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SENATE COMMITTEE ON RULES AND ELECTIONS

April 10, 1997 Hearing Room 343

3:00 PM Tapes 39 - 41

MEMBERS PRESENT:

Sen. Randy Miller, Chair

Sen. Gene Derfler, Vice-Chair

Sen. Neil Bryant

Sen. Randy Leonard

Sen. Cliff Trow

MEMBER EXCUSED:

STAFF PRESENT:

Jan Nordlund, Administrator

Jennifer Peck, Administrative Support

MEASURE/ISSUES HEARD:

Introduction of Committee Bills

SB 901 Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
TAPE 39, A		
004	Chair Miller	Opens meeting at 3:10 p.m. and opens work session for introduction of measures for approval.
<u>INTRODUCTION OF COMMITTEE BILLS</u>		
012	Jan Nordlund	Committee Administrator. States LC to be considered.
015	Chair Miller	MOTION: Moves LC 4019 dated 3/3/97 BE INTRODUCED.
	Chair Miller	Hearing no objection, declares the motion CARRIED.
016	Chair Miller	Closes work session and opens public hearing on SB 901.
<u>SB 901 PUBLIC HEARING</u>		
016		Staff presents public letters and testimony submitted prior to the meeting (EXHIBIT A).
017	Sen. Ginny Burdick	District 6. Supports and explains SB 901. States this would make our system fairer as it would provide a mechanism to allow new people in an area to carry their fair share of public impact for the area.
061	Sen. Tom Hartung	District 3. Discusses development and population explosion in the Portland area. States providing adequate school facilities is the first priority in the area.
115	Dr. Roger Woehl	Superintendent, West Linn-Wilsonville School District. Presents (EXHIBIT B) in support of SB 901. Discusses growth capacity. Comments on the construction costs of new schools. States SB 901 would offset the costs, but still not cover all the costs.
175	Woehl	Comments on growth for schools.
190	Jeff Ciccione	Member, West Linn School board, West Linn, Oregon. Supports SB 901. Explains an example of acreage which is being considered for a new school, yet it is not enough space considering the growth.
250	Rep. Kurt Schrader	District 23. Supports SB 901. States the new development needs to pay its fair share in the communities and this is a simple measure which puts children first. States growth can be a huge help to a community, but it can also be overwhelming. States

		school impact fees can only be used for school construction.
296	Rep. Schrader	States SB 901 considers the people who do not have children. Explains the per bedroom fee. States SB 901 is very fair and affordable and this system currently works well in Canby.
350	Rep. Schrader	States SB 901 does not allow for money being drawn off onto other funding. States there are exemptions for some housing.
391	Sen. Bryant	States he would like definitions for "exemptions," "extraordinary costs," "low-income housing," and "senior housing" in section 5.
410	Rep. Schrader	Comments on specifying income levels, and dealing with charter schools or mergers of districts.
444	Sen. Bryant	Comments on unfunded mandates.
TAPE 40, A		
004	Sen. Bryant	Comments on section 3.
007	Rep. Schrader	Explains county lines and that remodels are not included in SB 901.
017	Sen. Derfler	Notes that fees on new construction will be voted on by area residents, although the new people would be the ones impacted by SB 901.
022	Rep. Schrader	States there will not be random fees under SB 901. Refers to section 4.
043		Discussion of the comprehensive plan.
054	Rep. Chuck Carpenter	District 7. Presents and reads (EXHIBIT C) in support of SB 901. Refers to HB 3348. States revenues from school impact fees can fill gaps in the community.
095	Chair Miller	Asks about the status of HB 3348.
097	Rep. Carpenter	Gives the status.
101	Gary Conkling	Beaverton School District. Supports SB 901.
123	Dee Burch	Council President, City of West Linn. Presents and reads (EXHIBIT D) in support of SB 901. States SB 901 makes the growth pay for itself in the community.
146	Bill Atherton	City Councilor, Lake Oswego, Oregon. Supports SB 901. Comments on land speculation. States the burden becomes a tax to the community. States SB 901 provides choice and fairness.
187	Fred VanNatta	Affordable Housing Advocate, Oregon Building Industry Association. Presents (EXHIBIT E) in opposition to SB 901. States this is not an impact fee but an easy tax to levy. Explains he would be willing to create a true impact fee which would affect homeowners fairly. States most home buyers already live in the community in which they buy their new homes, thus the children are not linked to new houses.

240	VanNatta	States this would be a significant shift in taxes. States it is a terrible tax policy because homes do not impact schools, but children do. Discusses housing finance.
290	VanNatta	Shows a chart which compares existing residential homes with new homes. States it will increase rent for existing tenants. States everyone pays higher rent in a community if the cost of new units increases.
350	VanNatta	Comments that it will be more difficult to get loans to build more expensive rentals. Provides an illustration of how new and used housing costs are related.
407	VanNatta	States this will not raise much money since it will only effect a small percentage in the communities.
TAPE 39, B		
001	VanNatta	Comments that there are other alternatives. Refers to HB 3544. Suggests there are other possibilities for raising money for schools.
042	Sen. Leonard	Asks about his comments on the kicker fund.
053		Discussion of the kicker which could be returned to the taxpayers and the year-round school option for funding.
079	VanNatta	States that more use can be made of a school facility if it is used year-round.
092	Sen. Leonard	Comments that lottery funds are paid for by taxpayers.
098	VanNatta	States SB 901 would tax few people.
119	Sen. Bryant	Asks about developing an impact fee.
122	VanNatta	Explains the fee would truly impact the families with children. Explains there could be a tax on families with children moving into a school district.
158	Vice-Chair Derfler	Acting as chair. Requests witnesses limit their comments to 5 minutes.
170	Stephen Miller	Superintendent, Canby School District. Supports SB 901. States Oregonians are willing to pay taxes for the upkeep of facilities.
195	Sen. Leonard	Asks about people without children or those who move into existing homes.
215	Miller	Explains the effects in these circumstances. Comments he does not support only families with school age children paying for all building of new schools because public education affects all of society.
242	Sen. Leonard	Comments on the difference in philosophies.
253	Miller	States new residents should pay an impact fee.

261	Sen. Bryant	Comments on who pays for impact fees.
270		Discussion of the user fees versus impact fees on new residents.
283	Sen. Trow	Comments on levies.
294	Sandy Van Bommel	County Planning Commission. Presents and reads (EXHIBIT F) in support of SB 901.
311	Sen. Bryant	States the families with children should be the ones to pay for the impact on the schools.
313	Van Bommel	Continues to read testimony. Comments that at some point every home will have children.
356	Sen. Leonard	Asks if this is a fair thing to do to new members of a community.
362	Van Bommel	Comments on students learning in trailers.
380	Debbie Barber	Teacher, Canby School. Presents (EXHIBIT G) in support of SB 901. Describes increased students in her school due to a new development nearby.
420	Barber	Continues to read testimony. Explains the problems with her school's facilities.
TAPE 40, B		
001	Sen. Bryant	Asks if Canby has turned down any school measures.
004	Stephen Miller	Explains the timetables of the school district.
016	Eric Meurer	Salem Building Industry Association. Opposes SB 901. Comments that the new home buyers tend to be older people who do not have school age children. States all rents and rates will rise under SB 901 and states it is a misdirected tax.
043	Stan Ash	Manufactured Housing Units of Oregon, Tigard, Oregon. Opposes SB 901. States property value increases with new homes on lots and property taxes already pay for a large part of education.
073	Ted Hughes	Oregon Manufactured Housing Association. Opposes SB 901. States anything which impacts housing costs should be scrutinized.
083	Sen. Leonard	Comments that the business community needs to join hands with citizens to provide funding for schools.
096	Hughes	States we should try to get our money's worth in education.
111	Sen. Leonard	Comments on schools' budgets.
119	Meurer	States a solution must be achieved at the effort of everyone in the community. States Salem citizens have always been supportive of community needs.
133	Bill	City Councilor, Lake Oswego, Oregon. Supports SB 901.

	Atherton	Comments on the value of land.
163	Jeffrey Lamb	Oregon Communities for Voice and Annexation. Presents (EXHIBIT H) in support of SB 901. Explains distresses he has seen in a school where facilities were inadequate.
225	Lamb	States this issue should possibly come before the voters.
260	Edward Allick	Oregon City, Oregon. Supports SB 901. States there is no fair tax, but something needs to be done to help the facilities.
290	John Williams	Chairman, South End Neighborhood Organization, Oregon City, Oregon. Supports SB 901. States everybody pays for the schools. States the people who move into the area should pay for the building of schools.
326	Sandy Henderson	Oregon Trail Parent Teacher's Association, Legislative Chair. Presents (EXHIBIT I) in support of SB 901. States there has been enormous support for SB 901. Lists statistics on the relationship between growth and student increases. States the resale price will compensate for the impact fee.
394	Regina Ortiz-Shepard	Substitute teacher, Sandy, Oregon. States overcrowded schools encourage children to leave campuses and not return for classes. Describes funding programs that distract from educating children.
450	Peggy Lynch	Beaverton, Oregon. Presents (EXHIBIT J) in support of SB 901.
TAPE 41, A		
001	Lynch	States we cannot afford not to have an impact fee for new development. States all taxes are based on averages which is no different than the school impact fee.
024	Mary Kyle McCurdy	Submits written testimony in support of SB 901 (EXHIBIT K) .
025	Robert Thomas	West Linn, Oregon. Submits written testimony in support of SB 901 (EXHIBIT L) .
026	Sen. Leonard	Closes public hearing on SB 901 and adjourns meeting at 5:10 p.m.

Submitted By, Reviewed By,

Jennifer Peck, Jan Nordlund,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 901, submitted public letters, staff, 15 pp

B - SB 901, written testimony, Roger Woehl, 1 p

C - SB 901, written testimony, Rep. Chuck Carpenter, 4 pp

D - SB 901, written testimony, letters, news articles, and legislative proposals, Dee Burch, 22 pp

E - SB 901, written testimony, news articles, and charts, Fred VanNatta, 16 pp

F - SB 901, written testimony, news articles, and letter, Sandy Van Bommel, 4 pp

G - SB 901, written testimony, Debbie Barber, 2 pp

H - SB 901, written testimony, news article, and letter, Jeffrey Lamb, 5 pp

I - SB 901, written testimony and data, Sandy Henderson, 4 pp

J - SB 901, written testimony, Peggy Lynch, 2 pp

K - SB 901, written testimony, Mary Kyle McCurdy, 2 pp

L - SB 901, written testimony and news articles, Robert Thomas, 7 pp
