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WORK SESSIONS: SB S 1067, 719 & 1062
PUBLIC HEARING: SB 262A
TAPES 088-089 A/B

SENATE COMMITTEE ON GOVERNMENT
FINANCE AND TAX POLICY

APRIL 18, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Sen. Shirley Gold, Acting Chair
Sen. Tom Hartung
Sen. Cliff Trow
Sen. Greg Walden (excused 2:10-2:40 pm)

Excused: Sen. Paul Phillips, Chair
Sen. Eugene Timms

Witnesses: Tom Linhares , Oregon Association of County Assessors
Gary Bartholemew, Oregon Association of County Tax Collectors
Greg McMurdo, Oregon Department of Education
Jerry Bennett, Linn-Benton-Lincoln Education Service District
John Young, Washington County Education Service District (ESD)
Sally Bunnell, Washington County ESD
Dick Laughlin, Clatsop County ESD
Vickie Totten, Oregon School Boards Association (OSB A)
Milt Baum, Salem, OR
Wilma Wells, Confederation of Oregon School Administrators

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

TAPE 088 - SIDE A
005 Acting Chair Gold -calls the meeting to order at 1: 08 pm
SB 719 WORK SESSION
018 Jim Scherzinger -presents staff summary of SB 719 which requires the Governor to prepare a tax expenditure report for the biennium in even-numbered years
-refers to Proposed (-1) Amendments (Exhibit E - distributed 4/5/95)
052 Acting Chair Gold -elaborates on purpose of the Proposed (-1) Amendments
071 Sen Trow -MOVES PROPOSED (-1) AMENDMENTS TO SB 719
-discussion about lack of referral to Ways and Means Committee, fiscal impact statement, property/income tax impact, and availability of county data on property tax exemptions
200 -questions and discussion continue about scope of fiscal impact statement and any known opposition to measure
210 Acting Chair Gold -HEARING NO OBJECTION, THE CHAIR SO ORDERS THE (-1) AMENDMENTS TO SB 719
214 Sen Hartung -MOVES SB 719 AS AMENDED TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION
220 Acting Chair Gold -ROLL CALL VOTE: MOTION PASSES 4-0
-SENATORS VOTING AYE: HARTUNG, TROW, WALDEN & GOLD EXCUSED: TIMMS AND PHILLIPS
235 Acting Chair Gold -will carry the bill on the Senate Floor
SB 1067 WORK SESSION

250 Steve Meyer -presents staff review of measure which allows television translator district to certify delinquent service charges to county assessor for collection

-refers to Proposed (-4) Amendments to SB 1067 (Exhibit A)

290 -questions and discussion

310 Sen Trow -MOVES PROPOSED (-4) AMENDMENTS TO SB 1067

315 Acting Chair Gold -HEARING NO OBJECTION, THE CHAIR SO ORDERS

320 -discussion about limits of collection and precedent

340 Tom Linhares -Oregon Association of County Assessors, and Columbia County

Assessor

-states Assessors Association support for this measure as amended since it is limited only to "quasi-governmental" entities and as long as procedures are clarified

-favors precedent of 10% collection fee and cites collections already made for other types of districts

385 Gary Bartholemew -Oregon Association of County Tax Collectors

-states Tax Collectors Association support for measure as amended

-reviews collection process and costs involved

TAPE 089 SIDE A

008 -questions and discussion about fee collection process on rental property

024 Sen Walden -MOVES SB 1067 TO THE SENATE FLOOR AS AMENDED BY (-4) WITH A DO

PASS RECOMMENDATION

030 Acting Chair Gold -ROLL CALL VOTE MOTION CARRIES 4-0

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

Sen Trow -will carry measure on the Senate floor

SB 1062 WORK SESSION

040 Steve Meyer -presents staff overview of SB 1062 which permits consideration of functional and economic obsolescence in valuing industrial plants for ad valorem tax purposes

075 -distributes Revenue Impact Statement (Exhibit B)

-discussion

135 Acting Chair Gold -at suggestion of Sen. Hartung, directs an additional public hearing and possible work session be scheduled for SB 1062

SB 262A PUBLIC HEARING

150 Terry Drake -presents staff overview of SB 262A, including history and relationship to earlier legislation (SB 26)

-this measure changes requirements of State Board of Education's order designating education service districts

224 -describes impact of Attorney General opinion on SB 26

273 -questions and discussion about fiscal impact of legislation

288 Greg McMurdo -Oregon Dept. of Education, Deputy Superintendent of Public Instruction

-describes history of SB 26 which resulted from an "executive order and subsequent interim study, the purpose being to establish ESDs as regional units of government and to broaden their scope and authority to serve all districts (including county units) and to further strengthen their role as an agency of the Dept. of Education"

346 -agrees with staff that lack of action on SB 262A would "leave ESDs penniless"

357 -notes situation of equalization ESDs and impact of mergers (Grant and Wheeler Counties)

390 -points out different effective date for Wheeler County on page two, line 3 of measure

-states opposition by Department for Grant County as a "stand alone ESD"

TAPE 088 SIDE B

005 -questions and discussion

023 McMurdo -suggests that size of boards and zoning/configuration should be at the discretion of ESDs

030 -urges committee passage of measure

055 Gerald Bennett -Linn-Benton-Lincoln Education Service District, Superintendent

-distributes written testimony in support of SB 262A (Exhibit F)

-explains scope of ESD responsibilities

117 -supports concept of large service districts which provide economies of scale in providing regional services

126 -describes role of technology for integration of services

140 -refers to "Bringing the Best Together" (Exhibit F)

248 John Young -Washington County Education Service District, Superintendent

-introduces Sally Bunnell, Dick Laughlin and Bill Molendyke who support all support SB 262A

-testifies in support of SB 262A and distributes written testimony (Exhibit G and Exhibit M)

-describes process for consolidation of regional services, programs, administration, and budgets

300 Sally Bunnell -Washington County ESD, Board Member

-distributes written testimony (Exhibit L) and speaks in support of SB 262A

325 Dick Laughlin -Clatsop ESD, Superintendent

-speaks about programs provided on the north coast and involvement with planning process on SB 262A
 -see written testimony in support of legislation from Clatsop Education Service District (Exhibit K) and from Astoria School District No. 1C (Exhibit J)
 420 -describes cooperation between four counties to develop a model regional program to deliver services
 TAPE 089 SIDE B
 010 Vickie Totten -Oregon School Boards Association (OSB A)
 -for the record, states strong support for SB 262A
 -points out oversight in measure to a concern earlier raised by Sen. Walden
 - referring to Hood River-Wasco region being zoned
 031 -discussion and questions
 -see written testimony from Douglas Education Service District (Exhibit I)
 042 Acting Chair Gold -asks Ms. Totten to advise Chair Phillips about the zoning issue which needs to be resolved
 045 Milt Baum -Salem, OR , self-employed arbitrator
 -compliments work on SB 262A
 -asks for clarification for board members and administrators of "how that tax adjustment's going to look in each of the regions"
 069 Terry Drake -explains that components of tax distribution will change, but not the total of tax levied
 092 Wilma Wells -Confederation of Oregon School Administrators
 -states support of measure and distributes testimony (Exhibit H)
 110 Acting Chair Gold -adjourns meeting at 2:40 pm

Janice DeVito
 Committee Assistant

Kimberly Taylor James
 Office Manager

Exhibits Summary:

A. SB 1067, Meyer, Proposed (-4) Amendments (JB/lg) 4/17/95
 B. SB 1062, Meyer, Revenue Impact of Proposed Legislation, 4/17/95
 C. SB 1067, Donnell, testimony from Blue Mountain Translator District, 4/14/95
 D. SB 262A, Drake, Staff Measure Summary
 E. SB 262A, Drake, Revenue Impact, 4/18/95
 F. SB 262, Bennett, testimony from Linn-Benton-Lincoln Education Service District
 G. SB 262, Young, A Cost Efficiency Study of Selected ESD Services, 11/10/94
 H. SB 262, Wells, testimony from Confederation of Oregon School Administrators, 4/18/95
 I. SB 262, OSB A, testimony from Douglas Education Service District, 4/18/95
 J. SB 262, Laughlin, testimony from Astoria School District No. 1C, 4/17/95
 K. SB 262, Laughlin, testimony from Clatsop Education Service District, 4/17/95
 L. SB 262, Bunnell, testimony from Washington County Education Service District, 4/18/95
 M. SB 262, Young, testimony from Washington County Education Service District, 4/18/95