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PUBLIC HEARINGS: HB 2567, SB 1075, & HB 2202A  
WORK SESSION FOR RECONSIDERATION: HB 2798  
TAPES 114A/B & 115 A

SENATE COMMITTEE ON GOVERNMENT  
FINANCE AND TAX POLICY

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MAY 09, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

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Members Present: Sen. Shirley Gold, Acting Chair  
Sen. Tom Hartung  
Sen. Cliff Trow  
Sen. Greg Walden)

Excused: Sen. Paul Phillips, Chair

Witnesses: Jim Manary, Oregon Department of Revenue  
Rep. Lynn Lundquist, House District #59  
Rob Douglas, Oregon Society of Certified Public Accountants  
Roger Neu, Greater Oregon Chapter of the Appraisal Institute  
Rep. Patti Milne, House District #38  
Art Wilkinson, Senate Health and Human Services Committee  
Craig Urbani, Insurance Pool Governing Board

Staff: James Scherzinger, Legislative Revenue Officer  
Richard Yates, Legislative Revenue Office  
Steve Bender, Legislative Revenue Office  
Steve Meyer, Legislative Revenue Office  
Janice DeVito, Committee Assistant

TAPE 114 SIDE A  
005 Acting Chair Gold -calls the meeting to order at 1:04 pm  
HB 2798 RECONSIDERATION OF VOTE  
006 Acting Chair Gold -MOVES RECONSIDERATION OF VOTE BY WHICH COMMITTEE SENT  
HB 2798 TO THE SENATE FLOOR  
-HEARING NO OBJECTION, THE CHAIR SO ORDERS  
SB 2798 WORK SESSION  
012 Steve Bender -explains that the Proposed (-1) Amendment to HB 2798  
(Exhibit A) is not substantive, but changes a reference which conflicts  
with another bill  
Jim Manary -Oregon Department of Revenue  
-has no comment on the conflict amendment

Acting Chair Gold -MOVES THE PROPOSED (-1) AMENDMENTS TO SB 2798  
-HEARING NO OBJECTION, THE CHAIR SO ORDERS

Acting Chair Gold -MOVES SB 2798 TO THE SENATE FLOOR WITH A DO PASS  
RECOMMENDATION MOTION CARRIES 3-0  
-SENATORS VOTING AYE: HARTUNG, TROW & GOLD  
EXCUSED: PHILLIPS AND WALDEN

SB 1075 PUBLIC HEARING  
050 Steve Bender -presents staff overview of SB 1075 which extends current tax  
credits for contributions made to health insurance pool for employers who  
become participants in pool in 1989 or thereafter but before January 1,  
1995

070 -explains Employee Health Insurance information as outlined in Research  
Report #6-94 (Exhibit D)

178 Acting Chair Gold -recesses SB 1075 PUBLIC HEARING (resumes at Tape  
115A.230)

HB 2567 PUBLIC HEARING  
190 Steve Meyer -presents staff overview of HB 2567 which allows property  
taxpayer to be represented by certified public accountant before board of  
equalization or board of ratio review

195 Rep. Lynn Lundquist -House District 59  
-comments that in the original bill, CPAs were "inadvertently" left out of  
the language

218 Rob Douglas -Oregon Society of Certified Public Accountants  
-lists those who are allowed to represent taxpayers before the board of  
equalization  
-advises that CPAs are allowed to represent taxpayers at all levels other  
than before the board of equalization

253 -states no intent to impinge upon the current practice act of appraisers  
or duties they perform  
-urges Do Pass Recommendation

260 -questions and discussion about qualifications of CPAs with regard to  
representing taxpayers before the Board of Equalization or Board of Ratio  
Review and whether opposition exists to the measure

289 Roger Neu -Greater Oregon Chapter of the Appraisal Institute  
-distributes written testimony in opposition to HB 2567 (Exhibit H)

304 Rep. Patty Milne -House District #8  
-speaks in opposition to measure because it would add confusion and "may  
not be in the best interest of that individual who is going to straighten  
out values and make sure their property is assessed properly and their tax  
is correct"

343 -clarifies that "a CPA can not take the place of an appraiser...."  
-intends no discredit to the value that CPAs present to their clients

365 Neu -reads and provides additional comment on written testimony (Exhibit  
H)

TAPE 115 SIDE A  
040 -questions and discussion  
065 Neu -continues presentation of Exhibit H  
088 -questions and discussion about qualifications of attorneys versus CPAs  
or real estate brokers for compliance with ACLB legislation, intent of  
original legislation, representation by property owners, policy issue of  
qualifications, flexibility for taxpayer to choose either CPA or attorney  
assistance

214 Acting Chair Gold -notes intent to reschedule this measure for Thursday  
and invites Mr. Neu and Mr. Douglas to present amendments at that time if  
so desired

SB 1075 PUBLIC HEARING RESUMES  
240 Art Wilkinson -Committee Administrator for Senate Health and Human  
Services  
-explains rationale for SB 1075 which extends the tax credit for small  
employers who participate in an insurance pool governing board type of  
health plan  
-estimates that 4-5 thousand additional people will receive benefit from  
the program each year through extension of the tax credit

280 -questions and discussion about fiscal impact, whether measure was  
anticipated in Governor's budget, and length of employer participation

318 Steve Bender -explains difference between the "grandfathered" tax credit and the credit offered through this measure  
345 -discussion continues  
365 Sen Trow -suggests that if eligibility is expanded, it should include coverage for higher education students  
TAPE 114 SIDE B  
002 Wilkinson -clarifies Health and Human Services committee's intent for employer participation  
015 Craig Urbani -Insurance Pool Governing Board, Marketing Manager  
-states no position on the measure  
023 Steve Bender -explains need for amendments to be written to reflect committee's intent  
031 Acting Chair Gold -notes that measure will be reconsidered at a later date  
HB 2202A PUBLIC HEARING  
045 Steve Bender -explains HB 2202A which is an administrative bill requested by the Department of Revenue to authorize filing of declaratory form in lieu of personal income tax return  
-a second provision of the bill eliminates the requirement that employer send to the Dept. of Revenue, a copy of an individual W-2 form for every employee for which they are deducting withholding  
-nots the status of earlier amendments to the measure  
069 -introduces new Proposed (-6) Amendments (Exhibit I) requested by Chair Phillips and Proposed (-7) Amendments (Exhibit J) requested by Senator Hartung  
090 -discussion of the Proposed (-2) Amendments presented on 3/14/95 as Exhibit J  
107 Steve Bender -explains what HB 2202A would authorize after amendments are made  
126 Acting Chair Gold -adjourns hearing and meeting at 2:10 pm

Janice DeVito  
Committee Assistant

Kimberly Taylor James  
Office Manager

Exhibits Summary:

A. HB 2798, Bender, Proposed (-1) Amendments to HB 2798  
B. SB 1075, Bender, Staff Measure Summary - Senate Committee on Health and Human Services  
C. SB 1075, Bender, Revenue Impact of Proposed Legislation, 5/3/95  
D. SB 1075, Bender, Research Report #6-94 - Employee Health Insurance  
E. HB 2567, Meyer, Staff Measure Summary - House Committee on State and School Finance  
F. HB 2567, Meyer, Revenue Impact of Proposed Legislation, 3/21/95  
G. HB 2567, Meyer, Fiscal Impact Assessment, 3/6/95  
H. HB 2567, Neu, testimony from The Greater Oregon Chapter of the Appraisal Institute, 5/9/95  
I. HB 2202A, Bender, Proposed (-6) Amendments to HB 2202A (BPS/dj/hl) 5/4/95  
J. HB 2202A, Bender, Proposed (-7) Amendments to HB 2202A (BPS/dj/hk) 5/9/95  
K. HB 2202A, Bender, Form 40, 1989 Oregon Individual Income Tax Return  
L. HB 2202A, Bender, Staff Measure Summary - House Committee on State and School Finance  
M. HB 2202A, Bender, Revenue Impact of Proposed Legislation, 1/25/95  
N. HB 2202A, Bender, Fiscal Analysis of Proposed Legislation, 1/27/95