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WORK SESSIONS: HB 2204A, SB 686  
HB 2202A, & HB 2198B  
PUBLIC HEARING HB 2204A  
TAPES 058-059, A only

SENATE COMMITTEE ON GOVERNMENT  
FINANCE AND TAX POLICY

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MARCH 15, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

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Members Present: Sen. Paul Phillips, Chair  
Sen. Shirley Gold, Vice Chair  
Sen. Tom Hartung  
Sen. Cliff Trow  
Sen. Eugene Timms (excused 1:50 pm)  
Sen. Greg Walden (excused 1:50 pm)

Witnesses: Todd Schwartz, Oregon Employment Department  
Richard Van Pelt, Oregon Employment Department  
Jim Manary, Oregon Department of Revenue  
Jim Bucholz, Oregon Department of Revenue  
Barbara Seamore, Legislative Counsel

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

TAPE 058 - SIDE A

005 Chair Phillips -calls the meeting to order at 1:08 pm  
009 Chair Phillips -reviews committee progress and prior amendments to SB 686  
HB 2204A PUBLIC HEARING/WORK SESSION  
023 Todd Schwartz -Legislative Aide, Oregon Employment Department.  
-introduces Richard Van Pelt of Oregon Employment Department  
-distributes written testimony (Exhibit A)  
045 -introduces proposed (-14) amendment to HB 2204A (Exhibit B) to bring the  
employment department into conformity with federal legislation  
066 Jim Manary -Oregon Department of Revenue  
-states no objection to concept of the (-14) proposed amendment  
076 Chair Phillips -asks Department of Revenue to review proposed amendment  
with counsel, and submit written comment/recommendation to the committee  
086 Jim Bucholz -Oregon Department of Revenue  
-requests clarification of issues to be reviewed  
-questions and discussion about fiscal impact and increase in Section 179  
expensing

HB 2202A WORK SESSION

137 Bender -explains purpose of HB 2202A which: 1) authorizes filing of a declaratory form in lieu of personal income tax return, and 2) eliminates requirement for employer to file copies of W-2 forms with the Dept. of Revenue

147 Jim Manary -Oregon Department of Revenue  
-states no opposition to the (-2) amendments (Exhibit I distributed 3/14/95)

-discussion about simplicity of the declaratory form, issues surrounding simplification, and separate question of Employment Division form

218 Sen Gold -introduces proposed (-4) amendments concerning earned income credit (Exhibit C) and proposed (-5) amendments concerning repeal of the corporate kicker (Exhibit D)

-discussion and questions

SB 686 WORK SESSION

266 Chair Phillips -advises Sen. Timms of committee progress to date on SB 686

285 Sen. Gold -explains intent of amendment that would coordinate concerns of

local government with goals of Port of Portland

-distributes (-7) proposed amendments to SB 686 (Exhibit E)

290 Barbara Seamore -Legislative Counsel

-explains that the proposed (-7) amendment leaves other adopted amendments

in place

328 -refers to lines 10-24 of (-7) proposed amendment

333 -page 2, lines 1-16 of (-7) proposed amendment which affects bonded debt

obligation of the Port

362 -discussion and questions about tax exemption's impact on public benefit, uniqueness of Port negotiating process, and clarification of jurisdictions involved on the local level

TAPE 059 SIDE A

037 Seamore -describes intent in Section 4 of proposed (-7) amendment and makes correction to language

046 Sen Hartung -appreciates concerns addressed by Senator Gold but states reasons they should not be included in SB 686

060 Sen Gold -MOVES (-7) AMENDMENT TO SB 686 (NOTING CORRECTION TO SECTION 4 AS STATED BY COUNSEL)

068 Sen Trow -acknowledges communication problem between interested parties on measure, but states opposition to amendment

079 Chair Phillips ROLL CALL VOTE MEASURE FAILS 5-1

-SENATORS VOTING AYE: GOLD

-VOTING NAY: HARTUNG, TIMMS, TROW, WALDEN & PHILLIPS

080 Sen Gold -introduces proposed (-8) amendment to SB 686 (Exhibit F) which sets a sunset provision of July 1, 2007 (date that bonds fully amortize)

-MOVES (-8) AMENDMENT TO SB 686

091 -discussion about specific application of exemption

121 Chair Phillips -states opposition to sunset provision

-ROLL CALL VOTE: MOTION FAILS 4-2

-SENATORS VOTING AYE: TROW & GOLD

-VOTING NAY: HARTUNG, TIMMS, WALDEN & PHILLIPS

130 Sen Hartung -MOVES SB 686 WITH (-1) AND (-4) AMENDMENTS TO SENATE FLOOR WITH A DO PASS RECOMMENDATION

132 Chair Phillips -ROLL CALL VOTE: MOTION CARRIES 6-0

-SENATORS VOTING AYE: HARTUNG, TIMMS, TROW, WALDEN, GOLD & PHILLIPS

Sen Hartung -will carry SB 686 on the Senate floor

-general discussion

HB 2198B WORK SESSION

171 Steve Bender -presents staff comment on HB 2198B provisions which 1) declares tax warrants to have the effect of judgment for out-of-state tax collections and 2) expands Dept. of Revenue authority to file UCC liens on personal property for tax collection

183 Jim Manary -Oregon Department of Revenue

-in response to questions posed at previous meeting, reports survey of states who allow lien filing for taxes

-questions and discussion

217 Sen Trow -MOVES HB 2198B TO SENATE FLOOR WITH A DO PASS RECOMMENDATION

220 Chair Phillips -ROLL CALL VOTE: MOTION PASSES 4-0

-SENATORS VOTING AYE: HARTUNG, TROW, GOLD & PHILLIPS

EXCUSED: WALDEN &

TIMMS

Sen Trow -will carry HB 2198B on Senate floor

237 Chair Phillips -adjourns at 1:55 pm

Janice DeVito  
Committee Assistant

Kimberly Taylor James  
Office Manager

Exhibits Summary:

- A. HB 2204A, Schwartz, Proposed Amendment to Allow Federal Withholding on Unemployment Compensation, from Oregon Dept. of Employment 3/15/95
- B. HB 2204A, Bender, Proposed (-14) Amendment to HB 2204A (BPS/dj/hl) 3/14/95
- C. HB 2202A, Bender, Proposed (-4) Amendment to HB 2202A (BPS/dj/ng) 3/15/95
- D. HB 2202A, Bender, Proposed (-5) Amendment to HB 2202A (BPS/dj/ng) 3/15/95
- E. SB 686, Meyer, Proposed (-7) Amendment to SB 686 (BPS/ng) 3/15/95
- F. SB 686, Meyer, Proposed (-8) Amendment to SB 686 (BPS/ng) 3/15/95
- G. SB 327, Meyer, Proposed (-2) Amendment to SB 327 (DJ/hl) 2/27/95