

Work Session: HB 2424
HB 2871
HJR 7
HB 3659
Tapes
200 -201
A

HOUSE COMMITTEE ON
REVENUE AND SCHOOL
FINANCE

JULY 21, 1993 8:00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Representative Delna Jones, Chair Representative John Schoon, Vice Chair Representative Ron Adams Representative Tom Brian Representative Mike Burton Representative Margaret Carter Representative Tony Federici Representative Fred Girod Representative Gail Shibley Representative Greg Walden Representative Jim Whitty
Witnesses Present: Don Forbes, Oregon Department of Transportation

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

TAPE 200 SIDE A

007 CHAIR JONES called the meeting to order at 8:19, and she conducted administrative business.

024 CHAIR JONES opened the Work Session on HB 2424, HB 2871, HB 3659, and HJR 7.

029 TERRY DRAKE first described HB 2424, which would change the maximum amount of revenue bonding that the Oregon Department of Transportation (ODOT) could do. He talked about discussions in the and changes made by the Subcommittee on Property Taxation about this bill, resulting in the amendments HB 2424-3. There was no direct revenue impact from HB 2424. Exhibits 1-4

054 REP. BRIAN summarized the content of HB 2424-3.

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speaker's exact words. For complete context of proceedings, please refer to the tape recording.

House Committee

on

Revenue and School Finance July 21, 1993 Page 2

Questions and discussion of the bonding authority contained in HB 2424-3.

081 DON FORBES confirmed the information on bonding authority proposed by HB 2424-3 and outlined by TERRY DRAKE above.

Discussion

090 TERRY DRAKE believed amendments HB 2871-3 was the "fiscal underpinnings of the entire transportation package." Exhibits 5-8

096 CHAIR JONES noted that the description in the daily schedule did not adequately reflect the intent of HB 2871-3, because of the incorporation of the other transportation bills into it.

100 TERRY DRAKE explained to the members that the original HB 2871 had been "gutted" and that the provisions of bills HB 2415, HB 2416, HB 2417, and HB 2418 were now in HB 2871-3. He used his "Revenue Analysis" as an outline for the discussion on what the components were in HB 2871-3, beginning with the language that was incorporated from HB 2415 for increases in the gas and weight-mile taxes. Exhibits 5-8

Questions and discussion

156 TERRY DRAKE informed the members that HB 2007 was also incorporated into HB 2871-3. HB 2007 had proposed changes in the axle-weight schedule" for the taxation of trucks. He thought this represented another policy decision to be made about HB 2871-3. Exhibit 5
Discussion

174 TERRY DRAKE discussed the sunset date in HB 2871-3 on for the gas and weight-mile tax increases. Exhibit 5

Questions and discussion

182 TERRY DRAKE explained the provisions from HB 2416 that were now included in HB 2871-3, related to increased registration fees on "basic vehicles." Exhibit 5

Questions and discussion

212 TERRY DRAKE pointed out a "technical note" in HB 2871-3 that referred to HB 2456, a bill that repealed the gasohol exemption.

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speaker's exact words. For complete context of proceedings, please refer to the tape recording.

House Committee

on

Revenue and School Finance July 21, 1993 Page 3

HB 2456 might or might be vetoed by the Governor. The "technical note" in HB 2871-3 was based on an assumption of passage of HB 2456 and was incorporated into all the rate structures. He mentioned what could happen if that bill was vetoed. Exhibit 5

Discussion

229 TERRY DRAKE explained the provisions in HB 2871-3 incorporated from HB 241 7, dealing with jet fuel. He gave a brief history of the taxation of jet fuel. Exhibit 5

247 TERRY DRAKE reviewed the provisions in HB 2871-3 that dealt with aviation fuel and had been incorporated from HB 2418. Exhibit 5

Questions and
discussion

260 TERRY DRAKE discussed the last paragraph of HB 2871-3, which mandated abroad study of the transportation system, to be carried out by the Oregon Transportation Commission and the Public Utilities Commission, with the help of other relevant state organizations. The language he read contained criteria for this study. Exhibit 5

Questions and
discussion

297 REP. BRIAN commented on HB 2871-3, beginning with a brief history of the Oregon Transportation Plan out of which the present transportation bills were derived. Exhibit 5

310 CHAIR JONES discussed her role in the development of the Oregon Transportation Plan, which had been presented to the Committee and the Legislature during the current session.

331 REP. BRIAN continued his discussion of the Transportation Plan, mentioning some of its components. He cited the work that the Subcommittee on Property Taxation had done on the Plan, ultimately substantially reducing the requests for increased revenues. He thought HB 2871-3 was a composite of the original bills and the changes made by the Subcommittee, including the request for, and mandating of, a study on the Oregon transportation system and its current problems. He reviewed the increase in the weight-mile tax and the reasons for the sunset of this increase.

Discussion

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speaker's exact words. For complete context of proceedings, please refer to the tape recording.

House Committee

on

Revenue and School Finance July 21, 1993 Page 4

TAPE 201 SIDE A

002 REP. BRIAN continued his review of the decisions made by the Subcommittee on the Transportation Plan bills. He said the rumor that "trucks were going to have to pay for the Transportation Plan" (because of the increase in the weight-mile tax) was a fallacy.

Questions and discussion

022 REP. BRIAN explained that the increased registration fee and gas tax would continue to go to the Highway Fund, and he discussed the role of HJR 7 with the registration fee (explained below by staff). He also mentioned that there would be a Federal match for the increased aviation and jet fuel taxes increase, and the proceeds from these increases would go to airports throughout the state under certain stipulations, which he described.

067 TERRY DRAKE described HJR 7, using the amendments HJR 7-8 as an outline. HJR 7 would alter a section of the Oregon Revised Statutes (ORS) related to the constitutional dedication of the gas tax and registration fees to the Highway Fund. HJR 7 would do two things, one of which was "major" and both of which he described. Exhibits 9-12

Questions and discussion

107 TERRY DRAKE continued his explanation of HJR 7-8, specifically explaining the spending requirements of the revenue from the increased registration fee.

Discussion

118 TERRY DRAKE said HB 3659 was the ballot title for HJR 7. He presented the amendments HB 3659-4 which had modified the language from the original HB 3659. Exhibits 13-16

123 CHAIR JONES read the language from the ballot title in HB 3659. Exhibit 13

129 CHAIR JONES conducted administrative business.

144 CHAIR JONES recessed the meeting at 8:58 and reconvened at**

**(PLEASE NOTE: THIS MEETING WAS NEVER RECONVENED.)

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speaker's exact words. For complete context of proceedings, please refer to the tape recording.

House Committee on

Revenue and School Finance

July 21, 1993 Page 5

Paula K. McBride, Committee Assistant

Kimberly Taylor James, Office Manager

EXHIBIT SUMMARY

1. HB 2424-3, Terry Drake, Legislative Revenue Office.
2. Staff Measure Summary, HB 2424-3, Terry Drake, Legislative Revenue Office.
3. Revenue Analysis of Proposed Legislation, HB 2424-3, Terry Drake, Legislative Revenue Office.
4. Fiscal Analysis of Proposed Legislation, Ken Rocco, Legislative Fiscal

Office.

5. HB 2871-3, Terry Drake, Legislative Revenue Office.
6. Staff Measure Summary, HB 2871-3, Terry Drake, Legislative Revenue Office.
7. Revenue Analysis of Proposed Legislation, HB 2871-3, Terry Drake, Legislative Revenue Office.
8. Fiscal Analysis of Proposed Legislation, Ken Rocco, Legislative Fiscal Office.
9. HJR 7 -8, Terry Drake, Legislative Revenue Office.
10. Staff Measure Summary, HJR 7-8, Terry Drake, Legislative Revenue Office.
11. Revenue Analysis of Proposed Legislation, HJR 7-8, Terry Drake, Legislative Revenue Office.
12. Fiscal Analysis of Proposed Legislation, HJR 7-7, Roz Shirack/Ken Rocco, Legislative Fiscal Office.
13. HB 3659-4, Terry Drake, Legislative Revenue Office.
14. Staff Measure Summary, HB 3659-4, Terry Drake, Legislative Revenue Office.
15. Revenue Analysis of Proposed Legislation, HB 3659-4, Terry Drake, Legislative Revenue Office.
16. Fiscal Impact Assessment, HB 3659, Legislative Fiscal Office.

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speaker's exact words. For complete context of proceedings, please refer to the tape recording.