

Work Session: HB 2177

HB 3387

HB 3451 Tapes 110-111 A

HOUSE COMMITTEE ON  
REVENUE AND SCHOOL FINANCE  
SUBCOMMITTEE ON INCOME  
TAXATION

MAY 28, 1993 8:00 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  
Witnesses Present: Sharon Kidder, Employment Division  
Staff: Richard Yates, Legislative Revenue Office Mary Gottlieb, Committee  
Assistant

TAPE 110 SIDE A

004 CHAIR SCHOON called the meeting to order at 9:20.

008 CHAIR SCHOON opened the work session on HB 3451, which allows state  
income tax credits based upon wages paid to employ youth from disadvantaged  
families having income 70 percent or less of Bureau of Labor Statistics  
lower living standard. CHAIR SCHOON proposed using 100 young people per  
year and using funds from the lottery.

Discussion and comments.

131 CHAIR SCHOON suggested that REP. ADAMS and REP. FEDERICI meet with REP.  
VANVLIET to work out the details of using lottery money for this program.  
This program will give youths a chance to work and get off the streets.

194 SHARON KIDDER announced that the Employment Division does not reimburse  
employers through lottery funds. However, they do reimburse employers  
through other programs and this program could be initiated in the same way.  
Discussion and questions.

230 CHAIR SCHOON stated that the limit on the program would be \$200,000.

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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Discussion.

305 REP WALDEN reiterated his belief that if the price tag is too high, the  
risk is run that the entire program would be thrown out.

Discussion.

325 REP FEDERICI raised the issue of limiting the number of employees for  
each employer eligible for the tax credit program.

Discussion.

401 DICK YATES inquired whether or not this was to be set up as a pilot  
program and target specific areas.

TAPE 111 SIDE A

001 Discussion continued on the concept of a pilot program.

030 DICK YATES discussed the use of vouchers and having employers buy  
training or continuing education for their employees. He also raised the  
issue of a direct payment to the employer being considered income by the  
Federal Government and, therefore, taxable.

Discussion.

076 REP SCHOON opened the Work Session on HB 2177.

080 DICK YATES explained the problems with the original bill and the subsequent amendments. He stated that the bill was fine as is and that he had explained it incorrectly in the full House Revenue Committee.

Questions and discussion.

113 MOTION: REP. WALDEN moved to refer HB 2177, as amended, back to full committee.

115 VOTE: The motion passed 5-0. Ayes: REP. ADAMS, REP. FEDERICI, REP. SHIBLEY, REP. WALDEN, CHAIR SCHOON. Excused: REP. JONES.

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125 CHAIR SCHOON opened the work session on HB 3387. He stated that the Speaker of the House was not anxious to appoint a task force, or assign legislators to this bill because of the time and cost involved.

Discussion and comments.

200 MOTION CHAIR SCHOON moved to table HB 3387 and recommend to the full committee that this bill be included in the interim work. He also recommended a study be done of the medical IRA, medical spending arrangements, and the check-off system for the personal income tax form.

225 ORDER CHAIR SCHOON, hearing no objections, so ordered.

247 CHAIR SCHOON adjourned the meeting at 10:10.

Mary Gottlieb, Committee Assistant

Kimberly Taylor James, Office Manager

#### EXHIBIT SUMMARY

1. Proposed Amendment to HB 3451-4, Dick Yates, Legislative Revenue Office.
2. Proposed Amendment to HB 3451-5, Dick Yates, Legislative Revenue Office.

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