

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording.

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording.

Public Hearing SB 1062 & SB 1024  
Work Session: SB 337, 687, 250  
TAPES 086 - 87 SIDES A & B

SENATE COMMITTEE ON GOVERNMENT  
FINANCE AND TAX POLICY

---

APRIL 13, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

---

Members Present: Sen. Paul Phillips, Chair  
Sen. Greg Walden (excused at 2:15)  
Sen. Tom Hartung  
Sen. Eugene Timms (excused at 2:15)

Absent: Sen. Shirley Gold, Vice Chair  
Sen. Cliff Trow

Witnesses: Paul Romain, Capital Asset Research Corporation  
Randy Powell, Superintendent of Condon Public Schools  
Bob Geppert, US West Communications  
Chris Zamora, US West Communications  
Jimmie Gleason, Pacific Corp  
Katrina Basye, Idaho Power Co., Boise, ID  
Pat Hickey, AT&T Communications  
Jerry Hendrickson, AT&T Communications  
Ray E Granville, Jr., Cascade Appraisal Services Inc, Wilsonville OR  
Donald Gwyther, Industrial Evaluation, Creswell OR  
Tom Ryder, JR Simploy Company, Boise ID  
Jim Manary, Department of Revenue, Salem OR

Staff: James Scherzinger, Legislative Revenue Officer  
Terry Drake, Legislative Revenue Office  
Steve Meyer, Legislative Revenue Office  
Laura Sherwood, Committee Assistant

TAPE 86 - SIDE A

005 Chair Phillips -calls the meeting to order at 1:53 pm  
SB 250 WORK SESSION  
034 Paul Romain -refers to Exhibit A, proposed -2 amendments to SB 250, dated

April 13, 1995

-reviewed the proposed amendments stating corrections  
136 Sen. Walden -MOVES ADOPTION OF CORRECTIONS TO THE PROPOSED (-2)  
AMENDMENTS TO SB 250  
138 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS  
130 Sen. Walden -MOVES THE PROPOSED (-2) AMENDMENTS AS CORRECTED TO SB 250  
140 Chair Phillips -HEARING NO OBJECTION, THE CHAIR SO ORDERS  
141 Sen. Walden -MOVES SB 250 AS AMENDED BY THE (-2) CORRECTED AMENDMENTS TO  
THE SENATE FLOOR WITH A DO PASS RECOMMENDATION  
148 Steve Meyer -notes a need for correction to the Revenue Impact Analysis,

dated 4/12/95

-discussion  
143 Chair Phillips -ROLL CALL VOTE: MOTION PASSES 4-0-2  
-SENATORS VOTING AYE: HARTUNG, TIMMS, WALDEN & PHILLIPS ABSENT: TROW & GOLD  
162 Chair Phillips -will carry the bill on the Senate floor  
SB 1024 PUBLIC HEARING  
180 Randy Powell -Superintendent of Condon public schools  
-speaks in support of the bill and explains situation in Condon relating to

taxes collected from appeals where the money was not maintained by the  
school districts as a result of the school funding formula  
206 Terry Drake -explains SB 1024 - Provides that additional taxes collected  
on appeal of large value not be used to reduce amount distributed to school

district from State School Funding Formula, refers to Exhibit C, Revenue  
Impact Statement, dated April 13, 1995 -

-discussion  
320 Sen Phillips -schedule bill for work session  
Close Public Hearing on SB 1024  
SB 687 WORK SESSION (BILL RECONSIDERATION)  
322 Chair Phillips -describes change in Revenue Impact as a reduction,  
Exhibit E, dated 4-12-95, and proposed -7 amendments  
-discussion and members reading through -7 amendments  
404 Chair Phillips -MOVES ADOPTION OF THE PROPOSED (-7) AMENDMENTS AS HAND  
ENGROSSED TO SB 687  
-HEARING NO OBJECTION, THE CHAIR SO ORDERS  
412 Chair Phillips -MOVES SB 687 AS ADOPTED BACK TO THE SENATE FLOOR WITH A DO

PASS RECOMMENDATION

-ROLL CALL VOTE: MOTION PASSES 4-0  
-SENATORS VOTING AYE: TIMMS, WALDEN, HARTUNG & PHILLIPS ABSENT: GOLD &

TROW

(no carrier for bill is stated)

TAPE 87 SIDE A

Closes Work Session on SB 687

SB 337 WORK SESSION - as a subcommittee

-SB 337 - Allows owner of real property who installs sprinkler system for  
fire protection to exempt system from property tax as long as original  
owner retains ownership of property.  
017 Bob Geppert -discusses fiscal impact statement provided by Department of  
Revenue  
043 Chris Zamora -Manager at US West Communications and is responsible for  
property taxes for US West  
-discusses Dept of Revenue fiscal impact statement and the differences  
067 Geppert -states bill will not effect cellular industry  
069 Jimmie Gleason -Pacific Corp  
-states electric high range is 5% in reality it is more like 2% to 3% when  
moving corporation from Maine to Oregon  
089 -discussion on Exhibit G, provided by the Department of Revenue relating

to intangibles and states there are errors in the Departments estimates  
discussion

122 Katrina Basye -Idaho Power Company  
-states percentages the Dept of Revenue provided are overstated regarding  
Electric Companies and in Idaho they do not tax intangibles  
140 All -discussion  
200 Chair Phillips -called to leave committee  
225 Pat Hickey &  
Jerry Hendrickson -AT&T Communications  
-states information provided by Dept. of Revenue is overstated  
274 Jim Manary -Oregon Department of Revenue  
-refers to Exhibit G, and states the Department agrees the figures are not  
exact, also refers to -2 Amendments, page 3, lines one and two describes  
whether the taxpayer can tax value of tangible assets that are attributable

to the intangibles and if the taxpayer can tax intangibles directly  
-states the -2 amendment would handle both issues

335 -discussion

Closes Work Session SB 337

SB 1062 PUBLIC HEARING

391 Ray Granvall Jr -refers to Exhibit J, written testimony and Exhibit K,  
Market Approach Market Derived - Economic Obsolescence Plant Sales and  
Exhibit L - Market Depreciation of Wood Products Manufacturing Equipment

TAPE 86 SIDE B

Ray Granville -continues with testimony  
-discussion  
078 Jim Manary -describes an Oregon statute relating to SB 1062  
Close Public Hearing on SB 1062  
110 Sen Hartung -adjourns meeting at 2:55 pm

Laura Sherwood  
Committee Assistant

Kimberly Taylor James  
Office Manager

Exhibits Summary:

A. SB 250, Meyer, Proposed (-2) Amendments to SB 250 (JB/ng) 4/13/95  
B. SB 250-2, Meyer, Revenue Impact of Proposed Legislation, 4/12/95  
C. SB 1024, Drake, Preliminary Revenue Impact of Proposed Legislation,  
4/13/95  
D. SB 687, Meyer, Proposed (-7) Amendments to SB 687 (BPS/ng) 4/12/95-1  
E. SB 687, Meyer, Revenue Impact of Proposed Legislation, 4/12/95  
F. SB 687, Scott, testimony from Power Rents & Oregon Equipment Rental Assn.,  
4/13/95  
G. SB 337-2, Manary, Valuation Impact, 4/95  
H. SB 337-2, Meyer, Revenue Impact of Proposed Legislation, 4/12/95  
I. SB 337, Meyer, Fiscal Impact Assessment, 4/13/95  
J. SB 1062, Granville, testimony from Cascade Appraisal Services, 4/13/95  
K. SB 1062, Granville, Market Approach Market Derived - Economic Obsolescence

Plant Sales

L. SB 1062, Granville, Market Depreciation of Wood Products Manufacturing  
Equipment  
M. SB 1132, Lemman, testimony from City of Eugene, 4/13/95  
N. SB 1132, Gustafson, testimony from Division of State Lands, 4/13/95  
O. SB 1132, Gustafson, Division of State Lands Position on Proposed (-1)  
Amendments