

SENATE COMMITTEE ON BUSINESS, HOUSING AND CONSUMER AFFAIRS

June 14, 1993      Hearing Room 343 3:00 p.m.      Tapes 92-93

MEMBERS PRESENT:    Sen. Bill Dwyer, Chair Sen. Bill Kennemer, Vice-Chair  
Sen. Brady Adams Sen. Ron Cease Sen. Karsten Rasmussen

MEMBER EXCUSED:

VISITING MEMBER:

STAFF PRESENT:            Cherie Copeland, Committee Administrator Richard  
Day-Reynolds, Committee Administrator

Willie Tiffany, Committee Assistant

MEASURES CONSIDERED:    Work Session: HB 2663 - Authorizes Oregon Racing  
Commission to permit nonprofit race meet licensees to use

unclaimed pari-mutuel wagering winnings for

track improvements. HB 2036 - Allows Director of  
Department of Insurance and Finance to combine accounts in

Insurance and Finance Fund relating to certain

banks and trust companies.

Public Hearing and Possible Work Session: HB 2266-A - Revises  
provisions relating to State Board of Accountancy examination  
of certified

public accountants. HB 2267-A - Requires accountants to participate in  
quality review program. HB 2106 - Authorizes State Board of Tax Service  
Examiners to require that person subject to

civil penalty or license suspension or

revocation to participate successfully in

specific education program in order to retain or regain tax consultant or  
preparer license.

Executive Appointment: State Board of Tax Service Examiners: Peggy D.

Dooley State Board of Tax Service Examiners: Jean

Wiebusch

Executive Reappointment: State Board of Tax Service Examiners: Joan I.

Standerfer

[--- Unable To Translate Graphic ---]

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. [--- Unable To Translate Graphic ---]

TAPE 92, SIDE A

014 CHAIR DWYER: Calls the meeting to order at 3:06 p.m.

(Tape 92, Side A) HB 2663 - AUTHORIZES OREGON RACING COMMISSION TO PERMIT NONPROFIT RACE MEET LICENSEES TO USE UNCLAIMED PARI-MUTUEL WAGERING WINNINGS FOR TRACK IMPROVEMENTS - WORK SESSION

020 CHAIR DWYER: Explains the amendments.

025 MOTION: SEN. KENNEMER moves the -1 amendments.

031 CHAIR DWYER: Hearing no objection SO ORDERED.

036 MOTION: SEN. KENNEMER moves HB 2663 to floor with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Cease excused. Sen. Adams will carry HB 2663.

(Tape 92, Side A) HB 2036 - ALLOWS DIRECTOR OF DEPARTMENT OF INSURANCE AND FINANCE TO COMBINE ACCOUNTS IN INSURANCE AND FINANCE FUND RELATING TO CERTAIN BANKS AND TRUST COMPANIES - WORK SESSION

047 CHERIE COPELAND, COMMITTEE ADMINISTRATOR: Explains the amendments

055 MOTION: SEN. KENNEMER moves the -1 amendments.

058 SEN. ADAMS: Declares a potential conflict of interest as the president of a financial institution.

060 CHAIR DWYER: Hearing no objection, SO ORDERED.

062 MOTION: SEN. KENNEMER moves HB 2036, as amended, to the floor with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Cease excused. Sen. Kennemer will Carry HB 2036.

(Tape 92, Side A) HB 2266-A - REVISES PROVISION RELATING TO STATE BOARD OF ACCOUNTANCY EXAMINATION OF CERTIFIED PUBLIC ACCOUNTANTS - PUBLIC HEARING Witnesses: Karen DeLorenzo, Board of Accountancy

068 KAREN DELORENZO, BOARD OF ACCOUNTANCY: Testifies in support of the bill. Reads from written testimony (EXHIBIT B).

096 SEN. KENNEMER: If it's not required twice a year, then what's going to happen to access for candidates?

098 DELORENZO: We don't think it will go down to once a year.

103 SEN. KENNEMER: Do you have any objection to keeping the twice a year statute?

110 CHAIR DWYER: How many take the test and how many do you license?

112 DELORENZO: We give the test to 500 candidates. We license 60 CPAs at each board meeting and we have 6 board meetings a year.

117 CHAIR DWYER: How many do you have altogether?

119 DELORENZO: Approximately 6,000.

121 SEN. KENNEMER: Would it create a problem if we went back to the original language?

123 DELORENZO: Not for us.

126 SEN. KENNEMER: You anticipate going twice a year anyway right?

127 DELORENZO: Yes.

129 CHAIR DWYER: Why to want to raise the fees?

131 DELORENZO: The fees for the whole exam are staying the same. We're raising the part cost.

144 SEN. KENNEMER: How has semi-annual been received by the applicants?

147 DELORENZO: I haven't seen any problems.

155 SEN. CEASE: If they pass the exam they then use the certification in their home countries?

157 DELORENZO: Yes.

163 SEN. CEASE: Do they do this in all states?

165 DELORENZO: Yes.

166 CHAIR DWYER: How many CPAs do we have?

168 DELORENZO: About 6,000. (Tape 92, Side A) HB 2266-A - REVISES PROVISIONS RELATING TO STATE BOARD OF ACCOUNTANCY EXAMINATION OF CERTIFIED PUBLIC ACCOUNTANTS - WORK SESSION

MOTION: Sen. Kennemer moves to amend HB 2266 conceptually. On line 19, page 1 returning to the original language.

183 CHAIR DWYER: Hearing no objection, SO ORDERED.

MOTION: Sen. Kennemer moves HB 2266, as amended, to the floor

with a Do Pass recommendation.

VOTE: The motion carries 5-0. Sen. Adams will carry HB 2267.

HB 2267-A REQUIRES ACCOUNTANTS TO PARTICIPATE IN QUALITY REVIEW PROGRAM - PUBLIC HEARING Witnesses: Karen DeLorenzo, Board of Accountancy Richard Guardlock, Oregon Association of Independent Accountants

200 KAREN DELORENZO, BOARD OF ACCOUNTANCY: Testifies in support of the bill. Introduces (EXHIBIT C).

262 SEN. KENNEMER: Do CPAs get continuing education credit for these reviews?

265 DELORENZO: They get credit for participating originally.

272 SEN. KENNEMER: As an examiner or reviewed?

274 DELORENZO: As an examiner.

276 SEN. KENNEMER: What is the continuing education requirement for CPAs.

277 DELORENZO: 80 hours every two years.

278 CHAIR DWYER: What's the difference between the review you have to pay for and the one you don't?

279 DELORENZO: The ones offered by the associations are more in-depth.

289 SEN. KENNEMER: Is there a national standard?

296 DELORENZO: Yes. We are also setting up a board to regulate these associations.

306 SEN. KENNEMER: The bill is drafted broad enough that they can regulate which ones will be approved?

308 DELORENZO: Yes 327 RICHARD GAURDLOCK, OREGON ASSOCIATION OF INDEPENDENT ACCOUNTANTS: Testifies in favor of the bill. We originally opposed this bill, but

our concerns were addressed in the House.

345 SEN. KENNEMER: Where is that change in the bill.

347 COPELAND: On page 1, line 6.

(Tape 92, Side A) HB 2267-A - REQUIRES ACCOUNTANTS TO PARTICIPATE IN QUALITY REVIEW PROGRAM - WORK SESSION

MOTION: Sen. Cease moves HB 2267-A to the floor with a Do Pass recommendation.

VOTE: The motion carries 5-0. Cease will carry HB 2267-A.

(Tape 92, Side A) HB 2106 - AUTHORIZES STATE BOARD OF TAX SERVICE

EXAMINERS TO REQUIRE THAT PERSON SUBJECT TO CIVIL PENALTY OR LICENSE SUSPENSION OR REVOCATION TO PARTICIPATE SUCCESSFULLY IN SPECIFIC EDUCATION PROGRAM IN ORDER TO RETAIN OR REGAIN TAX CONSULTANT OR PREPARER LICENSE - PUBLIC HEARING Witnesses: Joyce Thorbeck, Board of Tax Service Examiners

380 JOYCE THORBECK, BOARD OF TAX SERVICE EXAMINERS: Testifies in support of the bill. Reads from written testimony (EXHIBIT D).

400 SEN. KENNEMER: I think it's appropriate that we help people get up to speed.

TAPE 93, SIDE A

(Tape 93, Side A) HB 2106 - AUTHORIZES STATE BOARD OF TAX SERVICE EXAMINERS TO REQUIRE THAT PERSON SUBJECT TO CIVIL PENALTY OR LICENSE SUSPENSION OR REVOCATION TO PARTICIPATE SUCCESSFULLY IN SPECIFIC EDUCATION PROGRAM IN ORDER TO RETAIN OR REGAIN TAX CONSULTANT OR PREPARER LICENSE - WORK SESSION

300 MOTION: SEN. KENNEMER moves HB 2106 to the floor with a Do Pass recommendation.

VOTE: The motion carries 5-0. Sen. Kennemer will carry HB 210 6.

(Tape 93, Side A) EXECUTIVE APPOINTMENTS - OREGON STATE BOARD OF TAX SERVICE EXAMINERS Witnesses: Peggy Dooley, Canidate Jean Wiebusch, Canidate Joan Standerfer, Canidate 328 CHAIR DWYER: Calls the witnesses En Bloc.

347 CHAIR DWYER: We'll start with PEGGY DOOLEY.

348 COPELAND: Explains what's in packet.

372 SEN. KENNEMER: Would you share with us a little about your background and why you want to serve?

TAPE 92, SIDE B

002 PEGGY DOOLEY, CANIDATE: It's time for me to give something back to society.

004 SEN. KENNEMER: What expertise do you bring to the Board?

007 DOOLEY: General knowledge of individual tax returns.

010 SEN. KENNEMER: Is most of your work with individual returns.

014 DOOLEY: Yes. I also have a teaching background.

016 SEN. KENNEMER: Where was that?

018 DOOLEY: Linn - Benton, H and R Block and I've taught classes in my office.

022 SEN. ADAMS: Introduces JEAN WIEBUSCH.

031 SEN. CEASE: Did she work on your campaign?

034 SEN. ADAMS: No, she ran for county sheriff.

036 SEN. KENNEMER: Why do you want to serve on this board?

039 JEAN WIEBUSCH, CANIDATE: I have a deep sense of community service. I think it's important that there is a non-expert on the board.

050 SEN. KENNEMER: Where does the board hold it's meetings?

051 WIEBUSCH: Here in Salem.

052 SEN. KENNEMER: Is commuting a problem?

053 WIEBUSCH: No.

057 CHAIR DWYER: How long have you been in Oregon?

059 WIEBUSCH: Since 1989.

061 SEN. CEASE: This is the open Oregon system.

063 CHAIR DWYER: Calls Joan Standerfer

066 CHAIR DWYER: Why do you want to do this again?

067 JOAN STANDERFER, CANIDATE: I believe in the system and what we do.

074 SEN. CEASE: Did you come all the way from La Grande just for this?

077 STANDERFER: Yes.

MOTION: SEN. CEASE moves the three appointments En Bloc to floor with Do Adopt recommendation.

VOTE: The motion carries 5-0. Sen. Adams will Carry the appointments.

080 SEN. CEASE: I would like to take this opportunity to thank Cherie Copeland for her time and energy. I'm sorry to see her go.

085 CHAIR DWYER: I'm going to miss her too.

090 CHAIR DWYER: Adjourns the committee at 3:45 p.m.

Submitted by:

Reviewed by:

Willie Tiffany  
Administrator

Richard Day-Reynolds Assistant

EXHIBIT LOG:

A - Amendments to HB 2663 - Staff - 1 page B - Testimony on HB 2266 - Karen DeLorenzo - 1 page C - Testimony on HB 2267 - Karen DeLorenzo - 3 pages D - Testimony on HB 2106 - Joyce Thorbeck - 6 pages