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PUBLIC HEARING: HB 2134A
WORK SESSIONS: HB 2992, HB 2197 & HB 2134A
AND RECONSIDERATION OF HB 2567
TAPES 138-139A

SENATE COMMITTEE ON GOVERNMENT
FINANCE AND TAX POLICY

MAY 23, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Sen. Paul Phillips, Chair
 Sen. Shirley Gold, Vice Chair
 Sen. Tom Hartung
 Sen. Cliff Trow
 Sen. Greg Walden
 Sen. Gene Derfler (for proceedings on HB 2992)

Witnesses: Jim Manary, Oregon Department of Revenue
 Frank Brawner, Oregon Bankers Association
 Jack Roberts, Bureau of Labor and Industries
 Dan O'Brien, Associated General Contractors
 Bob Shiprack, Oregon Building Trades Council
 Rep. Dennis Luke, House District #54
 Chuck Adams, Associated Builders and Contractors

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

TAPE 138 SIDE A

005 Chair Phillips -calls the meeting to order at 1:34 pm
 -comments on committee business

HB 2197 WORK SESSION

017 Steve Bender -presents staff overview of measure which eliminates
requirement that Department of Revenue provide income tax release to
probated estates

 -refers to Proposed (-1) Amendments (Exhibit A) which are the result of
coordination and agreement between the Department of Revenue and Oregon
Bankers Association

035 Jim Manary -Oregon Department of Revenue
 -describes Proposed (-1) Amendments (Exhibit A) which address the concerns
 of the banking community and achieve the goals of Department of Revenue

042 Frank Brawner -Oregon Bankers Association
 -endorses the Proposed (-1) Amendments to HB 2197 (Exhibit A) as presented

044 -questions

046 Chair Phillips -MOVES THE PROPOSED (-1) AMENDMENTS TO HB 2197
 -HEARING NO OBJECTION, THE CHAIR SO ORDERS

054 Chair Phillips -MOVES HB 2197 AS AMENDED TO THE SENATE FLOOR WITH A DO
 PASS RECOMMENDATION
 -HEARING NO OBJECTION, THE CHAIR SO ORDERS

056 Sen Gold -will carry measure on the Senate floor

HB 2992 WORK SESSION

080 Jack Roberts -Bureau of Labor and Industries, Commissioner
 -describes Proposed (-7) Amendments (Exhibit B) which establish a fund for
 wage surveys, education, and enforcement of prevailing wage law
 -comments on intent of the Proposed (-7) Amendments (Exhibit B) and changes
 made in the Proposed (-8) Amendments (Exhibit C)
 -states no opinion either for or against the sunset provision

128 -questions and discussion about latitude of the Bureau of Labor and
 Industries in contracting out surveys

141 Dan O'Brien -Associated General Contractors, Oregon/Columbia Chapter
 -states support for the Proposed (-7) Amendments and changes in the
 Proposed (-8) Amendments, with no specific position on contracting of
 surveys
 -notes that personally, he "would much rather not see a sunset clause in
 there"

159 Bob Shiprack -Oregon Building Trades Council
 -states support of the Proposed (-7) Amendments and opposition to the
 Proposed (-8) Amendments
 -believes that the words "the fee shall be used primarily" add confusion to
 the Statutes and may skew the intent of what is trying to be accomplished

180 -states opposition to sunset provision fee

192 -discussion about support from the building trades industry for this
 "consensus" bill

213 Rep. Dennis Luke -House District #54
 -expresses earlier concern about the Proposed (-6) Amendments and explains
 his suggestion to legislative counsel that the Proposed (-8) Amendments be
 drafted "to make it clear that if they're going to get the money, the
 surveys need to be done or the fee should go away"
 Roberts -for the benefit of Rep. Luke, explains the difference between the
 Proposed (-7) and (-8) Amendments

239 Luke -"that's a lot of money to give just for enforcement and education
 if they're not going to do the surveys...the reason I agreed to the fee was
 to pay for the survey"

260 Chair Phillips -describes intent of what fees can be used for

273 Chair Phillips -suggests clarification that "the fee shall be used to pay
 (for) surveys to determine the prevailing wage for administering and
 providing education programs, and investigating enforcement..."

270 Rep. Luke -re-states concern about possible misuse of fees as amendments
 are presently written
 -regarding the sunset issue: "I didn't need both, I would have been happy
 with one or the other"

310 Steve Bender -provides additional staff clarification of changes between
 amendments

345 -discussion and suggestions for changes in amendment language regarding
 the specific use of fees

TAPE 139 SIDE A

007 Roberts -states for the record that "it is absolutely our intention to do
 all three of these things....and so language that says that the fee shall
 be used (for survey, education and enforcement) is consistent with our

intent"

012 Chair Phillips -"I would think, Commissioner, now that we have some enforcement tools for you that you have the opportunity to enforce"

018 Roberts -for the record, proposes conceptual amendment to the Proposed (-8) Amendment on page two, line 28 that "the fee shall be used to pay the

cost of surveys, to determine the prevailing wage, and for administering and providing educational programs , etc.:

022 Sen Walden -MOVES THE ABOVE CONCEPTUAL AMENDMENT TO THE PROPOSED (-8)

AMENDMENTS TO HB 2992

029 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS

024 Sen Trow -MOVES CONCEPTUAL AMENDMENT FOR DELETION OF THE SUNSET IN SECTIONS 5A AND 15A OF THE PROPOSED (-8) AMENDMENTS

035 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS

039 Chuck Adams -Associated Builders and Contractors
-supports measure and amendments as adopted

061 Shiprack -anticipates attempts to raise the contract price in Section 3a to above \$25,000 "through this or another vehicle"

075 Chair Phillips -MOVES PROPOSED (-8) AMENDMENTS AS AMENDED TO HB 2992
-HEARING NO OBJECTION, THE CHAIR SO ORDERS

(COMMITTEE RECESS 2:10-2:24 pm)

HB 2992 WORK SESSION (Sen. Derfler joins the committee)

085 Chair Phillips -asks for testimony on the measure

Chair Phillips -MOVES HB 2992 AS AMENDED BY (-8) AS AMENDED TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION-

-HEARING NO OBJECTION, THE CHAIR SO ORDERS

103 Sen. Derfler -will carry the measure on the Senate floor

HB 2134A PUBLIC HEARING

112 Dick Yates -refers to information packet distributed including the Staff Measure Summary, Revenue Impact, and Fiscal Analysis (Exhibit D) and explains the measure which modifies motor carrier mileage tax rate Table "A" and axle weight mileage tax rate Table "B"

158 -questions and discussion about availability of data from the most recent mileage study

161 Chair Phillips -states intent to appoint a work group consisting of himself and the Vice Chair to meet with pertinent interest groups to gather

information because "I need more information so that the committee can have

more information upon which to even deliberate at this stage in the game before it comes back for a hearing"

163 Sen Trow -suggests study of the issue during the interim: "I don't think we should act before that happens"

-discussion

179 Sen Trow -states position that "study is appropriate - action on this is not appropriate"

184 -discussion and clarification of responsibilities of the work group

202 Chair Phillips -explains intent to meet tomorrow in work group, and that issue may proceed or not at the discretion of the Senate President

Chair Phillips -directs staff to schedule a work group meeting tomorrow morning before Senate floor session

HB 2567 WORK SESSION

240 Chair Phillips -MOVES COMMITTEE RECONSIDERATION OF HB 2567 IN ORDER TO RESOLVE CONFLICT AMENDMENTS (measure previously sent to the Senate floor with a Do Pass Recommendation)

-HEARING NO OBJECTION, THE CHAIR SO ORDERS

230 Steve Meyer -explains Proposed (-3) Amendments to HB 2567 which resolve a conflict in language, with no change in content of the bill (Exhibit E)

-the measure deals with CPAs being able to represent taxpayers before the

Boards of Equalization

HB 2567 WORK SESSION

258 Sen Trow -MOVES THE PROPOSED (-3) AMENDMENTS TO HB 2567

272 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS

260 Sen Trow -MOVES HB 2567 AS AMENDED TO THE FLOOR WITH A DO PASS RECOMMENDATION

275 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS

Sen. Trow -was previously designated as carrier of the bill on the Senate floor

278 Chair Phillips -adjourns the committee at 2:28 pm for the session but at the call of the Senate President

Janice DeVito
Committee Assistant

Kimberly Taylor James
Office Manager

Exhibits Summary:

- A. HB 2197, Bender, Proposed (-1) Amendments to HB 2197 (BPS/hk) 5/18/95
- B. HB 2992, Bender, Proposed (-7) Amendments to HB 2992 (CW/lg) 5/1995
- C. HB 2992, Bender, Proposed (-8) Amendments to HB 2992 (CW/ng) 5/23/95
- D. HB 2134A, Yates, Staff Measure Summary/House committee on State and School

Finance, Revenue Impact, and Fiscal Analysis

- E. HB 2567, Meyer, Proposed Amendments to HB 2567 (BPS/ng) 5/23/95