

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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Work Session HB 2203, 2267, 2265, 2329, SB 333A
Tapes 185-186 A & B, 187 A

House Committee on
State and School Finance
April 25, 1995 Page

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE

APRIL 25, 1995 8:30 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Rep. John Schoon, Chair
Rep. Lee Beyer (9:00 a.m. excused late arrival)
Rep. Tony Federici, Vice Chair
Rep. Tim Josi
Rep. Jane Lokan (8:15 am late arrival)
Rep. Anita Rasmussen
Rep. Ken Strobeck
Rep. John Watt (8:40 a.m. excused late arrival)
Rep. Jim Welsh

Witnesses Present: Ellen Lowe, Ecumenical Ministries of Oregon
Bernie Bottomly, Tri-Met
Jim Manary, Department of Revenue
Joe DiNicola, Department of Revenue
Pat O'Sullivan, Department of Administrative Services

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

TAPE 185 SIDE A

005 Chair Schoon -calls the meeting to order at 8:30 am
-OPENS WORK SESSION ON HB 2329

HB 2329

030 Joe DiNicola -explains bill provides for refunds for self-employment
taxes paid by ministers from 1985-91

060 Dick Yates -notes 1991 legislature determined Tri-Met self employment
tax should not include ministers

-changes were not retroactive and should have been made, but were not

095 Ellen Lowe -refers to Exhibit A, Proposed Amendments
-informs ministers advised to appeal if told to pay Tri-Met tax
-ministers are self-employed for purposes of Social Security only, and are
considered salaried for other purposes

-explains problems in drafting in 1991
-intent was to erase liability for ministers

118 DiNicola-adds bill provides refund for ministers who paid Tri-Met tax in

1991

122 Lowe -wording of amendment narrows to only those ministers who are
salaried

157 DiNicola-notes ministers can elect to declare as self-employed, but if
they do so, are subject to Tri-Met tax

-in other aspects are considered employees of the church

164 Lowe -adds ministers can opt for Social Security, but don't have to take
it

345 Bernie Bottomly -explains Tri-Met provides exemption to church employees
who are salaried on payroll tax

383 Vice Chair Federici -proposes striking "for 1992"

393 Chair Schoon -MOVE ADOPTION OF HB 2329-1 AMENDMENTS WITH VICE CHAIR
FEDERICI'S PROPOSED LANGUAGE CHANGE

-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

Vice Chair Federici -MOVES HB 2329 AS AMENDED BE SENT TO THE FLOOR WITH A
DO PASS RECOMMENDATION

-ROLL CALL VOTE: MOTION PASSES 6-0, MEMBERS VOTING AYE: REPS.: LOKAN,
RASMUSSEN, STROBECK WELSH, FEDERICI, SCHOON. EXCUSED: BEYER, JOSI, WATT.

-will ask Rep. Shields to carry bill in floor debate

-CLOSES WORK SESSION ON HB 2329

TAPE 186 SIDE A

-OPENS WORK SESSION ON HB 2203

HB 2203

020 Steve Bender -informs bill is brought at request of Department of Revenue
-deals with multi-state income and sales factor
-under current practice, certain sales are excluded
-gives example: if business has cash account and sell securities in
investment process, that type of sale would be excluded
-also excludes sales of plants or factories, incidental sales, i.e. office
furniture
-impact tends to favor in-state firms as opposed to out-of-state firms
-notes no revenue impact

062 Manary -informs bill is a policy question in conformance to Uniform Act

103 Rep Strobeck -MOVES 2203 TO HOUSE FLOOR WITH DO PASS RECOMMENDATION
ROLL CALL VOTE: MOTION PASSES 7-0, MEMBERS VOTING AYE: LOKAN, RASMUSSEN,
STROBECK, WATT, WELSH, FEDERICI, SCHOON. MEMBERS EXCUSED: BEYER, JOSI
Chair Schoon -asks Rep Strobeck to carry bill in floor debate
-CLOSES WORK SESSION ON HB 2203
Chair Schoon -OPENS WORK SESSION ON HB 2267

HB 2267

133 Steve Meyer -explains bill eliminates property tax exemption for
radiation fallout shelters
-refers to Exhibit B, -1 Proposed Amendments
-refers to Exhibit C, Revenue Impact

150 Rep Watt-MOVES ADOPTION OF HB 2267-1 AMENDMENTS
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

155 -MOVES HB 2267 AS AMENDED BE SENT TO FLOOR WITH DO PASS RECOMMENDATION
-ROLL CALL VOTE: MOTION PASSES 7-0, REPRESENTATIVES VOTING AYE: LOKAN,
RASMUSSEN, STROBECK, WATT, WELSH, FEDERICI, SCHOON. MEMBERS EXCUSED:
BEYER, JOSI.
Chair Schoon -asks Rep Lokan to carry bill in floor debate

HB 2265

167 Meyer -explains bill allows notice of error and omitted property
corrections to assessment and tax rolls to be sent by regular rather than
certified mail
-refers to Exhibit D, -1 Proposed Amendments
-refers to Exhibit E, Revenue Impact

183 Rep Lokan -PROPOSES AMENDING TO SPECIFY CERTIFIED MAIL, RATHER THAN
REGULAR MAIL, BY DELETING SECTION 1, LINES 5-27
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

290 Chair Schoon -MOVES ADOPTION OF HB 2265-1 AMENDMENTS (WHICH ADDS DATES
AND DELETES REST OF BILL)
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS
-CLOSES PUBLIC HEARING ON HB 2265
-OPENS WORK SESSION ON SB 333 A
-recesses meeting at 9:00 a.m.
-reconvenes meeting at 9:15 a.m.
-CLOSES WORK SESSION ON SB 333 A
-REOPENS WORK SESSION ON HB 2265

HB 2265

359 Chair Schoon -refers to Exhibit F, -2 amendments, noting date changes and
deleting pages 4-6

369 Vice Chair Federici -MOVES ADOPTION OF HB 2265-2 AMENDMENTS
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

377 Vice Chair Federici -MOVES HB 2265 AS AMENDED BE SENT TO THE FLOOR WITH
DO PASS RECOMMENDATION
ROLL CALL VOTE: MOTIONS PASSES 5-0, MEMBERS VOTING AYE: BEYER, RASMUSSEN,
STROBECK, FEDERICI, SCHOON. MEMBERS EXCUSED: JOSI, LOKAN WATT, WELSH.
-volunteers to carry bill in floor debate
Chair Schoon -CLOSES WORK SESSION ON HB 2265
-REOPENS WORK SESSION ON SB 333A

TAPE 185 SIDE B

SB 333 A

007 Dick Yates -refers to Exhibit G,-A26 Proposed Amendments, which roll into
one set of amendments all 10 previous amendments, addressing freezing all
state agency fees effective January 1, 1995

095 -reviews amendments to date:
-A 12 adopted
-A 13 amended to include Judicial Department
Yates -A 14 added emergency clause
-A 17 removed laboratory fees by Health Division ,which were already
excluded
-A 18 adopted
-A 19 not adopted by committee
-A 20 adopted
-A 22 adopted
-A 23 adopted
-A 24 adopted

261 -refers to Exhibit H, -A27 Proposed Amendments

289 Rep Beyer -MOVES ADOPTION OF SB 333 A 27 AMENDMENTS
Vice Chair Federici -objects
ROLL CALL VOTE: MOTION PASSES 5-2, MEMBERS VOTING AYE: BEYER, LOKAN,
STROBECK, WELSH, SCHOON. MEMBERS VOTING NAY: RASMUSSEN, FEDERICI. MEMBERS
EXCUSED: JOSI, WATT

308 Chair Schoon -MOVES ADOPTION OF SB 333 A 28 AMENDMENTS

310 Rep Strobeck -objects
All -discussion

330 Pat O'Sullivan -informs bill not meant to cover co-payment for health
insurance, parking fees etc., that are assessed to employees, pass through
charges

368 Rep Strobeck -comments all state agencies project ahead in setting fees,
no reason to exclude from same types of planning constraints as any other
consumer
-expresses intent of legislature is that all fees be reviewed

403 ROLL CALL VOTE: MOTION FAILS 4-4. MEMBERS VOTING AYE: BEYER, LOKAN,

WELSH, SCHOON. MEMBERS VOTING NAY: JOSI, RASMUSSEN, STROBECK, FEDERICI.
MEMBERS EXCUSED: WATT
TAPE 186 SIDE B

010 Yates -refers to Exhibit J, -A29 amendments, which defines reducing an existing fee for some taxpayers does not constitute a new or additional fee

for certain reasons

028 Rep Strobeck -explains this was intent of Department of Motor Vehicles
-MOVES ADOPTION OF SB 333 A-29 AMENDMENTS
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

036 Yates -refers to Exhibit K, -A30 amendments
-explains this would grant Governor power to authorize an agency in the executive branch of state government to impose a new fee for a program that

was not in effect or anticipated at adjournment sine die of the last regular session of the Legislative Assembly

077 Rep Beyer -MOVES ADOPTION OF SB 333-A30 AMENDMENTS
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

135 -refers to Exhibit L, -A31 amendments, constituting language changes

151 Chair Schoon -MOVES ADOPTION OF SB 333-A31 AMENDMENTS
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS

158 Yates -refers to Exhibit M, A32 amendments

Yates -deletion no longer requires legislature to set forth approved fee, but does require legislative action

211 Chair Schoon -refers to Exhibit N, Judicial Department Memo

232 Tom Clifford -refers to Exhibit O, Fee Report

-notes many agency fees not currently referred to Ways and Means, or part of budget consideration from Ways and Means

-explains all fees can be handled by future assemblies

314 Clifford-asserts treatment must be the same for all agencies

354 Rep Strobeck -adds every fee remains in place until revisited

371 Clifford-informs all fees are rolled back and will not change unless

legislature approves a change

TAPE 187 SIDE A

009 Rep Strobeck -summarizes bill would still require legislative action for fees, but fees would remain the same until legislature approves increase

036 Clifford-notes concern on part of agencies to not have ability to increase fees

070 Rep Strobeck -MOVES ADOPTION OF SB 333-A32 AMENDMENTS

-HEARING NO OBJECTION THE CHAIR SO ORDERS

075 Vice Chair Federici -CLOSES HEARING ON SB 333 A

-adjourns meeting at 10:27 a.m.

Rhonda Wehler, Committee Assistant

Kimberly Taylor James, Office Manager