

Tapes 46-47 A/B Public Hearing SB 57 SB 58 SB 59
Work Session SB 275
SENATE COMMITTEE ON
REVENUE AND SCHOOL FINANCE
FEBRUARY 17, 1993 1:00 PN HEARING ROOM A STATE CAPITOL
BUILDING

Members Present: Senator Shirley Gold, Chair
Senator Brady Adams
Senator Ron Cease
Senator Rod Johnson
Senator Peg Jolin
Senator Paul Phillips
Senator Tricia Smith

Witnesses Present: Kevin Smith, Governor's
Office

Joe Labadie, Governor's Office
Jerry Hanson, Oregon State Association of
County Tax Assessors
Gil Riddell, Association of Oregon Counties
Delores Devine, Oregon Association of County
Tax Collectors
Janice Druian, Multnomah County Assessor
Rick Guftson, Governor's Office
Dick Townsend, League of Oregon Cities
Susan Schneider, City of Portland
Mike Rosenberger, Portland Water Bureau
Kevin Hanway, Special Districts Association
Ken Martin, Portland Boundary Commission

Staff: Steve Bender, Legislative Revenue Office
Steve Meyer, Legislative Revenue Office
Jennifer Belkle, Committee Assistant

TAPE 46 SIDE A

017 CHAIR GOLD called the meeting to order at 1:15 p.m.
027 STEVE MEYER gave a brief introduction to Senate bills 57, 58, and 59.
030 KEVIN SMITH and JOE LABADIE testified regarding SB 57. KEVIN SMITH
summarized the Task Force of Local Government Services' work and process.
060 JOE LABADIE testified regarding SB 57. He explained that personal
property taxes make up a small portion of the overall tax collection,
however, it accounts for 20% of the staffing funds. He stated that SB 57
requests an increase in the amount in order to be

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These minutes paraphrase and/or summarize statements made during this
meeting. Text enclosed in quotation marks reports the speakers exact words.
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more cost effective. He related that the second part of SB 57 deals with
the penalty of not filing the tax information by a certain date. He stated
that the assessor has no control over whether or not this fee is waived.
Questions and discussion.

165 SEN JOLIN brought up the issue of raising the amount from \$5,000 to a
higher amount.
Questions and discussion.

179 STEVE MEYER pointed out that it is at the discretion of the assessor as to whether or not the value is exempt.

Questions and discussion interspersed.

215 JERRY HANSON testified regarding SB 57. He discussed issues that would allow more administrative ease. He raised a second issue that suggested that all the property of the taxpayer be considered collectively, rather than each account being dealt with separately. He mentioned that the accounts under \$5000 dollars comprises 30% of their 25,000 personal property accounts, and that out of the \$1.3 billion dollars in personal property value, these 8000 accounts amount to \$20 million dollars.

Questions and discussion.

323 GIL RIDDELL testified regarding SB 57. He stated that the Association of Oregon Counties has not considered the concept of the Assessors, but he believed it to have several attractive benefits.

325 CHAIR GOLD opens Public Hearing on SB 58.

333 JOE LABADIE testified regarding SB 58. He stated that a section of this bill attempts to reverse the current policy of sending petition orders registered or certified mail, rather than regular mail.

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001 JOE LABADIE continued testimony regarding SB 58. He explained that another section in this bill leaves the securement of a clerk up to the discretion of the board and gives them the option of keeping their own minutes for their board meeting. He continued discussion on the certified mail question.

Questions and discussion interspersed.

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100 JOE LABADIE reminded the committee that the date of the letter and not the receipt of the letter is the issue.

105 DELORES DEVINE testified in support of SB 58. She stated that the certified mail process is timely and costly to the counties.

141 JANICE DRUIAN stated that those taxpayers appealing, have 30 days from the postmark to respond.

Questions and discussion interspersed.

165 SEN SMITH remarked that certified mail guarantees that the taxpayer received the letter and provides a record of when that letter was received.

225 SEN JOLIN stated that warrants are important notification documents and should be sent by certified mail.

245 DELORES DEVINE states that there are several warnings prior to the issuance of a warrant. She also testified that many times the taxpayer will refuse to accept the certified mail because they know the contents of the letter.

Questions and discussion interspersed.

301 CHAIR GOLD closed the Public Hearing on SB 58.

305 CHAIR GOLD opened the Public Hearing on SB 59.

325 KEVIN SMITH testified regarding SB 59. He introduced Rick Gustafson.

337 RICK GUFTSON testified regarding SB 59. He elaborated on the issue of the removal of water supply and water districts from property tax authority.

Questions and discussion interspersed.

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001 Discussion continued on the water supply and districts issue and the property tax authority.

Questions and discussion.

075 SEN SMITH expressed her concern that the Boundary Commission was not the proper body to be deciding on issues of substance regarding water policy.

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087 RICK GUFTSON responded that it is important that some body that is removed from the day to day interactions among the districts be placed in a position of oversight to make judgements about the progress made. He stated that the specific entity chosen was not important.

125 RICK GUFTSON discussed the second issue addressed in the bill which is the coordination of the taxing districts.

132 RICK GUFTSON discussed the third issue which was the facilitation of the consolidations of districts.

Questions and discussion.

205 DICK TOWNSEND testified regarding SB 59. Exhibits 1 & 2. He discussed the mandate in section 1 which prohibits the use of property taxes for water and sewer operations. He requested the deletion of section 1 of SB 59.

225 DICK TOWNSEND went into detail regarding the reasoning behind this request.

Questions and discussion.

333 DICK TOWNSEND continued testimony regarding other sections of the bill.

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001 DICK TOWNSEND continued his testimony.

009 SUSAN SCHNIEDER introduced MIKE ROSENBERGER and indicated that his remarks are representative of Washington County as well as the City of Portland.

014 MIKE ROSENBERGER testified regarding SB 59. Exhibit 3. He stated that his organization is opposed to section 1. He stated that a great deal has happened regarding regional water supply planning. He elaborated on these changes and ways to organize within the regions to be as efficient as possible.

063 KEVIN HANWAY testified regarding SB 59. He expressed his support for the remarks made by Mike Rosenberger. He discussed the obstacles of the consolidation of districts and possible solutions.

100 KEVIN SMITH testified regarding the reason for the existence of Section 1. He explained that it was hoped to reduce the number of entities going to the taxpayers for additional property taxes. He stated that the intention was to relieve some of the burden on cities. He asserted that the Governor has concerns regarding the

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access of cities and special districts to the State's bonding programs.
Questions and discussion.

146 KEN MARTIN testified regarding SB 59. He stated that the Boundary Commission has not looked at this bill and has no formal position. He asserted that the Commission did have the expertise to deal with substantive water policy questions.

Questions and discussion.

190 CHAIR GOLD opened the Work Session on SB 275.

195 STEVE MEYER pointed out the amendemnts to SB 275 that dealt with the definition of private express mail carrier. Exhibit 4.

220 MOTION: ST N SMITH moved for the adoption of the SB 275-2 amendments.

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

254 MOTION: CHAIR GOLD moved the amended SB 275 to the Senate Floor with a Do Pass recommendation.

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250 ROLL CALL VOTE The motion passed by a vote of 6-0. Senators voting Aye: Smith, Adams, Cease, Johnson, Phillips, and Gold. Senator Excused: Jolin.

282 CHAIR GOLD adjourned the meeting at 3:00 p.m.

Jennifer Belkle Committee Assistant

Kimberly Taylor, Office Manager

Exhibit Summary

1. Townsend, Tax Coordination Resolution
2. Townsend, 1992 Local Government Long-term Financial Obligation Issuance: Summary
3. Rosenberger, City of Portland Comments on SB 59, 2-17-93
4. Meyer, Proposed SB 275-2 Amendments, 2-17-93

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