

Public Hearing and Possible Work Session: HB 2415 HB 2516 HB 2417 HB 2418
HB 2420 HB 2424 HB 2428
Tapes 16-17 A/B

HOUSE COMMITTEE ON
HOUSE REVENUE AND SCHOOL FINANCE
PROPERTY TAX SUBCOMMITTEE
FEBRUARY 8, 1993 9:00 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: Mark Ford, Department of Transportation Terry Smith,
League of Oregon Cities

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

TAPE 16 SIDE A

009 CHAIR BRIAN called the meeting to order at 9:11 and conducted
administrative business.

030 CHAIR BRIAN opened the Public Hearing of the Transportation Plan bills:
HB 2415, HB 2416, HB 2417, HB 2418, HB 2420, HB 2424, and HB 2428.

042 MARK FORD volunteered to provide more detailed information to the
Committee about the Transportation Plan bills.

060 CHAIR BRIAN asked for a timeline on individual proposals contained in
the Transportation Plan and the cost of each proposal. Although advocates
support the Transportation Plan in its entirety, he emphasized that it is
not likely that the whole plan will be

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meeting. Text enclosed in quotation marks reports the speaker's exact
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recording.

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funded this session.

Questions and discussion interspersed

116 MARK FORD explained the categories that the bills fall into: highway
measures, transit capital measures, transit operating measures, and
aviation, ports & rail. Funding is directly attached to the aviation, ports
& rail issues. He explained tradeoffs that would occur if the entire Plan
were not funded.

Questions and discussion

154 MARK FORD related that revenue bonds were the desired and most
effective way to fund highway needs. He discussed the issue of "general
obligation bonds" as related to funding the Transportation Plan.

Questions and discussion interspersed

211 CHAIR BRIAN emphasized that the Committee will need to have an idea
what the impact of decisions made on individual issues would be on the
entire Transportation Plan package.

Questions and discussion

250 REP. CARTER asked for information on what the Transportation Plan might
cost individuals and individual businesses in the future.

Questions and discussion interspersed

332 TERRY SMITH presented slides that summarized what the policy issues are
that Oregon faces in relation to transportation needs. He spoke about how

the Transportation Plan was derived, using both public input and methodology designed specifically for transportation. Exhibit 1 Questions and discussion

TAPE 17 SIDE A

002 TERRY SMITH continued with his slide presentation to the Committee. Exhibit 1 Questions and discussion

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200 TERRY SMITH related that due to inflation, which the Transportation Plan conservatively estimated, the gas tax would have to increase from 24 cents/gallon to 54 cents/gallon. This is a direct result of keeping the gas tax at 8 cents/gallon during the late 70's and early 80's when inflation was in the double digits. Exhibit 1, page 4

Questions and discussion

interspersed

415 TERRY SMITH reviewed Oregon's transportation needs, as delineated in the Transportation Plan. In the "Priority Needs \$42.0 Billion" category Exhibit, funding was limited to categories where the cost-benefit ratio was high. He gave examples of transportation work where the benefits did not outweigh the cost to the state. Exhibit 1, pages 3-4

TAPE 16 SIDE B

002 TERRY SMITH continued his discussion of the cost-benefit ratio used in the prioritization of transportation needs.

Questions and

discussion

070 MARK FORD spoke about the recommendations contained in the Transportation Plan concerning port and rail needs in Oregon.

Questions and

discussion

135 TERRY SMITH showed another slide concerning "Priority Needs vs. Current Revenues." He also discussed the "Types of Road Needs." The next slide showed the fairly balanced transportation needs between urban and rural areas. He mentioned "capacity" needs for both rural and urban roads in Oregon. Exhibit 1, pages 6-7

Questions and discussion with TERRY SMITH and MARK

FORD

283 TERRY SMITH discussed "Road Maintenance & Preservation Needs & Revenue." He believed local governments face both a capacity and a maintenance problem, as does the state. He also addressed differences between a road improvement plan developed in 1986 and the current 1993 proposed Transportation Plan. Exhibit 1, pages 78

Questions and

discussion

352 TERRY SMITH addressed the possible benefits of the proposed

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Transportation Plan. Exhibit 1, pages 9-10
Questions and discussion

TAPE 17 SIDE B

002 Questions and discussion continued with TERRY SMITH and MARK FORD.

015 REP. CARTER wanted the Transportation Plan to include language that would enable in-state workers to get the work provided through the Plan rather than out-of-state workers.

Questions and discussion

033 TERRY SMITH discussed "Auto Trips, Land Use & Demand Management, specifically related to "Reducing Auto Trip Growth." He admitted that there is no refined strategy developed that relates to encouraging individual citizens to drive less. Exhibit 1, page 11

Questions and discussion interspersed

266 TERRY SMITH explained how "Oregon's Current Road Tax System" is funded. He briefly discussed the slide that showed how Oregon's transportation taxes compare with those of other states. The next slide showed how Oregon's gas tax, registration fee, and various truck fees compare to that of other states. Oregon's taxing system for support of transportation needs is more user-fee oriented than most states. Exhibit 1, pages 12-13

Questions and discussion

TAPE 18 SIDE A

002 Questions and discussion continued with TERRY SMITH and MARK FORD concerning Oregon's transportation taxes.

012 TERRY SMITH presented slides that showed (1) differences in need between state, county, and city road over next six years, and (2) all the revenues required during the next six years. He emphasized that revenues fall short of the projected needs for roads in Oregon. Exhibit 1, pages 13-14

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Questions and discussion interspersed

067 CHAIR BRIAN conducted administrative business.

079 CHAIR BRIAN adjourned the meeting at 11:07.

Paula K. McBride, Committee Assistant

Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. Hard copy of slides presented to Committee, Terry Smith, League of

Oregon Cities, 2/8/93.

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