

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.

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Public Hearing HB 2850, 3226, 3409, 3133, 2329, HJR 27  
Tapes 163-165 A & B

House Committee on  
State and School Finance  
April 14, 1995 Page

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE

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APRIL 14, 1995 8:00 AM HEARING ROOM A STATE CAPITOL BUILDING

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Members Present: Rep. John Schoon, Chair (excused from 8:30-9:50 am)  
Rep. Lee Beyer (8:45 am excused late arrival)  
Rep. Tony Federici, Vice Chair  
Rep. Tim Josi  
Rep. Jane Lokan  
Rep. Anita Rasmussen  
Rep. Ken Strobeck (excused at 8:30 am)  
Rep. John Watt  
Rep. Jim Welsh (9:15 am excused late arrival)

Members Excused: Rep. Jane Lokan

Witnesses Present: James Good, Coastal Resources Specialist  
Don Hull, Department of Geology  
Phyllis Cottingham, Portland  
Rep. Lisa Naito, District 15  
Ray Erland, Oregon State Association of Count Assessors  
Ellen C. Lowe, Ecumenical Ministries  
Dan Barker, Crow-Applegate-Lorane Superintendent  
J.P. McNutt, School Board Chair  
Jim Himmel, School Board Member  
Steven Kelly, President Crow High School Student Body  
Roger Woehl, West Linn-Wilsonville Schools  
Stacy Woehl, 3rd grade student from West Linn  
Rep Ron Adams, District 27  
Diane Wustrack, West Linn-Wilsonville School  
Sherry Patterson, Oregon Earthquake Preparedness Network  
Connie Bartlett, Private Citizen, Corvallis Education Coalition  
Beth Pearce, Portland Citizens for Oregon Schools (PCOS)  
Stephanie Holms, Oregon School Employees Association  
Kay Copenhaver, Portland Citizens for Oregon Schools (PCOS)  
Rep. Frank Shields, District 16  
Harold Rudolph, Corvallis Education Coalition  
Milt Markowitz, Citizens for Oregon Schools

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

TAPE 163 SIDE A  
005 Chair Schoon -calls the meeting to order at 8:30 am and conducts  
administrative business

-OPENS PUBLIC HEARING ON HB 3133

HB 3133

-CLOSES PUBLIC HEARING ON HB 3133  
-OPENS PUBLIC HEARING ON HB 2850

HB 2850

010 Chair Schoon -explains bill provides credit against income or excise tax  
for hazard prone property located in a high hazard area  
030 James Good -refers to Exhibit B, Written Testimony, supporting HB 2850,  
with proposed amendments  
067 Chair Schoon -asserts this bill includes tax credit, which is major  
concern to budget  
070 Rep Josi-notes this bill would affect his district, but couldn't vote  
for this without a big budget picture

093 Don Hull-stresses agency not at liberty to support tax credits  
142 Phyllis Cottingham -refers to Exhibit C, Written Testimony supporting HB  
2850  
199 Vice Chair Federici -CLOSES PUBLIC HEARING ON HB 2850  
-OPENS PUBLIC HEARING ON HB 3226  
HB 3226  
206 Steve Bender -explains bill offers loss reduction for taxable income  
-for real property placed in service from 1996-onward, if properties are in  
high-hazard area and are subsequently destroyed or lost value, cannot  
deduct loss or property on Oregon income tax  
225 Good -refers to Exhibit D, Written Testimony, supporting basic concept  
-explains eliminating tax write-offs will provide modest, non-regulatory  
incentive for development to locate outside of hazardous areas  
-avoidance of hazardous areas will reduce public and private property loss,  
save lives, and reduce federal and state disaster relief expenditures  
-notes problem with bill, bad affect on port and other water-dependent and  
water-related development  
-suggests private and public development be exempted from bill  
-notes exemption will provide incentive for new non-water-dependent uses to  
locate away from hazardous areas, reserving waterfronts for uses requiring  
such access  
355 Sherry Patterson-supports HB 3226  
-quotes exorbitant costs for rescuing people, replacing new homeless  
Patterson -comments on houses documented high hazard but undisclosed to new  
owner  
-no requirement of seller to tell buyer of hazard or tax liability  
TAPE 164 SIDE A  
023 Rep Naito -notes she sponsored HB 3226  
029 Vice Chair Federici -CLOSES PUBLIC HEARING ON HB 3226  
-OPENS PUBLIC HEARING ON HB 3409  
HB 3409  
039 Rep. Roberts -explains HB 3409 allows public school volunteer to reduce  
property taxes levied by school district  
058 David Rowe -refers to Exhibit E, Written Testimony, supporting HB 3409  
070 Stacy Rowe -discusses role of volunteer in her school  
290 D. Rowe -suggests change in bill to address schools that meet year round  
330 Diane Wustrack -supports volunteer bill  
354 Ray Erlund -applauds school volunteers  
TAPE 163 SIDE B  
010 Stephanie Holmes-opposes HB 3409 because of administrative costs  
-notes revenue impact (\$5 million deduction in property tax receipts, tax  
credits of \$14 million)  
-adds volunteers choose to enter into service  
057 Vice Chair Federici -CLOSES PUBLIC HEARING ON HB 3409  
-recesses meeting at 9:15 am  
064 -reconvenes meeting at 9:25 am  
065 -OPENS PUBLIC HEARING ON HJR 27  
HJR 27  
062 Terry Drake -explains Measure 5 local option for schools  
-for use by schools through college, does not include ESDs  
-has to be voter approved  
073 Rep. Adams -refers to Exhibit F, Written Testimony, supporting HJR 27  
-notes must be approved through House and Senate, then voted upon by state  
before schools could put this on ballot and requests for funding made  
-resolution gives school districts ability to go directly to citizens for  
increased funding through their local property taxes  
197 Drake -notes this is not offset to school fund formula  
-if one district can raise more \$ at given tax rate, technical solutions to  
that  
225 Rep Strobeck -affirms support of bill which empowers people at local  
level  
257 Rep Welsh -introduces constituents  
259 Dan Barker -refers to Exhibit G, Written Testimony, supporting HJR 27  
TAPE 164 SIDE B  
016 JP McNutt -refers to Exhibit H, Written Testimony, supporting HJR 27  
059 All -questions and discussion  
058 Jim Himmell -testifies regarding differences between large and small  
school districts  
100 Steve Kelly -refers to Exhibit I, supporting HJR 27  
140 Roger Woehl -refers to Exhibit J, supporting HJR 27  
-asserts HJR 27 is not a tax bill, but rather restores a right to the  
populace  
218 Chair Schoon -CLOSES PUBLIC HEARING ON HJR 27  
-OPENS PUBLIC HEARING ON HB 2329  
HB 2329  
223 Ellen Lowe -explains need of ministers charged with Tri-Met self  
employment taxes  
-for purposes of social security only, ministers declared to be  
self-employed  
-salaried ministers will not be charged with self-employment Tri-Met tax  
259 Rep. Frank Shields -informs Tri-Met included ministers under businesses  
for tax, failed to make bill retroactive last session  
-by lead of jurisdictions, ministers have not paid Tri-Met tax  
305 Jodi Fisher -refers to Exhibit K, proposed amendments, to clarify  
language  
325 Lowe -concurs with amendments  
329 Rep. Shields -also concurs with amendments  
333 Chair Schoon -CLOSES PUBLIC HEARING ON HB 2329  
-OPENS WORK SESSION ON HB 2329  
HB 2329  
340 Dick Yates -reviews bill makes retroactive to 1985 tax paid by ministers  
for Tri-Met tax  
363 Chair Schoon -notes amendments must be drafted by Legislative Counsel  
-CLOSES WORK SESSION ON HB 2329  
-REOPENS PUBLIC HEARING ON HJR 27  
HJR 27

391 Connie Bartlett -speaks supporting HJR 27  
 043 Harold Rudolph -speaks in favor of HJR 27  
 069 Jane Ames -speaks in favor of local control, Exhibit L, Written Testimony  
 98 Kay Coperhager -speaks in favor of HJR 27  
 057 Bob Nessler -informs PECOS advocates for long-term stable funding  
 situations for schools  
 148 Ann Kendellen -supports HJR 27, notes this is not a partisan issue  
 169 Milt Markowitz -supports HJR 27  
 239 Beth Pearce -refers to Exhibit N, Written Testimony, attempts of public  
 to get ballot measure  
 275 Chair Schoon -CLOSES PUBLIC HEARING ON HJR 27  
 -adjourns meeting at 10:25 am

Rhonda Wehler, Committee Assistant

Kimberly Taylor James, Office Manager

Exhibit Summary

A. HB 3133, Rosenberger, testimony from Washington County, OR 4/13/95  
 B. HB 2850, Good, testimony from OSU College of Oceanic and Atmospheric  
 Sciences, 4/14/95  
 C. HB 2850, Cottingham, testimony from Coastal Natural Hazards Policy Working

Group, 4/14/95

D. HB 3226, Good, testimony from OSU College of Oceanic and Atmospheric  
 Sciences, 4/14/95  
 E. HB 3409, Rowe, Public Schools Belong to the Citizens  
 F. HJR 27, Adams, testimony of Representative Adams, District 27  
 G. HJR 27, Barker, testimony from School District No. 66,  
 Crow-Applegate-Lorane, 4/14/95  
 H. HJR 27, McNutt, testimony from C.A.L. District 66, 4/14/95  
 I. HJR 27, Kelly, testimony from Student Body President of Crow High School  
 J. HJR 27, Woehl, testimony from West Linn-Wilsonville School District  
 K. HB 2329, Fisher, Proposed Amendments to HB 2329 (Tri-Met), 4/14/95  
 L. HJR 27, Ames, Give public schools back to the public  
 M. HJR 27, Plaeger, testimony from Portland Citizens for Oregon Schools,  
 4/14/95  
 N. HB 2850, Bender, Proposed (-1) Amendments to HB 2850 (BPS/dj/hk) 3/22/95  
 O. HB 2850, Patterson, hand-written testimony, 4/13/95  
 P. HB 2850, Patterson, supporting documentation re: earthquake safety  
 Q. HB 3133, Holland, testimony from Trammell Crow Residential, 4/13/95  
 R. HB 3133, D'Urso, testimony from Portland Pacific Properties, Inc., 4/13/95  
 S. HB 3133, Kafoury, testimony from City of Portland, OR, Government  
 Relations, 4/14/95  
 T. HB 3133, Arrington, testimony from Tri-Met, 4/13/95  
 U. HB 2663, Welle, testimony from Sky Cat Timber, Inc., 4/6/95  
 V. HJR 27, Pearce, testimony from Portland Citizens for Oregon Schools