

Work Session: HB 2676
HB 2124
Public
Hearing:
HB 2176
Tapes 105-
106 A/B

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HOUSE COMMITTEE ON
HOUSE REVENUE AND SCHOOL
FINANCE
PROPERTY TAX SUBCOMMITTEE

JUNE 4, 1993 7:30 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: Bob Ninen, Director, Oregon
State Parks and
Recreation; Historic Preservation Officer
James Hammrick, Deputy State Historic
Preservation Officer
George Pernsteiner, Department of Higher
Education
Jane Lesser, Legislative Director, Oregon
Student Lobby
Lois Davis, Oregon Health Sciences University
Julia Gies, Oregon Nurses Association
Ralph Groener, American Federation of State,
County & Municipal Employees

Staff: James Scherzinger, Legislative Revenue
Officer
Steve Bender, Legislative Revenue Office
Steve Meyer, Legislative Revenue Office
Paula McBride, Committee Assistant

TAPE 105 SIDE A

007 CHAIR BRIAN called the meeting to order at 7:42.
009 CHAIR BRIAN opened the Work Session on HB 2676.
010 STEVE BENDER explained the amendments HB 2676-5, which would eliminate
the "Amusement Device Tax." He also pointed out a table that indicated what
the bill would accomplish, including

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replacement revenue from "games of skill" and "games of chance" for the

Oregon Youth Corps and to local government with a new distribution formula. He discussed specific provisions of the amendments HB 2672-5. Exhibits 1 and 2

056 REP. WHITTY expressed displeasure with the amendments HB 26765. He specifically wanted to raise the tax on video terminals ("skill" and "chance" game videos) and include relevant language in HB 2676.

Discussion

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070 CHAIR BRIAN asked members if they agreed to eliminate the tax on amusement devices. There was consensus.

074 CHAIR BRIAN believed the video machines were "sitting ducks" and that it wasn't fair to raise the tax on them more than what was proposed in HB 2676-5.

090 REP. BURTON believed the "cash cow" video machines should be taxed more than was proposed in HB 2676-5, and he explained his position.

Discussion

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146 CHAIR BRIAN closed the Work Session on HB 2676.

153 CHAIR BRIAN opened the Work Session on HB 2124.

174 STEVE MEYER reminded members that HB 2124 dealt with the special assessment program (an exemption) on historical property, which currently had a sunset for applications of 12/31/93. He explained how the exemption worked, and he discussed two sets of amendments, HB 2124-4, and HB 2124-5. He referred to an outline and a revenue analysis of HB 21244. He used the outline to explain what changes would occur with the special assessment program incorporated in HB 21245, including the new sunset date for application to the program. Exhibits 3-6

Questions and

discussion

214 STEVE MEYER related that Section 2 of HB 2124-5 was the only difference between this set of amendments and HB 21244. In this section was language to the effect that local government "shall allow a property owner to refuse to consent to any form of historic property designation." Most of the language was from HB 2007,

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which had already passed the house, except for changing the word "may" to the word "shall" in HB 2124-5. Exhibits 3-5

Questions and discussion

242 CHAIR BRIAN explained what he believed to be significant about the language changes in Section 2 of HB 2124-5, related to whether or not the property owner wanted their property designated "historical."

Questions and discussion

314 STEVE MEYER further explained the outline (matrix) on the special assessment program, beginning with the provision that would keep the length of the special assessment (value frozen) to 15 years. HB 2154-5 also would create a three-person committee, the members of which would represent "the interests of the State Historic Preservation Officer, the Oregon State Association of County Assessors, and local preservation organizations. He explained other provisions of the bill, including changing the application fee. Exhibit 5

Questions and discussion concerning the "plan" that would be required in HB 212 4.

373 BOB MINEN addressed the issue of whether or not his department would be willing to help citizens with the "plan" that was proposed for HB 2124. While his department might develop the criteria for the "plan," assistance would be given only if requested. He expressed concern for the provision being added to HB 2124 that would require all historic property owners to create such a plan, not just new applicants, and this concern stemmed from the lack of staff and budgeting to do the work required of it already. He explained the requirements for the proposed "plan."

400 CHAIR BRIAN further discussed the intention of requiring a "plan" from people applying for the special assessment program.

TAPE 106 SIDE

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002 Discussion continued about the purchase and structure of the "plan" that would be required under HB 2124 of people applying for the special assessment for historical property.

019 BOB MINEN explained the intention of the original bill,
HB

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212 4, and what he believed the amendments might change. He made it clear that he had not had much time to analyze the amendments.

028 JAMES HAMMRICK believed that properties already in the historic program would not be charged a fee for their "plan" in the amendments HB 2124-5.

Discussion

034 STEVE MEYER related that on page 4 of HB 2124 was the language that related to application for classification and assessment, but this language did not relate to the "preservation plan." In HB 2124-5 there was no fee associated with filing this "plan."

Questions and
discussion

046 JAMES HAMMRICK described his current staff and their responsibilities.

050 STEVE MEYER suggested where changes would be made in HB 2124-5, which was Section 11b, to include a fee charged for participants who submit the proposed "preservation plan."

Discussio

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064 CHAIR BRIAN thought the fee should not exceed 1/5 of 1% of the real market value of the property, and he explained his reasoning.

Questions and
discussion

100 CHAIR BRIAN asked for the consensus on the concept to add language in Section 11b of the amendments HB 2124-5 that would require "a fee of up to 1/5 of 1% of the real market value" upon application to the program for historical property. There was consensus.

109 STEVE MEYER continued his explanation of HB 2124-5, beginning with the fact that the National Register would still be the basic criteria for eligibility. The categories he discussed were listed on the matrix.

Exhibits 4 and 5

Questions and

discussion

174 MOTION REP. BURTON moved to conceptually amend HB 2424-5 as follows: On page 4, Section 22,

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line 28, replace the word "shall" with the word "may".

183 REP. BURTON gave the reasons for the conceptual amendment.

Discussion

219 WITHDRAWN MOTION REP. BURTON withdrew his conceptual motion.

Discussion of HB 2124.

232 MOTION REP. CARTER moved to adopt the amendments HB 2124-5, as conceptually amended (the fee for the ~preservation plan") to the full Committee with a do-pass recommendation.

DISCUSSION

257 JAMES HAMMRICK did not know the amount of revenue the proposed fee ("up to 1/5 of 1% of real market value" language) for the "preservation plan" would raise. He will provide this information to members before the vote in the full Committee.

Discussion

299 CHAIR BRIAN wanted to clarify for the record his intent for the conceptual amendment to HB 2124-5 related to the "preservation fee." The fees should cover the cost of the process, but not be a "gold mine" for the Historic Preservation Office.

DISCUSSION

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

389 CHAIR BRIAN closed the Work Session on HB 2124.

406 CHAIR BRIAN opened the Public Hearing on HB 2176.

414 GEORGE PERNSTEINER testified in support of HB 2176, which would extend the existing from the exemption from property taxation for the parking facilities of colleges and universities of the Oregon State System of Higher Education. If not extended, the

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exemption would sunset on June 30, 1994. He talked about the financial impact on the schools, on students, and on staff if the exemption was

allowed to sunset. Exhibit 7

TAPE 105 SIDE B

002 GEORGE PERNSTEINER continued his testimony in support of HB 2176.

Discussion

085 JANE LESSER testified in support of HB 2176. She described her organization and gave an historical perspective of issues related to parking facilities at Oregon colleges and universities. Her handout included a fact sheet that delineated what students would have to pay for parking if HB 2176 didn't pass, and she reviewed current procedures for parking lots in relation to repaying building bonds. She talked about the benefits to both students and the taxpayers of Oregon if the exemption on parking facilities was made permanent. Exhibit 7

Questions and discussion

163 GEORGE PERNSTEINER explained how a parking facility at OIT campus in Milwaukee worked. He also addressed the issue of how many students at Oregon Health Sciences University were in-state, as opposed to out-of-state, in relation to the use of relevant parking facilities.

185 LOIS DAVIS addressed the issue of from where the student population at the Oregon Health Sciences University come. She believed that the students were from every Oregon county and that the vast majority came from in-state.

Discussion

204 JULIA GIES testified in support of HB 2176. She talked about the financial and safety issues involved with parking lot

facilities near the Oregon Health Sciences University. Her testimony was based on a handout. Exhibit 8

Questions and discussion

260 LOIS DAVIS gave a brief history of discussions held with TriMet about the option of using and/or expanding mass transit in the

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area of the Oregon Health Sciences University. She stressed that current services do not come close to meeting the need of the public, and there were no night services.

289 RALPH GROENER testified in support of HB 2176, and he believed that the Oregon Public Employees Union also supported the bill. He talked about the possible financial consequences to people who belonged to his organization if the parking facilities for the Oregon Health Sciences University lost their property tax exemption. He also discussed a personal situation related to the issue of parking at an Oregon higher educational facility.

384 CHAIR BRIAN closed the Public Hearing on HB 2176.

385 CHAIR BRIAN opened the Work Session on HB 2176.

387 MOTION REP. GIROD moved to conceptually amend HB 2176 in the following way: To take language from HB 3026, which would allow non-profit organizations to charge for parking less than ten times per year.

DISCUSSION

TAPE 106 SIDE B

- 002 DISCUSSION (of the MOTION continued)
013 CHAIR BRIAN read the proposed language in HB 2176.
015 ORDER There being no objection, CHAIR
 BRIAN so ordered.
016 MOTION REP. GIROD moved HB 2176 as
 conceptually amended to the full
 Committee with a do-pass
 recommendation.
 NO DISCUSSION
019 ORDER There being no objection, CHAIR
 BRIAN so ordered.

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- 020 CHAIR BRIAN closed the Work Session on HB 2176.
022 CHAIR BRIAN adjourned the meeting at 9:06.

Paula K. McBride, Committee Assistant
Kimberly Taylor, Office Manager
EXHIBIT SUMMARY

1. HB 2676-5, Steve Bender, Legislative Revenue Office.
2. HB 2676-5 (information sheet), Steve Bender, Legislative Revenue Office.
3. HB 2124-4, Steve Meyer, Legislative Revenue Office.
4. HB 2124-5, Steve Meyer, Legislative Revenue Office.
5. Comparison between the Existing Special Assessment Program, the Recommendations of the Special Assessment Task Force, and the Parks and Recreation Department's Position on the ReAuthorization of ORS 358.475, Steve Meyer, Legislative Revenue Office.
6. Revenue Analysis of Proposed Legislation, HB 2124-4, Steve Meyer, Legislative Revenue Office.
7. Testimony of George Pernsteiner, Department of Higher Education.
8. Testimony of Jane Lesser, Oregon Student Lobby.
9. Testimony of Julia Gies, Oregon Nurses Association.
10. Revenue Analysis of Proposed Legislative, HB 2176, Steve Meyer, Legislative Revenue Office.

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