

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 & Work Session
HB 2271, SB 756, SB 724
Tapes 223, 224 A

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

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE

May 11, 1995 8:00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Rep. John Schoon, Chair
Rep. Lee Beyer (8:55 a.m. excused late arrival)
Rep. Tony Federici, Vice Chair
Rep. Tim Josi
Rep. Jane Lokan
Rep. Anitra Rasmussen (8:20 a.m. late arrival)
Rep. Ken Strobeck
Rep. John Watt (excused at 8:45 a.m.)
Rep. Jim Welsh (8:20 a.m. late arrival)

Witnesses Present: Representative Margaret Carter, House District 18
Hanan Bowman, Association of Oregon Community Development
Carolyn Landis, Yamhill Community Development Corporation
Jerry Bieberle, Association of Community Development
Peter Grundfossen, Association of Oregon Housing Authorities
Tom Linhares, Columbia County Assessor

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

TAPE 223 SIDE A

004 Chair Schoon -calls the meeting to order at 8:30 am and conducts
administrative business
006 -OPENS PUBLIC HEARING ON SB 756
SB 756
007 Steve Meyer -explains bill extends sunset on property tax exemptions
granted for new construction of single-family housing units and
owner-occupied rehabilitation in distressed areas
013 Rep. Carter -speaks in support of SB 756
-refers to Exhibit A, Written Testimony
-notes SB 756 extends property tax abatements to allow renters to purchase
homes
088 Jerry Bieberle -speaks in support of SB 756
-notes project requires local jurisdiction to approve tax exemption
Bieberle-explains property is taken off tax role for certain percentage of
time, and then brought back in phases
114 All -questions and discussion
181 Steve Meyer -explains land is not tax exempt, structure only
206 Vice Chair Federici -CLOSES PUBLIC HEARING ON SB 756
-OPENS WORK SESSION ON SB 756
209 Rep Watt-MOVES SB 756 BE SENT TO THE FLOOR WITH A DO PASS RECOMMENDATION
ROLL CALL VOTE: MOTION PASSES 7-0, MEMBERS VOTING AYE: REPS.: JOSI, LOKAN,
RASMUSSEN, STROBECK FEDERICI, WELSH. EXCUSED: BEYER, SCHOON
226 Vice Chair Federici -asks Rep. Carter to carry bill in floor debate
-OPENS PUBLIC HEARING ON SB 724
SB 724
221 Steve Meyer -explains bill allows partnership of non-profit corporation
and a for-profit corporation to qualify for property tax exemptions for low
income rental housing
-requires the non-profit corporation to be the general partner and
responsible for day-to-day operation of the property
252 Hanan Bowman -speaks in favor of SB 724
-summarizes background: use of low-income housing tax credits, federally
regulated by Internal Revenue Service
-allocated on competitive basis to for-profit and non-profit companies who

intend to develop low-income homes
-demands creation of limited partnership of general partner and limited partner
partner
-non-profits use general partner being non-profit community based partner
who sells it to for-profit entity
310 -in last legislative session language was added to regulate farm-worker housing that limited partner can apply for tax exemption
community
-bill requests same language for affordable housing beyond farm worker
-requires local jurisdiction (typically city - city enacts ordinance, school board votes on tax exemption for either 5 or 10 years)
379 Carolyn Landis -notes bill issues are housekeeping, language already exists in another statute
TAPE 224 SIDE A
003 -explains bill would enable project to do advance planning
-main tool is federal low-income tax credits, but orderly process to apply for tax exemption is needed on state level
035 Peter Grundfossen -speaks in favor of bill
057 Tom Linhares -speaks in favor of bill, since city and school district must grant authority for exemption
034 Vice Chair Federici -CLOSES PUBLIC HEARING ON SB 724
Vice Chair Federici -OPENS WORK SESSION ON SB 724
143 Rep Strobeck -MOVES SB 724 BE SENT TO THE FLOOR WITH A DO PASS
RECOMMENDATION
-ROLL CALL VOTE: MOTION PASSES 7-0, MEMBERS VOTING AYE: REPS.: JOSI, LOKAN,
RASMUSSEN, STROBECK, FEDERICI, SCHOON, WELSH. EXCUSED: BEYER, WATT
153 Vice Chair Federici -asks Rep Welsh to carry bill in floor debate
-OPENS PUBLIC HEARING ON HB 2271
HB 2271
-CLOSES PUBLIC HEARING ON HB 2271
-OPENS WORK SESSION ON HB 2271
173 Terry Drake -explains bill modifies program established in 1993 for grants for school facilities
-administered by Department of Education for capital projects
-limitations of \$500,000 are increased to \$3 million per school district
-adds \$20 million from lottery funds to grant funds
200 Chair Schoon -notes program was utilized for school renovation rather than new construction
208 All -discussion
260 Chair Schoon -MOVES HB 2271 WITHOUT RECOMMENDATION AS TO PASSAGE
266 Chair Schoon -MOVES HB 2271 BE REFERRED TO COMMITTEE ON WAYS AND MEANS BY
PRIOR REFERENCE
-THERE BEING NO OBJECTION THE CHAIR SO ORDERS
294 -recesses meeting at 9:05 a.m.
-adjourns meeting at 9:07 a.m.

Rhonda Wehler, Committee Assistant Kimberly Taylor James, Office Manager

Exhibit Summary

- A. SB 756, Carter, Written Testimony, 5/11/95
- B. SB 756, Meyer, Revenue Impact, 4/7/95
- C. SB 756, Meyer, Fiscal Impact, 3/13/95
- D. SB 756, Meyer, Staff Measure Summary, 4/5/95
- E. SB 724, Meyer, Revenue Impact, 4/3/95
- F. SB 724, Fiscal Impact, 3/13/95
- G. SB 724, Meyer, Staff Measure Summary, 4/5/95