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Work Session HB 3017, HB 2775
Public Hearing HB 2269 A, 2275
Tapes 155 A & B, 156 A

House Committee on
State and School Finance
April 11, 1995 Page

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE

APRIL 11, 1995 8:30 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Rep. John Schoon, Chair
Rep. Tony Federici, Vice Chair (8:50 am excused late arrival)
Rep. Lee Beyer (10:10 am excused late arrival)
Rep. Tim Josi
Rep. Jane Lokan
Rep. Anita Rasmussen
Rep. Ken Strobeck
Rep. John Watt
Rep Jim Welsh (excused 10:00 am late arrival)

Witnesses Present: Chuck Smith, Oregon Department of Treasury
David Yandell, Department of State Police
Larry Hatch, Washington County 9-1-1
Hassina Cassim, 9-1-1- Managers
John William, Cannon Beach
Bud Kramer, Cannon Beach
BJ Smith, League of Oregon Cities
Rep. Kevin Mannix, District 32
Larry Harvey, Oregon Lodging Association

Staff: James Scherzinger, Legislative Revenue Officer
Rhonda Wehler, Committee Assistant
Dick Yates, Legislative Revenue Office
Steve Meyer, Legislative Revenue Office

TAPE 155 SIDE A

004 Chair Schoon -calls the meeting to order at 8:30 am and conducts administrative business

-OPENS WORK SESSION ON HB 3017

HB 3017

011 Jim Scherzinger -summarizes bill encourages State Treasurer to make Oregon Baccalaureate Bonds more available to small investors
-explains language incorporated in -1 amendments, Exhibit A, makes adjustments to denominations and frequency with which bonds are issued
-refers to Staff Measure Summary, Exhibit B

036 Chuck Smith -emphasizes potential of amendments

041 Rep Watt-MOVES ADOPTION OF HB 3017-1 AMENDMENTS

-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

046 Rep Watt-MOVES HB 3017 AS AMENDED BE SENT TO THE FLOOR WITH DO PASS RECOMMENDATION

-ROLL CALL VOTE: MOTION PASSED 7-2, REPRESENTATIVES VOTING AYE: JOSI, LOKAN, RASMUSSEN, STROBECK, WATT, FEDERICI (see tape log, Tape 156, Side A,

077) SCHOON. MEMBERS EXCUSED: BEYER, WELSH

058 Chair Schoon -offers to carry bill in floor debate

-CLOSES WORK SESSION ON HB 3017

082 Rep Strobeck -OPENS PUBLIC HEARING ON HB 2269A

HB 2269A

086 Dick Yates -refers to Fiscal Analysis (Exhibit C)

-Revenue Impact (Exhibit D)

-Staff Measure Summary (Exhibit E)

-summarizes 9-1-1 tax partially funds both the Emergency Management Division of the Department of State Police and the local government 9-1-1 centers

-tax is 5% of the cost of exchange access

-cellular industry and Department of Revenue are in a dispute over whether and to what extent cellular subscribers are taxable

-Emergency Telephone Access (Exhibit F)
156 Rep Strobeck -encourages counties to continue consolidation of Public
Safety Answering Points (PSAP) with intent after sunset to fund only one
PSAP
176 David Yandell -refers to Exhibit G, Written Testimony, supporting HB 2269
-explains six elements of bill:
-change from 5% tax to flat tax of \$.75
-broaden the base (tax would be applied to any technology providing the use
with access to 9-1-1- service)
-extend sunset to December 31, 2001
-resolve cellular tax dispute
-guarantee increased minimum to counties of one percent of the balance of
the distribution each quarter
-conversion of Contingency 9-1-1- Sub-account to Enhanced 9-1-1- Equipment
Replacement Fund
371 -discusses agreement made in refund resolution to repay any tax to
cellular telephone subscribers who have documentation of payment
-estimates refund liability at \$1.6 million, cap put in bill is \$1.7
million

TAPE 156 SIDE A

012 Vice Chair Federici -asks if Oregon Emergency Management (OEM)
considered equitable solution through combination of low flat rate capped
with a percentage tax
018 Yandell -verifies split fee was discussed and determined too difficult to

administer

025 Hassina Cassim -speaks in favor of HB 2269A
047 Larry Hatch -supports Dave Yandell's report, Exhibit G, compiled during
interim
054 Rep Strobeck -notes enhanced 9-1-1 is already in place in Western Oregon
and desire is to place it in Eastern Oregon
-bill would grid Eastern Oregon with names for streets to make 9-1-1
responses possible
-CLOSES PUBLIC HEARING ON HB 2269
073 Acting Chair Strobeck -suspends rules to allow Vice Chair Federici to
vote on HB 3017
075 Vice Chair Federici -votes aye
082 Acting Chair Strobeck -recesses meeting until 10:00 am
083 Acting Chair Strobeck -reconvenes meeting at 10:10 am
-OPENS PUBLIC HEARING ON HB 2775

HB 2275

084 Rep Mannix -supports HB 2775, designed to protect property owners from
extreme taxation
-explains transient lodging tax has been extended to every home that may
rent for even a short period of time, regardless of whether any investment
purpose is involved
-homeowner must register with county, file a report with county government,

and pay tax, regardless of whether house is used short-term or long-term
-bill says local government can't impose tax on anyone renting home for
less than 30 days a year
-adds for rentals over 30 days per year, tax can be imposed
-explains state needs to address issue because it affects vacation home
owners who are absentee and are already paying property taxes, don't vote
or use services in that locality
133 Rep Josi-reports Manzanita constituents would lose \$80,000 if bill
passed

-because of vacation homes city had to go to 24 hour policing, increase
size of waste water facility

160 Rep Mannix -responds homeowners engaging in commercial renting are
renting for entire season, and would not receive exemption
-protects homeowner from imposition of government bureaucracy
187 John Williams -informs Cannon Beach lists over 100 short-term (14 days or

less) rentals who are required to collect 6% transient room tax
-tax has not had negative effect on occupancy
-same tax applies to motels

Williams-ordinance applies to all rental properties, regardless of number
of days rented

251 Bud Kramer -believes county commissions and city councils should handle
transient room tax

286 Rep Welsh -notes most communities define short-term as less than 30 days,

Cannon Beach defines short-term as 14 days

305 Acting Chair Strobeck -CLOSES PUBLIC HEARING ON HB 2775
-adjourns meeting at 10:25 am

Rhonda Wehler, Committee Assistant

Kimberly Taylor James, Office Manager

Exhibit Summary

- A. HB 3017A, Scherzinger, Proposed Amendments, 4/10/95
- B. HB 3017A, Scherzinger, Staff Measure Summary
- C. HB 2269A, Yates, Fiscal Impact, 3/29/95
- D. HB 2269A, Yates, Revenue Impact, 4/10/95
- E. HB 2269A, Yates, Staff Measure Summary
- F. HB 2269, Yates, Emergency Telephone Access
- G. HB 2269A, Yandell, Written Testimony, 4/11/95
- H. HB 2329, Yates, Staff Measure Summary

