

Tapes 78-79 A/B  
OREGON TAX SYSTEM

SENATE COMMITTEE ON  
REVENUE AND SCHOOL FINANCE  
MARCH 11, 1993 1: 00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Senator Shirley Gold, Chair  
Senator Paul Phillips, Vice-Chair  
Senator Ron Cease (arrival 1:25)  
Senator Rod Johnson  
Senator Tricia Smith  
Members Excused: Senator Brady Adams  
Witnesses Present: Jim Craven, American Electronics Association  
Sandra Millius, Co-Chair,  
Human Services Coalition of Oregon  
John Mullin, Co-Chair,  
Human Services Coalition of Oregon  
Rich Peppers, Political Director,  
Oregon Public Employees Union  
Ozzie Rose, Confederation of Oregon School  
Administrators

Staff: Steve Bender, Legislative Revenue Office  
Jennifer Belkle, Committee Assistant  
TAPE 78 SIDE A

001 CHAIR GOLD called the meeting to order at 1:22 p.m.

010 STEVE BENDER briefed the Committee on the agenda for today's meeting.

017 JIM CRAVEN testified before the Committee on the American Electronics Association's legislative agenda, including a long term taxation and government finance reform package. Exhibit 1. He stressed that it is more important to his organization that these goals are achieved, not necessarily the method chosen.

Questions and discussion.

145 JIM CRAVEN discussed other items on the AEA's legislative agenda.

Questions and discussion.

190 SANDRA MILLIUS and JOHN MULLIN testified before the Committee regarding tax reform issues.

195 SANDRA MILLIUS presented information regarding Measure 5's

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impact on the Department of Human Resources and related budgets. Exhibit 2.  
Question and discussion.

360 JOHN MULLIN testified regarding various human services budgets. Exhibit 3.

TAPE 79 SIDE A

001 JOHN MULLIN continued his testimony.

Questions and discussion.

010 JOHN MULLIN and SANDRA MILLIUS discussed significant budget cuts from the last Legislative Session to the Human Resources department.

Questions and discussion.

060 SANDRA MILLIUS discussed programs up for budget cuts this session.

Questions and discussion.

100 SANDRA MILLIUS stressed the concept that any budget that kept human resources at the rate suggested now, is unacceptable. She stated that there are no other options for the many of the people that Human Resources serves. She stressed that people do not understand that the bulk of Human Resources programs are funded by the state and delivered by someone else.

Questions and discussion.

170 SEN. SMITH expressed her concern over the decimation of either the education budget or human services budget.

Questions and discussion.

222 RICH PEPPERS testified before the committee on the Oregon Public Employees Union's position on tax reform. Exhibit 4. He stated that despite the seriousness of the current shortfall, there is not a great deal of support for a straight sales tax proposal.

Questions and discussion.

390 CHAIR GOLD discussed next week's agenda.

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TAPE 78 SIDE B

001 OZZIE ROSE testified regarding the Confederation of Oregon School Administrators position on tax reform. He believed it is crucial to obtain replacement revenue for schools. He stated that while no one wants additional taxes, once the gravity of the situation is realized, he believed that the sales tax was the best option.

035 OZZIE ROSE stressed that the proposal chosen needs to be approved before May of 1994.

070 OZZIE ROSE addressed the issue of timing for any replacement revenue proposals to be put to the people.

080 OZZIE ROSE challenged this Committee and the Legislature to help the people understand that the problem is at hand. He believed that many people do not realize the severity of the current situation.

Questions and discussion.

260 STEVE BENDER discussed property tax proposals. He explained in detail Speaker Campbell's plan, HJR 60.

Questions and discussion.

290 STEVE BENDER discussed the differences between HJR 60 and Proposition 13 from California.

Questions and discussion.

325 STEVE BENDER directed members attention to a document explaining the 1992 rollback, 2% residential value limitation and its impact in the reduction of taxes dedicated to schools.

Exhibit

5.

TAPE 79 SIDE B

001 STEVE BENDER continued his testimony regarding HJR 60.

Questions and discussion.

105 CHAIR GOLD adjourned the meeting at 2:55 p.m.

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Jern i~er B~lk ~, Committee

Assistant

n ~v T~lor, Of:

Ki erly Taylor, Office

Manager

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Exhibit Summary

1. Craven, American Electronics Association Tax Reform Testimony, 3-11-93
2. Millius, Human Services Coalition of Oregon Tax Reform Testimony, 3-11-93
3. Mullin, Summary of Various Human Services Budgets
4. Peppers, Oregon Public Employees Union Tax Reform Testimony, 3-11-93
5. Bender, Revenue Impact - 1992 Rollback, 2% Residential Value Limitation, 3-5-93

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