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PUBLIC HEARINGS: HB S 2798, 2269A, 2642A,
2796A & 2797
WORK SESSIONS: HB S 2798, 2269A, 2642A,
2796A & 2797
TAPES 105A & 106A

SENATE COMMITTEE ON GOVERNMENT
FINANCE AND TAX POLICY

MAY 02, 1995 - 1:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Sen. Paul Phillips, Chair (excused 1:28 - 2:00 pm)
Sen. Shirley Gold, Vice Chair
Sen. Tom Hartung
Sen. Cliff Trow
Sen. Greg Walden

Witnesses: Rep. Ken Strobeck, Oregon House District 6
Jim Manary, Oregon Department of Revenue
Debra Buchanan, Oregon Department of Revenue
B.J. Smith, League of Oregon Cities
Jacqueline Zimmer, Oregon Association of Area Agencies on Aging
Mary A. Bryant, Bend Assistance Guild/Sen. Neil Bryant
Tom Linhares, Oregon State Association of County Assessors

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 105 SIDE A

005 Chair Phillips -calls the meeting to order at 1:06 pm

HB 2269A PUBLIC HEARING

013 Rep. Ken Strobeck -Oregon House District 6, Chairman of Subcommittee on
Regulatory Reform

-presents background information regarding HB 2269A, which revises the
financing method for 9-1-1 emergency reporting figure
-explains clarifications which have been included in the measure, and urges

support by the committee

060 -questions and discussion

HB 2269A WORK SESSION

075 Sen. Trow -MOVES THE A-ENGROSSED VERSION OF HB 2269 TO THE SENATE FLOOR
WITH A DO PASS RECOMMENDATION

080 -discussion and staff comment about revenue impact, phone charges, and
litigation regarding cellular phones

116 Chair Phillips -ROLL CALL VOTE: MOTION PASSES 5-0

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

Sen. Trow -will carry the measure on the Senate floor

HB 2798 PUBLIC HEARING

124 Steve Bender -presents staff summary of HB 2798 which conforms income and
personal property tax laws to the federal Bankruptcy Code

150 Jim Manary -Oregon Department of Revenue
 -responds to question by Sen. Trow regarding federal bankruptcy law and
 State of Oregon income tax liability

216 Bender -discusses sections 3 and 5 of the bill which eliminate certain
 penalties

276 Debra Buchanan -Department of Revenue, income tax group
 -cites example relating to amended returns and difference in prepayments
 from "Application of Penalty Provisions in HB 2798" (Exhibit J)

HB 2798 WORK SESSION

305 Sen. Gold -MOVES HB 2798 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION

310 Chair Phillips -ROLL CALL VOTE MOTION PASSES 5-0
 -SENATORS VOTING AYE: HARTUNG, TROW, WALDEN, GOLD & PHILLIPS
 Sen. Walden -will carry the bill on the Senate floor
 (Senator Gold assumes duties as Acting Chair)

SB 2642A PUBLIC HEARING

324 Steve Meyer -presents staff summary of HB 2642A which grants retroactive
 tax exemption for property leased by one governmental entity to another or
 to exempt organization if property was denied exemption for failure to file
 claim

355 B.J. Smith -League of Oregon Cities
 -testifies in support of technical measure "which does not make any
 substantive change to tax exemption law"
 -presents written testimony in support of measure from the Mayor of Coos
 Bay (Exhibit M)

446 -cites types of agencies affected by this measure which include crisis
 center, Coos Bay Art Museum, cemetery in the City of Lakeside, several
 properties in Coos Bay, and senior centers in Bandon and Myrtle Point

018 Jacqueline Zimmer -Oregon Association of Area Agencies on Aging
 -testifies in support of measure which "clears up a problem for some of our
 senior centers"
 -distributes written testimony from Oregon Association of Area Agencies on
 Aging (Exhibit L)

TAPE 106 SIDE A

022 Mary Bryant -Bend Assistance Guild and representing Sen. Neil Bryant
 -explains need for change in the statute for non-profit agencies in order
 to qualify for tax exempt status
 -describes Proposed (-3) Amendment to SB 2642A (Exhibit Q)

058 -questions and discussion

081 Jim Manary -Oregon Department of Revenue
 -describes similar issue from last session concerning property tax
 exemption granted for senior centers
 -suggests criteria for exemption be based on use of property rather than
 proceeds earned from use of property

114 B.J. Smith -states no objection to using HB 2642A as a vehicle for an
 amendment, but has concerns about whether there is enough time left in
 session to accomplish this

130 Acting Chair Gold -requests that Mrs. Bryant work with staff and Mr.
 Manary of Dept. of Revenue in order to present an amendment for committee
 consideration on May 11

HB 2796A PUBLIC HEARING

166 Steve Meyer -presents staff review of HB 2796A which permits property
 owner to request imposition of additional tax on certain property
 disqualified from special assessment as farmland

184 Tom Linhares -Oregon State Association of County Assessors
 -describes current procedure followed in farm use special assessment and
 changes which would result from HB 2796A

218 -explains the difference between sections 1 and 2 which provide
 flexibility to property owners

HB 2796A WORK SESSION

243 Sen. Walden -MOVES HB 2796A TO THE SENATE FLOOR WITH A DO PASS
 RECOMMENDATION

245 Acting Chair Gold -ROLL CALL VOTE MOTION PASSES 4-0
 -SENATORS VOTING AYE: HARTUNG, TROW, WALDEN & GOLD EXCUSED: SEN. PHILLIPS
 Sen. Hartung -will carry measure on the Senate floor

HB 2797 PUBLIC HEARING

240 Tom Linhares -Oregon State Association of County Assessors
 -presents overview of HB 2797 which deals only with property not zoned as
 exclusive farm use
 -HB 2797 permits owners of property disqualified from special assessment for
 unzoned farmland under limited conditions to apply for requalification in
 year of disqualification
 -states that measure would simplify administrative procedure

294 -questions and discussion about criteria for farm use special assessment

350 Acting Chair Gold -MOVES HB 2797 TO THE SENATE FLOOR WITH A DO PASS
 RECOMMENDATION
 -ROLL CALL VOTE MOTION PASSES 4-0

-SENATORS VOTING AYE: HARTUNG, TROW, WALDEN & GOLD
Sen. Gold -will carry measure on the Senate floor
363 Acting Chair Gold -announces that report has been distributed to
committee members by staff economist Terry Drake: "A Cost Efficiency Study
of Selected ESD Services" (Exhibit K)
370 -adjourns meeting at 2:00 pm

EXCUSED: SEN. PHILLIPS

Janice DeVito
Committee Assistant

Kimberly Taylor James
Office Manager

Exhibits Summary:

A. HB 2269A, Yates, Staff Measure Summary, House Committee on State and School Finance
B. HB 2269A, Yates, Revenue Impact of Proposed Legislation, 4/10/95
C. HB 2269A, Yates, Fiscal Analysis of Proposed Legislation, 3/29/95
D. HB 2269A, Yates, Staff Measure Summary, House Committee on General Government and Regulatory Reform
E. HB 2269, Yates, HB 2269: Revenue Impact
F. HB 2269, Yates, HB 2269, HB 2269: 9-1-1 Emergency Telephone Access
G. HB 2798, Bender, Revenue Impact of Proposed Legislation, 3/17/95
H. HB 2798, Bender, Staff Measure Summary, House Committee on State and School Finance, 3/17/95
I. HB 2798, Bender, Fiscal Impact Assessment, 2/21/95
J. HB 2798, Manary, Application of Penalty Provisions in HB 2798, 5/95
K. HB 2275A, Drake, "A Cost Efficiency Study of Selected ESD Services", prepared for Oregon Association of Educational Service Districts, 11/10/94,

by Moore Breithaupt & Chastain, Inc., 494 State Street, Suite 250, Salem, OR 97301

L. HB 2642A, Zimmer, testimony from Oregon Association of Area Agencies on Aging, 5/2/95
M. HB 2642A, Smith, testimony from Mayor of City of Coos Bay, 5/2/95
N. HB 2642A, Meyer, Staff Measure Summary, House Committee on State and School Finance
O. HB 2642A, Meyer, Revenue Impact of Proposed Legislation, 4/3/95
P. HB 2642A, Meyer, Fiscal Impact Assessments of 2/10/95 and 4/5/95
Q. HB 2642A, Meyer, Proposed (-3) Amendments to HB 2642A (BPS/dj/lg)
R. HB 2796A, Meyer, Staff Measure Summary, House Committee on State and School Finance
S. HB 2796A, Meyer, Revenue Impact of Proposed Legislation, 3/28/95
T. HB 2796A, Meyer, Fiscal Impact Assessments of 2/22/95 and 3/30/95
U. HB 2797, Meyer, Staff Measure Summary, House Committee on State and School

Finance

V. HB 2797, Meyer, Revenue Impact of Proposed Legislation, 3/20/95
W. HB 2797, Meyer, Fiscal Impact Assessment, 3/29/95