

Work Session: HB 2415  
HB 2516, HB 2417, HB  
287 1,  
HJR 7, HB 3659, HB 2424  
Tapes 136-137 A/B

HOUSE COMMITTEE ON  
HOUSE REVENUE AND SCHOOL FINANCE  
PROPERTY TAX SUBCOMMITTEE

JULY 15, 1993 8:00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Representative Tom Brian, Chair Representative Mike Burton  
Representative Margaret Carter Representative Fred Girod Representative  
Delna Jones Representative Jim Whitty  
Witnesses Present: Don Forbes, Oregon Department of Transportation Mark  
Ford, Oregon Department of Transportation Dick Feeney, Tri-Met Terry Smith,  
League of Oregon Cities

Staff: James Scherzinger, Legislative Revenue Officer  
Terry Drake, Legislative Revenue Office  
Paula McBride, Committee Assistant

TAPE 136 SIDE A

009 CHAIR BRIAN called the meeting to order at 3:08.

014 CHAIR BRIAN opened the Work Session on HB 2415, HB 2416, HB 2417, HB  
241 8, and HB 2871. He related that the bills HB 2415-HB 2418 would be  
consolidated into HB 2871.

026 TERRY DRAKE referred to a one-page summary of the bills before the  
Subcommittee. Exhibit 1

031 TERRY DRAKE reiterated that HB 2871-2 would be the vehicle for the four  
other transportation bills. However, he explained provisions in the  
individual bills, beginning with HB 2415-A6, which contained the increases  
in the fuel tax and the weight-mile tax. Exhibits 2-3

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meeting. Text enclosed in quotation marks reports the speaker's exact  
words. For complete context of proceedings, please refer to the tape  
recording.

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Questions and discussion

045 TERRY DRAKE mentioned that HB 2415-A6 had a sunset date, the provisions  
of which he explained. Exhibit 3

Questions and discussion

066 TERRY DRAKE reminded members that earlier Subcommittee action had  
allowed the inclusion of HB 2007 into HB 2415, relating to the "multi-axle  
weight schedule." He clarified that no tax policy would be sunsetted in HB  
241 5; rather, a portion of the increase in the taxes would have the sunset  
date. Exhibit 3

Questions and discussion

089 TERRY DRAKE related that the schedules in HB 2415 were derived from a  
study that attempted to implement rates on trucks that relate to their  
impact on the highway system. Exhibits 3

Questions and discussion of the derivation and update of the weight-mile  
tax schedule.

115 TERRY DRAKE referenced Section 15 of HB 2871-2, which contained the language for the "cost responsibility study" to be done by the Oregon Transportation Commission.

122 CHAIR BRIAN said the language in Section 15 of HB 28712 related to issues that had been raised by various highway users, both auto and truck, and that the Oregon Transportation Commission had agreed to study during the Interim.

129 REP. CARTER wanted to examine the issue of whether or not Oregon was unfairly taxing the trucking industry.

139 CHAIR BRIAN responded that the issued raised by REP. CARTER was only one that would be studied during the Interim, and he mentioned others that would be included.

154 REP. BURTON wanted to know what the "cost responsibility study" would be about.

171 DON FORBES addressed the issue of what the "cost responsibility study" would entail, stating that "in general the expansion requirements for the system are largely auto dependent, and are not driven by truck usage." He believed the responsibility of trucks was the maintenance of the existing system.

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186 MARK FORD talked about "cost responsibility," which related to the both looking at the kind of work that would have to be done to maintain the highway system at the present functioning level and what share of the cost would be on automobiles and what share on trucks. In other words, a "cost responsibility study" would determine what it would take to maintain the existing highway system in Oregon. Additionally, the Oregon Department of Transportation (ODOT) will look at changes that might occur in the future and how these changes might impact programs.

Questions and discussion

262 CHAIR BRIAN and TERRY DRAKE gave an overview of HB 2871. The first six sections related to the increase in the gas tax. Sections 7 through 10 were the weight-mile rate and axle-weightmile rate tables. Beginning with Section 11 was the language relating to the sunset provision in the bill. Section 14 related to distribution of revenue to small counties, and the Interim "cost responsibility study" was in Section 15. Section 16 contained a repeal date for the low-density counties, and distribution of aircraft fuel was in Sections 17 and 18. Beginning in Section 19, there was language about the increased registration fee (from HB 2416). Exhibit 2 and 4

Questions and discussion

326 TERRY DRAKE continued explaining the registration fees in Section 19 of HB 2871, and Section 30 was about the "second step" with the registration fee for cars. Exhibits 2 and 4

353 TERRY DRAKE informed members that Sections 21 and 22 set up the "Surface Transportation Account" derived from the registration fee increases, and provide for the distribution of the revenues. ODOT's responsibilities, regarding this account, were defined in Section 23. Sections 24 through 26 were provisions for the handling of the Transportation Account, and Section 27 required the intergovernmental

agreement for distribution of the increased fees. The needed statutory language was contained in Section 28, to make HB 2871 consistent with the constitutional bill HJR 7. Exhibit 4  
Questions and discussion

TAPE 137 SIDE A

002 Questions and discussion continued among members about the

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intent of the provisions in HB 2871-2. MARK FORD participated in some of these discussions.

065 REP. BRIAN pointed out the material in HB 2871-2 that related to who would participate in the Interim "cost responsibility study."  
Discussion

079 MARK FORD explained the proposed amendments HB 2415-A6 that would ensure the trucking industry was part of the Interim study in HB 2415 (and thus HB 2871).

Questions and discussion

109 MARK FORD read the his proposed amendments HB 2415-A6 relating to the Interim "cost responsibility study."

Discussion

120 MOTION CHAIR BRIAN moved to conceptually amend HB 2871 by adding language from the amendments HB 2415-A6 to Section 15, the purpose of which was to ensure the participation of the trucking industry in the Interim "cost responsibility study" and additionally to conceptually amend HB 2425-A6 by inserting language in the list of who does the study "motorist service club."

DISCUSSION

154 ORDER There being no objection, CHAIR BRIAN so ordered.

160 TERRY DRAKE continued his explanation of HB 2871, beginning with Sections 30 and 31, which allowed for the use and distribution of revenue from the second registration fee increase.

172 TERRY DRAKE informed members that HB 2871-2 should be amended, by changing some effective dates for fuel increases.

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195 CHAIR BRIAN recapped the proposed change, as follows: In HB 2871-2, page 1, line 5, the date should be changed to 7/1/94 ..

199 MARK FORD related that the way HB 2871-2 was set up, all the tax changes would go into effect on January 1, 1994. He suggested other amendments to HB 2871-2 concerning effective dates. Exhibit 3

113 MOTION REP. BRIAN moved to conceptually amend HB 2871-2 by adopting technical corrections as follows: On Page 2, delete "three" and insert "five" and put "three cents" in brackets immediately following; delete the brackets around the words "one-half of" on line 4 of Page 2.

NO DISCUSSION

215 ORDER There being no objection, CHAIR BRIAN so ordered.

216 MARK FORD believed no additional changes were made to Section 1a on pages 2-3 regarding effective dates and tax rates.

Discussion

235 MOTION REP. CARTER moved to adopt the amendments HB 2871-2, as conceptually amended, to HB 2871.

NO DISCUSSION

258 VOTE The motion passed 4-1. Ayes: REPS. GIROD, WHITTY, CARTER, and CHAIR BRIAN. Nays: REP. BURTON.

263 MOTION REP. CARTER moved HB 2871 as amended to the full Committee with a do-pass recommendation.  
DISCUSSION

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364 VOTE The motion passed 3-2. Ayes: REPS. WHITTY, CARTER, and CHAIR BRIAN. Nays: REPS. BURTON and GIROD.

373 CHAIR BRIAN opened the Work Session on HJR 7 and HB 3659.

380 TERRY DRAKE explained why HJR 7 was back to the Subcommittee when it had already been passed to the full Committee. Exhibit 5

Questions and discussion

394 DICK FEENEY further explained why HJR 7 was back to the Subcommittee, noting problems when the last version of HJR 7 had come out of Legislative Counsel. He supported HJR 7-7.

Questions and discussion

TAPE 136 SIDE B

002 Questions and discussion continued with DICK FEENEY concerning HJR 7-7.

052 DICK FEENEY explained specifically the differences between HJR 7-7 and the previously adopted HJR 7-5 (which had been adopted by the Subcommittee). Exhibit 5

082 MOTION REP. WHITTY moved to adopt the amendments HJR 7-7 to HJR 7.

NO DISCUSSION

086 ORDER There being no objection, CHAIR BRIAN so ordered.

087 MOTION REP. WHITTY moved HJR 7 as amended to the full Committee with a do-pass recommendation.

NO DISCUSSION

092 VOTE The motion passed 4-1. Ayes: REPS. WHITTY, BURTON, CARTER, and CHAIR BRIAN. Nays: REP. GIROD.

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093 CHAIR BRIAN introduced the amendments HB 3659-3 and stated

this bill was the ballot title for HJR .

Exhibit 6

100 REP. GIROD requested the following change to HB 3659-3: After the word "for" on line 4, add the words "mass transit." Exhibit 6

101 MOTION REP. GIROD moved to amend HB 3659-3 by adding the

words

"mass transit" in the

ballot

question, at the end of

line

4 after the word "for."

DISCUSSION

104 DICK FEENEY addressed the issue raised by REP. GIROD regarding addition of the word "mass transit" in the ballot question in HB 3659-3. One important issue was that the ballot question was limited to twenty words. He talked about the purposes of the words that were chosen as written in HB 365 9-3. Exhibit 6

QUESTIONS and DISCUSSION concerning the motion to change language in the ballot question.

307 CHAIR BRIAN read proposed language for the ballot question that he thought might be approved by members, as follows: "Shall constitution permit vehicle fees for public transportation, traffic reduction, transporting elderly, disabled; keeps fuel tax limitation for road uses?" Exhibit 6

Discussion

422 TERRY SMITH spoke about the importance of the language in the ballot question in HB 3659-3 as written, and he mentioned how it was developed with Legislative Counsel. He thought the language provided maximum flexibility, and he emphasized that it had never been the intent to mislead the public. Exhibit 6

440 DICK FEENEY proposed other language for the ballot question, as follows: "Shall constitution permit certain vehicle fee uses for traffic reduction, elderly, disabled, public transportation; affirm fuel tax limitation for road uses?" Exhibit 6

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005 Discussion of DICK FEENEY'S proposed language for the ballot question in HB 3659-3.

023 DICK FEENEY incorporated REP. WHITTY'S suggestion and read proposed language for the ballot question, as follows: Shall constitution permit certain vehicle fee uses for traffic reduction, transporting public, elderly, disabled; affirm fuel tax limitation for roads? Exhibit 6  
Discussion

055 REP. GIROD stated he didn't wish to withdraw his motion, which he restated as follows: Insert "mass transit" before the word "traffic" and delete "affirm fuel tax limitation for road uses?" Exhibit 6

069 VOTE The motion failed 4-1. Ayes:

REP. GIROD. Nays: REPS.

CARTER, WHITTY, BURTON, and

CHAIR BRIAN.

074 MOTION REP. BRIAN moved to conceptually

amend HB 3659-3, as follows:

Replace wording in "Ballot Question" with "Shall constitution permit certain vehicle fee uses for traffic reduction, transporting public, elderly, disabled; affirm fuel tax limitation for roads?"

DISCUSSION

091 ORDER There being no objection, CHAIR BRIAN so ordered.

093 MOTION REP. CARTER moved to adopt the amendments HB 3659-3 to HB 3659.

DISCUSSION

119 VOTE The motion passed 4-1. Ayes:

REPS. WHITTY, BURTON, CARTER,

and CHAIR BRIAN. Nays: REP.

GIROD.

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Questions and discussion

124 MOTION REP. CARTER moved HB 3659 as  
amended to the House Floor  
with a do-pass recommendation.

NO DISCUSSION

133 VOTE The motion passed 4-1. Ayes:  
REPS. WHITTY, BURTON, CARTER,  
and CHAIR BRIAN. Nays: REP.  
GIROD.

142 CHAIR BRIAN opened the Public Hearing on HB 2424.

143 TERRY DRAKE explained HB 2424, and the amendments HB 2424-3, related to  
bonding for transportation projects from ODOT. HB 24243 removed language  
related to "general obligation bonds." Exhibit 7

Questions and discussion

148 CHAIR BRIAN closed the Public Hearing and opened the Work Session on HB  
242 4.

150 TERRY DRAKE related that there were no amendments needed for HB 2424-3.  
Exhibit 7

164 MOTION REP. BRIAN moved to adopt the  
amendments HB 2424-3 to HB

242 4.

NO DISCUSSION

166 ORDER

169 MOTION REP. CARTER moved HB 2424 as  
amended to the House Floor  
with a do-pass recommendation.

NO DISCUSSION

170 ORDER There being no objection,

CHAIR

BRIAN so ordered.

175 CHAIR BRIAN adjourned the meeting at 4:46.

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Paula K.McBride, Committee Assistant  
Kimberly Taylor James, Office Manager

EXHIBIT SUMMARY

1. OTP Emerging Legislative Package: Fiscal Impact, July 15, 1993, Terry  
Drake, Legislative Revenue Office.
2. HB 2871-2, Terry Drake, Legislative Revenue Office.
3. HB 2415-A6, Terry Drake, Legislative Revenue Office.
4. HB 2416-5, Terry Drake, Legislative Revenue Office.
5. HB 2415-A6, from ODOT, Mark Ford, Oregon Department of Transportation.
6. HJR 7-7, Terry Drake, Legislative Revenue Office.
7. HB 2424-3, Terry Drake, Legislative Revenue Office.

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