

HOUSE COMMITTEE ON
REVENUE AND SCHOOL FINANCE
SUBCOMMITTEE ON INCOME TAXATION

July 15, 1993 1:00 PM HEARING ROOM H-170 STATE CAPITOL BUILDING

Members Present Representative John Schoon, Chair
Representative Ron Adams
Representative Tony Federici
Representative Gail Shibley
Representative Greg Walden
Members Excused: Representative Delan Jones, Ex Officio
Witnesses Present: David Yandell, Executive Department - Communications/91 1
program
Gary Willham, U.S West
Staff Present: Steve Meyer, Legislative Revenue Office
Rick Gaupo, Committee Assistant

TAPE 132, SIDE A

001 Chair Schoon calls the meeting to order at 1:10 p.m.

WORK SESSION ON HB 3517

016 Chair Schoon explains the bill before the committee.

> Discussion about sunset date.

MOTION: Chair Schoon moves to set a sunset date within two years.

VOTE: Hearing no objection the motion CARRIES. Rep Walden is excused.

061 Steve Meyer clarifies what the bill does.

065 David Yandell answers members' questions.

080 Steve Meyer explains reasons to move the sunset date to 1996.

MOTION: Chair Schoon moves that the previous amendments be changed to
January 1, 1996.

VOTE: Hearing no objection the motion CARRIES. All members are present.

100 David Yandell submits and summarizes prepared exhibits - (Exhibit 1).

> Chair Schoon asks about the rise in revenue needed to continue the 91 1
services.

247 > Chair Schoon asks Steve Meyer about the revenue analysis.

> Steve Meyer: A little over \$14.4 million collected between July 1, 1991 -

June 30,

1992. The actual amount useable is less because of refunds.

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292 > Yandell: We anticipate further reduction from refunds.

> Steve Meyer: To raise \$15.3 million would require the proposed \$.90 fee.

309 > Chair Schoon: Why is there a 50% increase to the individual. Steve

Meyer: there is a
shift from the business community to the residential community.

332 Chair Schoon suggests a temporary increase in the percentage instead of a
flat fee.

359 > Yandell: If that is an interim proposal it would be agreeable.

364 Rep. Federici suggests a flat fee rate and a percentage mix.

386 Chair Schoon: Until we know what we want to do, the less change the
better.

395 Chair Schoon recesses at 1:35 p.m. and reconvenes at 3:07 p.m

TAPE 133. SIDE A

015 Steve Meyer suggests implementing the increase from January 1, 1994
through July 1, 1996

and that the department take more time to figure out the effects of a 5.2%
tax rate.

045 Rep. Federici: This does not correct the problem. We should look into a
combination of a
percentage rate and a flat fee.

063 MOTION: Chair Schoon moves to delete the bold language and to restore
the
previously deleted language in lines 7- 8 and 17-20 and elsewhere when

needed,

and to increase the percentage to 5.2%.

Discussion of the motion.

094 > Gary Willham, U.S. West, cites future problems. We cannot support this
increase

in the tax rate.

VOTE: Hearing no objection the motion CARRIES. Reps. Shibley and Walden are excused.

163 Chair Schoon: With the increase in tax the sunset date will be moved to
a sooner time.

182 Rep. Federici: Is the industry concerned about how the money is spent.

190 Gary Willham: No, we realize that the money is spent for both equipment
and personnel.

210 Rep. Adams asks David Yandell to provide data on the breakdown of
residential and
personnel.

commercial lines and an estimate on how much money is spent on local

314 Chair Schoon summarizes the information of the meeting.

320 Rep. Walden: Do you have a utilization record of the 911 service?
Yandell: 60-70% of calls
are residential.

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343 Rep. Adams: Are you sure you do not want to live with the situation for
another two years?

395 Chair Schoon: We need to increase the percentage because there are not
yet enough answers

regarding whom we should bill.

420 Rep. Adams: Technology changes so fast that I am not sure we can
guarantee a stable revenue
source.

TAPE 132. SIDE B

020 Chair Schoon: We will not be moving this bill to full committee today
and will wait until
more information is collected.

030 MOTION: Chair Schoon moves to amend previous amendments by temporarily
changing
the fee from 5.2% to 5. (blank) until further information is collected.
VOTE: Hearing no objection the motion CARRIES.

Submitted by Reviewed by
Rick Gaupo Kimberly Taylor James
Clerk Office Manager

EXHIBIT LOG:

1 - HB 3517, David Yandell, 3 pages (Exhibit Lost)

These minutes paraphrase and/or summarise 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.