

Tapes 26-27 A/ B
Work Session SB 9
14
270
271

:
SENATE COMMITTEE ON
REVENUE AND SCHOOL FINANCE
FEBRUARY 3, 1993 1:00 AM HEARING ROOM A STATE CAPITOL
BUILDING

Members Present: Senator Shirley Gold, Chair
Senator Brady Adams
Senator Ron Cease
Senator Rod Johnson (late arrival 1:20)
Senator Peg Jolin
Senator Paul Phillips (late arrival 1:20)
Senator Tricia Smith (absent 1:30 - 1:55)
Witnesses Present: Jim Manary, Legislative
Liaison for the
Department of Revenue
Tom Linhears, Columbia County Assessor
B.J. Smith, League of Oregon Cities
Gary Carlson, Associated Oregon Industries
Gil Riddel, Associated Oregon Counties

Staff: Terry Drake, Legislative Revenue Office
Steve Meyer, Legislative Revenue Office
Richard Yates, Legislative Revenue Office
Jennifer Belkle, Committee Assistant

TAPE 26 SIDE A

017 CHAIR GOLD called the meeting to order at 1:12 P.M.
023 CHAIR GOLD opened the public hearing on SB 9.
025 STEVE MEYER explained that SB 9 was primarily a housekeeping bill.
030 JIM MANARY testified regarding SB 9. He explained that this bill
required that property taxes be paid before the property is sold or
partitioned. He stated that the original owner is responsible for all back
obligations.

Questions and discussion.

085 JIM MANARY explained that SB 9 also allows for an exemption of the
taxes to an owner who rents property to a non-profit organization as long
as the savings are passed on directly to the non-profit organization.
Questions and discussion interspersed.

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meeting. Text enclosed in quotation marks reports the speakers exact words.
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175 JIM MANARY explained that this program exempts the property and the
state pays the taxes. He asserted that the problem results when the state
payments go to pay back taxes. He informed the Committee that SB 9 includes
a measure that requires all taxes be paid in order to qualify for the
exemption.

Questions and discussion interspersed.

303 STEVE MEYER clarified that the rent has to be reduced in order to
qualify for the exemption.

355 JIM MANARY continued testimony with further information on SB 9.

TAPE 27 SIDE A

001 JIM MANARY continued regarding the SB 9 provision for farm land outside the exclusive farm use zone. He explained the rules governing the farm use zone issue.

Questions and discussion interspersed.

102 JIM MANARY continued with SB 9.

Questions and discussion. -

156 JIM MANARY clarified that the definition language for real market value was declared unconstitutional by the Supreme Court.

190 STEVE MEYER went over various amendments to SB 14.

220 CHAIR GOLD closed the Work Session on SB 14.

232 CHAIR GOLD opened the Work Session on SB 270.

240 DICK YATES discussed the summary of SB 270. He drew attention to the fiscal and revenue impact statements. Exhibits 1 & 2.

Questions and discussion.

270 CHAIR GOLD discussed the procedure of alerting the Joint Ways and Means Committee on bills with a revenue impact.

337 DICK YATES clarified the language for the provision in SB 270 that requires all equipment and computers be new.

356 MOTION: CHAIR GOLD moved SB 270 to the Senate Floor with a "Do Pass" recommendation.

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360 ROLL CALL VOTE: The motion passed by a vote of
7-0. Senators voting Aye:
Adams, Cease, Johnson, Jolin,
Smith, Phillips, and Gold.

386 CHAIR GOLD opened the Work Session on SB 271 that deals with homes built on farmland. Exhibit 3.

TAPE 26 SIDE B

015 TOM LINHEARS testified regarding SB 271 and the difference between section 4 and section 6 in the proposed amendments.

Questions and discussion.

063 STEVE MEYER clarified that these amendments replace the language in the bill. He stated that it would also disqualify some farmland a year earlier than would be the case under current law.

Questions and discussion continued.

087 MOTION: CHAIR GOLD moved for the adoption of the
proposed amendments SB 271-1.

095 ORDER: Hearing no objections, CHAIR GOLD so
ordered.

093 MOTION: CHAIR GOLD moved the amended SB 271 to
the Senate Floor.

105 ROLL CALL VOTE: The motion passed by a vote of 7-0.
Senators voting Aye: Adams, Cease,
Johnson, Jolin, Smith, Phillips, and
Gold.

119 STEVE MEYER resumed testimony on the SB 14-2 amendments. Exhibit 4. ~

149 MOTION: SEN. SMITH moved for the adoption of the proposed SB 142 amendments.

163 SEN JOHNSON clarified that this bill changes the amount of the tax, not the character of the tax.

Questions and discussion.

186 B.J. SMITH confirmed that there would be a public hearing in conjunction with the enactment of any ordinance or resolution.

196 CHAIR GOLD restated the motion.

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198 ORDER: Hearing no objections, CHAIR GOLD so
ordered.

200 STEVE MEYER explained the SB 14 3 amendments. Exhibit 5.
Questions and discussion.

244 JIM MANARY testified regarding the fiscal impact regarding the SB 14-3
amendments.

280 GARY CARLSON testified regarding the SB 14-3 amendments.
Questions and discussion.

321 JIM MANARY continued testimony regarding questions on the intent of SB
14.

Questions and discussion.

TAPE 27 SIDE B

001 MOTION: CHAIR GOLD moved for the adoption of the
proposed SB 14-3 amendments.

004 ORDER: Hearing no objections, CHAIR GOLD so
ordered.

008 STEVE MEYER discussed the SB 14-4 amendments. Exhibit 6.

023 MOTION: CHAIR GOLD moved for the adoption of the proposed SB 144
amendments.

025 ORDER: Hearing no objections, CHAIR GOLD so ordered.

030 STEVE MEYER went over the SB 14-5 amendments. Exhibit 7.

Questions and discussion

056 GIL RIDELL testified that these amendments create a separate special
district. He stated that the board could consist of the same members as the
school board, and the school board would have some control in the matters
before this special district board.

Questions and discussion.

120 TERRY DRAKE clarified that if a school district contracts for
recreational services those revenues are not counted in the

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formula. He asserted that this is a scheme to circumvent the limitations of
the formula and has a non-equalizing function.

Questions and discussion.

185 TERRY DRAKE confirmed that this legislation puts the districts back
under the \$5 cap of Measure 5.

Questions and discussion.

211 SEN GOLD adjourned the meeting at 2:55 p.m.

Jennifer Belkle, Committee Assistant

Kimberly Taylor, Office eager

Exhibit Summary

1. Yates, Fiscal Impact Statement for SB 270

2. Yates, Revenue Impact Statement for SB 270

3. Meyer, Senate Bill 271-1 Proposed Amendments, 1-29-93

4. Meyer, Senate Bill 14-2 Proposed Amendments, 2-2-93

5. Meyer, Senate Bill 14-3 Proposed Amendments, 2-3-93

6. Meyer, Senate Bill 14-4 Proposed Amendments, 2-3-93

7. Meyer, Senate Bill 14-5 Proposed Amendments, 2-3-93

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