

Informational Meeting Tax Credits: Energy Conservation Facilities & Loans
Lenders Weatherization Fish Screening Fish Habitat Dependent Care Tapes
98-99 A/B

HOUSE COMMITTEE ON
REVENUE AND SCHOOL FINANCE
SUBCOMMITTEE ON INCOME TAXATION

-
APRIL 22, 1993 9:00 AM HEARING ROOM 170 STATE CAPITOL
BUILDING

-
Members Present: Representative John Schoon, Chair Representative Ron Adams
Representative Tony Federici Representative Delna Jones, Ex Officio
Representative Gail Shibley Representative Greg Walden
Members Excused: Representative Greg Walden
Witnesses Present: Janis Elliot, Department of Human Resources
Dave Nichols, Department of Fish and Wildlife Representative Sam Dominy,
District 44
Dale Pearson, Fish Screening Task Force Michael Grainey, Department of
Energy

Staff: Richard Yates, Legislative Revenue Office
Mary Gottlieb, Committee Assistant

TAPE 098 SIDE A

008 REP. FEDERICI, Acting Chair, called the meeting to order at 9:50.
010 REP. FEDERICI discussed the different tax credits on the agenda.
019 JANIS ELLIOT presented information on the business tax credit for
dependent care. Employers are moving into the arena of dependent care;
however, employers and states can and should do more to help employees
solve their child care problems. The Employment Department is helping the
public be aware of other functions. Nike is a leader in this area. However,
small businesses make up the largest number of businesses in Oregon.
Discussion and questions.

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.
House Committee on
Revenue and School
Finance
Subcommittee on Income Taxation April 22, 1993 Page 2

185 JANIS ELLIOT suggested two ideas with regard to child care: 1)
community planning, and 2) an investment strategy approach for the
employer. She introduced Exhibit 12, Selected Oregon Employers with
Programs Assisting Working Parent Employees. As these programs indicate,
the public is becoming more sophisticated in their thinking.
Discussion and questions.

380 JANIS ELLIOT spoke about the impact on the General Fund of dependent
care and introduced Exhibits 13 and 14. Oregon made a policy decision which
said that families above \$45,000 a year are not in need of public
assistance, and those below are. She distributed a graph which showed the
percentage of income spent by Oregonians on child care.

TAPE 099 SIDE A

001 JANIS ELLIOT continued with her presentation and the expenses
associated with child care.
Discussion and questions.

189 JANIS ELLIOT responded to a question by Rep. ADAMS by stating that the

quality of care a child receives is very measurable, and good care has good outcomes whether the good care comes from a day care provider, a center, a family member, or a parent. Bad care has negative outcomes.

212 REP. FEDERICI, Acting Chair, closed the informational meeting on dependent care.

214 REP. FEDERICI opened the informational meeting on fish screening and fish habitat.

225 DAVE NICHOLS presented information on fish screening and fish habitat tax credits. Oregon has a new program for the protection of fishery resources at certain water diversions around the state. Fish screening projects prevent fish from leaving streams or lakes and perishing in the diversions.

321 REP. DOMINY testified in support of the fish screening tax credit. District 44 has many rivers, and the tax credit helps to support fish screening in these rivers. He requested the continuation of the tax credit.

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.

House Committee on
Revenue and School
Finance

Subcommittee on Income Taxation April 22, 1993 Page 3

340 DAVE NICHOLS stated that the total cost of a screen is \$1,267 and up. The tax credit helps to lighten the burden of these costs. A minimum of 20 screens will be installed this biennium.

TAPE 098 SIDE B

001 DAVE NICHOLS continued his testimony about the importance of fish screening.

Discussion and questions.

097 DAVE NICHOLS turned his attention to fish habitat which consists of two parts: a protection that will remove the property from the tax rolls at the county level and a 25 percent tax credit to qualified persons. Since its inception, only 100 individuals have applied for this credit. He believes that there is not sufficient financial enticement to promote active participation in this tax credit.

Discussion and questions.

177 DALE PEARSON provided background information of the fish screening program. He feels that the success of the program has to do with the tax credit. He pointed out the fact that he serves on the enhancement board and fish screening task force, and all the board members work very hard to ensure the success of these programs. He urged the committee not to eliminate this tax credit.

Discussion and questions.

240 DICK YATES explained the fish screen credit on the tax form.

265 REP. FEDERICI closed the informational meeting on fish habitat and fish screening.

271 MICHAEL GRAINEY (with BILL NESMITH) spoke in support of the tax credits for three tax credit programs: 1) Business Energy Tax Credit, 2) Residential Tax Credit, and 3) State Home Oil Weatherization. The Business Energy Tax Credit offers businesses a 35 percent tax credit for investments for energy conservation and renewable resource projects. Individuals using the Residential Tax Credit receive a credit for home energy systems that use renewable resources for space and water heating. The State Home Oil Weatherization program provides energy conservation services to households heated with oil, wood, and other nonutility fuels.

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.

House Committee on

Revenue and School Finance

Subcommittee on Income Taxation April 22, 1993 Page 4

TAPE 099 SIDE B

001 MICHAEL GRAINEY continued with his testimony with regard to energy conservation.

Discussion and questions.

094 REP. FEDERICI closed the informational meeting on energy conservation.

101 DICK YATES introduced the ORSs associated with the tax credits and began his explanation on the lenders weatherization tax credit. This credit is not limited to heating with oil or wood.

126 MICHAEL GRAINEY clarified the different weatherization programs and how they are associated. The changes made to these credits removed the cap and sunset date.

Discussion and questions.

170 REP. FEDERICI closed the information meeting on lenders weatherization.

174 REP. FEDERICI, Acting Chair, adjourned the meeting at 11:25.

Mary Gottlieb, Committee Assistant

Kimberly Taylor Office Manager

EXHIBIT SUMMARY

1. ORS 316.084, Credit for Fish Habitat Improvement, Dick Yates, Legislative Revenue Office.

2. ORS 316.139, Credit for Fish Screening Devices, By-pass Devices or Fishways, Dick Yates, Legislative Revenue Office.

3. ORS 469.185, Renewable Energy Resources, Dick Yates, Legislative Revenue Office.

4. ORS 316.140, Energy Conservation Facilities, Dick Yates, Legislative Revenue Office.

5. ORS 317.111, Weatherization Loan Interest; Commercial Lending Institutions, Dick Yates, Legislative Revenue Office.

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.

House Committee on

Revenue and School Finance

Subcommittee on Income Taxation April 22, 1993 Page 5

6. ORS 317.112, Energy Conservation Loans to Residential Fuel Oil Customers or Wood Heating Residents, Dick Yates, Legislative Revenue Office.

7. Child Care Action News, Janis Elliot, Department of Human Resources.

8. Corporate Tax Incentives for employer Supported Child Care, Janis Elliot, Department of Human Resources.

9. Child Care Benefits, Janis Elliot, Department of Human Resources.

10. Oregon Child Care Resource and Referral Network, Janis Elliot, Department of Human Resources.

11. On or Near-Site Centers in Oregon, Janis Elliot, Department of Human

Resources.

12. Selected Oregon Employers with Programs Assisting Working Parent Employees, Janis Elliot, Department of Human Resources.
13. Impact on General Fund of Dependent Care Tax Credit in Oregon, Janis Elliot, Department of Human Resources.
14. Child Care Market Indicators, Janis Elliot, Department of Human Resources.
15. Examples of Fish Screening Tax Credit, Dave Nichols, Department of Fish and Wildlife.
16. Oregon's New Cost-Sharing Fish Screening Program, Dave Nichols, Department of Fish and Wildlife.
17. Testimony on Energy Tax Credits, Michael Graine, Department of Energy.
18. Business Energy Tax Credit (BETC), Michael Graine, Department of Energy.
19. Business Energy Tax Credit Program, Michael Graine, Department of Energy.
20. Residential Alternate Energy Tax Credit (RTC) Program Tax Credit and Exemption Questions, Michael Graine, Department of Energy.
21. Residential Alternative Energy Device Tax Credit Yearly Summary Report, Michael Graine, Department of Energy.
22. State Home Oil Weatherization (SHOW) Program Lenders' Tax Credit for 6.5 Percent Loans, Michael Graine, Department of Energy.
23. State Home Oil Weatherization Program (SHOW) Yearly Summary Report, Michael Graine, Department of Energy.

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.