

Public Hearing HB 2064, 2255
Tapes 77 & 78 A & B, 79A
HOUSE STATE AND SCHOOL FINANCE COMMITTEE
-

FEBRUARY 24, 1995 8:30 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Rep. John Schoon, Chair

Rep. Ron Adams
Rep. Lee Beyer (gone from 10:05 am-10:50 am)
Rep. Tim Josi
Rep. Tony Federici, Vice Chair
Rep. Jane Lokan
Rep. Anita Rasmussen
Rep. Ken Strobeck
Rep. Jim Welsh

Witnesses Present: Frank Brawner, Oregon Bankers Association
Margaret Van Fleet, Network for Oregon Affordable Housing
(NOAH)
Lynn Schoesser, Housing and Community Services
John Van Landingham, Housing Lobby Coalition
Lydia Taylor, Department of Environmental Quality
Liz VanLecuwen, District 37
Jim Whitty, Associated Oregon Industries
Gene Alexander, Entek Manufactunng
Jim Denham, Teledyne Wah Chang
Jim Craven, Oregon Council, American Electronics Association
John Matthews, Recycling Coordinator, Garten Foundation

Staff: James Scherzinger, Eegislative Revenue Officer
Rhonda Wehler, Committee Assistant

TAPE 77 SIDE A

007 Chair Schoon -calls the meeting to order at 8:30 am and conducts
administrative business
013 -OPENS HEARING ON HB 2064
024 Frank Brawner -summarizes bill
-lender's tax credit, interest rate reduced by 4%,
-1989 legislation didn't allow for institution to make and sell loan deals
with individual lenders as well as NOAH
131 rlm Scherzinger -refers to Exhibit B, Tax Credits Revenue Impact
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conixt d proceedings, please rofer to the iape recordhg.

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146 Margaret Van Vliet -relays NOAH provides long-term mortgages to render
affordable housing
191 -cites example of how subsidy works to reduce rents, Exhibit A,
Written Testimony, Page 2
-bank must lower interest rate by 4% on qualified low income housing
loan, then lender may claim an Oregon income tax credit for the
amount of foregone interest
240 Brawner -clarifies tax credit is used by other banks, not just NOAH
-housing is top quality
256 Van Vliet -explains data, pages 6,7, Exhibit A
285 Vice Chair Federici -asks how NOAH interfaces with Network Oregon Housing
Authority (NOHA)
289 Van Vliet -answers NOHA is borrowing entity, act as developer, design a
project to need identified, then come to NOAH, who acts as bank
300 Brawner -stresses no other consortium as effective as NOAH

315 All -questions and discussion
 397 Van Vliet -says annual income recertification process required for
 tenants
 TAPE 78 SIDE A
 030 Scherzinger -explains credit is 4% of outstanding balance
 -credit sunsets in 2000, but last session temporarily increased amount
 of loan to be outstanding and that sunsets in 1996
 059 Van Vliet -stresses no delinquency rate in renters
 145 JohnVanLandingham-summarizes lobby coalition members support tax
 credit, page 2,
 Exhibit C
 187 Scherzinger clarifies \$3 million per year revenue impact
 199 Chair Schoon -says figures not in Governor's budget, because current law
 says these
 - credits are supposed to sunset
 276 Scherzinger -explains biennial impact, Exhibit B, many credits sunset,
 can't grant
 any new credits, all the people who have them to that date continue to
 claim them for number of years, depending on how credit is
 constructed or method of sunset
 349 Scherzinger -says when bill is passed out, budget balance is affected for
 95-96
 382 Chair Schoon -CLOSES HEARING ON 2064
 387 -OPENS HEARING ON HB 2255
 TAPE 77 SIDE B
 012 Scherzinger -summanzes Exhibit D, page 2, Pollution Control Facilities
 045 Lydia Taylor -summarizes Written Testimony, Exhibit E
 -revenue reduction \$23 million, based on sunset
 -pre-certification deleted at request of Department of Environmental
 Quality
 124 All -questions and discussion
 158 Chair Schoon comments best law for showing that Oregon expects businesses
 to
 operate in clean environment
 175 Liz VanLeeuwen -summmarizes her district has largest grass seed acreage
 in Oregon
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 VanLeenwen -approves HB 2255
 -grass seed growers had to reduce number of acres to propane or open
 field burn.
 -had to buy extra equipment to conform to regulations
 -need extension of pollution control tax credit
 284 Jim Whitty refers to Exhibit ", Written Testimony, favoring pollution
 control
 credits
 TAPE 78 SIDE B
 005 Gene Alexander -refers to Exhibit G, Written Testimony, favoring tax
 credit
 093 Jim Denham -refers to Exhibit F, Written Testimony, favoring tax credit
 184 Alexander -affirms pollution requirements same in other states, due to
 Clean Air
 Act of 1991
 190 Rep. Adams -expresses inequity of feds passing laws but states giving
 credits
 197 All -questions and discussion
 358 Whitty -cites cost of Oregon compliance regulations vs. lack of
 environmental
 regulations in foreign countries along with wage disparities, making
 competition diffcult
 TAPE 79 SIDE A
 057 All -questions and discussion
 104 Jim Craven -refers to Exhibit I, Written Testimony, supporting pollution

control

tax credit

-achieves growing economy and high environmental

standards

-cites examples of companies superseding minimum requirements,
page

2, Exhibit I (element that provides harmony between Department of
Environmental Quality and industry)

219 John Matthews -explains Oregon leader in recycling

-supports all bills

-manufacturing of equipment used for recycling funded by pollution
control tax credit

400 Chair Schoon -adjourns meeting 10:54 am

Rhoncla Wehler, Committee Assistant Kimberly Office Manager

Exhibit Summary

- A HB 2064, Van Vliet, Written Testimony, 2/24/95
- B. Tax Credits, Scherzinger, Revenue Impact, 9120/94
- C. HB 2064, Van Landingham, Written Testimony, 1/95
- D. Tax Credits, Bender, Recommendations on Sunsetting Tax Expenditures,
11/17/94
- E. HB 2255, Taylor, Written Testimony, 2/24/95
- F. HB 2255, Whitty, Written Testimony, 2/24/95
- G. HB 2255, Alexander, Written Testimony, 2/24/95

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- H. HB 2255, Denham, Written Testimony, 2/24/95
- I. HB 2255, Craven, Written Testimony, 2/24/95
- J. HB 2064, Bender, Revenue Impact, 2/21/95
- K. HB 2255, Cummins, Written Testimony, 2/23/95
- L. HB 2255, McCulley, Memo, 1131/95

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