable with amount of need stated. Needs a safety net for rural Eastern Oregon counties that no longer have timber receipt dollars for their road budgets. With great reservation, will support HB 3163A.

Believes committee held true to request of drafters not to tamper with bill too much. Need to move bill forward.

Disagreed with Rep. Lewis' claim that because Lane County has LTD, the rural people are taken care of. Neither Cottage Grove nor Oakridge has bus service.

249 Rep. Corcoran Has seen ODOT in different light over past 10 years. Represented classified employees for ODOT. Watched what ODOT has done internally in terms of accountability. Sees positive change since Ms. Crunican arrived. Cautioned, private sector, not ODOT, is the "big black hole" in terms of where the money is going, due to inefficiencies. Supports HB 3163A because of access fee, not despite of it. Concerning Ms. Crunican's comment about not building more roads, it is not possible to build your way out of congestion.

Expressed frustration that legislature has failed to deal with transportation since 1989. That is part of reason why package is this size. Also, haven't dealt with population growth, inflation, or problems within ODOT. It's always easy to criticize a bureaucracy, but, in truth, transportation is the most privatized service in the state.

300 Vice Chair Beyer 3/4 of money goes out in private contracts. Private contractors are to blame for inefficiencies.

Costs to pave a freeways are going up. Private wages are higher.

No one wants to vote for a package this size, but he understands the condition of the roads. This package isn't the best, but it is what is available. Will support HB 3163A.

374 Rep. Shetterly Not satisfied with truck weight mile tax.

Glad this day has arrived. Oregon has a growing state and an aging transportation system, mostly built since 1950s. If state continues to ignore system, it will get more costly. Package is comprehensive.

394 Chair Brian What state does with money is tangible. Roads cost money.

Access fee is troublesome for everyone, even those who support it. Wonders, is there a better way? This question gets into flexible funds issue. Legislature has to develop new ways to reduce single occupancy vehicle use.

TAPE 189 SIDE B

Oregon has over 70 mass transit systems, most small. Some are a van with a volunteer

driver. This bill will help that.

Appreciates work by ODOT and by Ways and Means to increase accountability.

033 Chair
Brian

Biggest disappointment with bill is trucking portion. Hopes legislature will continue to examine and streamline weight mile tax.

If package becomes law, total government burden will be 40 cents a mile compared to twice that in surrounding states. Oregonians are still getting a good value. Will vote yes.

Thanked committee and Dick Yates for their work on transportation package.

7 - 1 - 1

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

MEMBERS VOTING NO: REP. LEWIS.

072 VOTE

MEMBERS EXCUSED: REP. STROBECK.

MOTION CARRIED.

090 Chair
Brian

Closed work session on HB 3163A. Adjourned meeting at 10:a.m.

-
Submitted by, Reviewed by,

-
Barbara Guardino Kim James

-
Committee Assistant Revenue Office Manager

-
EXHIBIT SUMMARY:

- A. HB 3163, Yates, Proposed Amendments: HB 3163 -A29, 22 pp.
- B. HB 3163, Lewis, Proposed Amendments: HB 3163 -A28, 2 pp.
- C. HB 3163, Yates, Proposed Amendments: HB 3163 -30, 22 pp.
- G. HB 3163, Yates, Fiscal Analysis of Proposed Legislation, 1 p.
- I. HB 3163, Yates, Revenue Impact of Proposed Legislation, 4 pp.
- K. HB 3163, Yates, Staff Measure Summary, 3 pp.