

Work Session: Tax Reform Bills
HJR 4, HJR 5, HJR 10,
HJR 18, HJR 25, HJR 28,
HJR 44, HJR 60, HJR 61,
HJR 66, HJR 71
Invited Testimony
Tapes 122-123 A

HOUSE COMMITTEE ON
REVENUE AND SCHOOL
FINANCE

JUNE 3, 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 Tony Federici
Representative Fred Girod
Representative Gail Shibley
Representative Jim Whitty

Members Excused: Representative Margaret Carter
Representative Greg Walden

Witnesses Present: Randy MacDonald, Member, Eugene City Council, Member of Board of Directors, League of Oregon Cities Gerry Gaydos, President, Eugene Chamber of Commerce Jack Roberts, Lane County Commissioner Linda Lynch, Director of Intergovernmental Relations, City of Eugene

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

TAPE 122 SIDE A

008 ACTING CHAIR WHITTY called the meeting to order at 11:23 and conducted administrative business.

018 RANDY MACDONALD introduced others in his group. He discussed his community's effort to achieve some consensus on major components of a state tax reform agenda. He described his

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community and its agencies that have participated in this effort, referring to a letter, signed by the heads of major agencies in his area, that outlined their suggestions for tax reform. He reviewed other issues that were of concern and have been debated by intergovernmental groups in his community. He expressed the intent of his community to be "a constructive partner in the effort to achieve state tax reform." Exhibit 1

069 GERRY GAYDOS related that the Eugene Chamber of Commerce had "made a substantial effort to look at the city government" in terms of efficiency. He talked about what changes had occurred from that effort, one of which was the elimination of a "Business Assistant Team." Additionally, Eugene accomplished administrative consolidation, and fees by Parks & Recreation have been increased. He believed that Eugene was doing all it could to

encourage and allow businesses to thrive, and he talked about the importance of the University of Oregon to the area, referring to a handout about the school. He also mentioned businesses the community was attempting to attract to that part of the state, as part of the move away from timber as an economic base, and university research projects were a part of this. Both new technologies and the education of workers have been encouraged, and he believed there was an awareness in Eugene of the importance of preparing workers for a global market in the next century.

138 JACK ROBERTS talked about the difficulties his community has had related to restructuring the tax system, both before and after Measure 5. A working group on tax reform, representing the cities of Eugene and Springfield, school districts, Lane County, and other major agencies, had reached consensus on the following areas: (1) no cap on property value, (2) dedication of revenue to public schools K-12 and community colleges, (3) no local option for a sales tax, if local revenue-raising authority was not taken away, and (4) sending the question to the voters "sooner than later" (e.g., November 1993). He explained the reasoning behind these positions. He stressed that the working group and other Lane County areas wanted to be a part of making tax reform successful, especially the measure that will be voted on by citizens. He also offered his support if a measure failed and further consideration of tax reform had to be undertaken.

263 CHAIR JONES and JACK ROBERTS talked about the tax rate in Lane County.

274 REP. GIROD and JACK ROBERTS talked about his position that the revenues from a new tax be dedicated.

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293 REP. GIROD, JACK ROBERTS and RANDY MACDONALD discussed the option of putting a "cap" on property values.

300 LINDA LYNCH discussed material prepared by the City of Eugene on "cap" amounts and their potential impact on her city. Exhibit 3

Discussion

359 REP. WHITTY and JACK ROBERTS talked about the millage rate in Lane County. They also discussed the derivation of the revenue for the budget of the City of Eugene, including the part from "O & C" (revenue from "Oregon and California Lands" bill) and from property tax.

Discussion

TAPE 123 SIDE A

002 Discussion continued concerning the issue of a "cap" with a tax reform package.

025 CHAIR JONES conducted administrative business.

039 CHAIR JONES adjourned the meeting at 11:54.

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

EXHIBIT SUMMARY

1. Letter to the Chair, from members of the Eugene-Springfield area community leadership, presented by Randy X.
2. The University of Oregon, Eugene-Springfield: A Partnership Where Everyone Profits, a brochure, presented by Gerry Gaydos.
3. Information on the potential impact of a "cap" on property value in the

Eugene-Springfield area, presented by Linda Lynch, City of Eugene.

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