Oregon Tax System Tapes 93 - 94 A/B SENATE COMMITTEE ON REVENUE AND 8CHOOL FINANCE March 24, 1993 1:00 PM, HEARING ROOM A, STATE CAPITOL BUILDING Members Present: Senator Shirley Gold, Chair Senator Brady Adams Senator Ron Cease Senator Rod Johnson Senator Joyce Cohen Senator Paul Phillips Senator Tricia Smith Witnesses Present: Alice Pickard, United Seniors Ray Deen, American Association of Retired Persons Pat McCormick Gary Wilhelms, U.S. West Communications Staff: James Scherzinger, Legislative Revenue Officer Steve Bender, Legislative Revenue Office Bryan Boehringer, Committee Assistant TAPB 93, BIDE A CHAIR GOLD called the meeting to order at 1:17 p.m. 001 INFORMATIONAL MEETING ON THE OREGON TAX SYSTEM 004 ALICE PICKARD, UNITED SENIORS OF OREGON: Testifies on the Oregon Tax System. Discusses United Seniors position on tax reform packages. Emphasizes balance in a tax reform plan. 029 CHAIR GOLD: Asks if the group is familiar with the proposals currently before the legislature. 044 PICKARD: Describes group's taxation principles. (Exhibit A) 058 SEN. ADAMS: Asks about a position on the sales tax. 062 PICKARD: Discusses gross receipt tax and sales tax. 067 SEN. ADAMS: Discusses assessments and property tax issues in a tax reform plan. 079 PICKARD: United Seniors of Oregon do not have a specific tax reform plan. 086 SEN. ADAMS: Discusses cuts to the budget. These minutes paraphrase and/or summarize statements made during this moo ng. Text enclosed in quotation marks roports Ihe spoalcers exact words. Por complete context of proceedings, please refer to the tape recording. Senate Committee on Revenue and School Finance March 24, 1993 Page 2 094 SEN. JOHNSON: Discusses business tax relief in comparison to homeowner tax relief. 104 PICKARD: Businesses need to pay their fair share. 125 SEN. ADAMS: Discusses a need for accuracy in information used. The numbers are sometimes very different. 164 RAY DEENr AMERICAN ASSOCIATION OF RETIRED PERSONS: Submits and reviews testimony. (Exhibit B) 333 CHAIR GOLD: Asks about the differences between gross receipts tax and a sales tax. 344 DEEN: Explains the difference between the two taxes. The gross receipts tax has less impact on the consumer. The G.R. tax is easier to administer. 411 SEN. ADAMS: Discusses impacts to the general public. Discusses replacement revenue in comparison to general fund cuts. 439 DEEN: Discusses general fund budgeting. TAPE 94, BIDE A 034 DEEN: Continues with testimony. 042 SEN. ADAMS: Discusses discrepancy between AARP's position, and the position taken by some seniors in Oregon. 060 DEEN: Discusses issues with the Measure 5 tax. 088 SEN. ADAMS: Discusses AARP's position on education. 118 DEEN: Explains AARP's priorities in state services.

166 SEN. COHEN: Asks how the legislature can deliver this plan. 181 DEEN: Discusses types of budget evaluation and financial reporting in order to determine effectiveness of programs. 235 SEN. COHEN: Asks for clarification on the bill that repeals the financial tracking. 237 DEEN: Clarifies his position. 244 SEN. ADAMS: Requests participation in the voter education process by AARP. 266 DEEN: Discusses the importance of the voter education process. ~ These mmutes parephraso red/or sumraarize statements made during this meeting. Text cuclosed ~ quotatian marks repotts the Qeaker. exllct words. For complete context of proceedings, please refer to the tape recordulg. Senate Committee on Revenue and School Finance March 24, 1993 Page 3 274 CHAIR GOLD: Discusses the power of AARP 293 SEN. JOHNSON: Discusses G.R. and sales tax. 305 DEEN: AARP is in support of a G.R. tax over a sales tax. AARP supports progressive taxes. 379 PAT NCCORMICR: Testifies on the Oregon Tax System. TAPE 93, SIDE B 038 MCCORMICK: Continues with testimony. Discusses options for tax reform plans. Explains suggestions made from various public round tables. 160 SEN. ADAMS: Asks about an ideal tax proposal. Where would it come from. 167 MCCORMICK: Doesn't make much difference. Support for finance measures has been in the 18 - 45 age bracket. As the population gets older they are less likely to vote for tax measures. 212 CHAIR GOLD: Discusses health care waiver and problems of financing the health care plan. 238 MCCORMICK: Discusses "bridge" financing. 270 SEN. COHEN: Discusses dedication of long term packages to education and health care. 282 MCCORMICK: That might be too difficult. Don't confuse the messages of what the state is going to support. 301 SEN. ADAMS: Asks what would be most supported by voters. Should there be cuts first, or a tax package first? 313 MCCORMICK: Discusses reducing government. 357 CHAIR GOLD: Discusses the need for a budget summit and a need to have a standard for prioritizing the budgeting process. 395 SEN. COHEN: What is adequate for school funding. How do we distinguish what is necessary and what is not. 424 MCCORMICK: Each district is different. Discusses need for a case by case analysis. TAPE 94, BIDE B 036 SEN. COHEN: Continues with concerns with education. Tbo~e mu~u~ puspbrao and/or sumnunzo ~nents mede dur~ng this meeting. Text enebeed m quo~doa ma~h reports d~ ealcen exect words. For complete context of proceedings, pleese refer to the tape recordiDg. Senate Committee on Revenue and School Finance March 24, 1993 Page 4 045 GARY WILHELMS, U.S. WEST COMMUNICATIONS: Representing himself. 052 CHAIR GOLD: Adjourns the meeting at 2:50 p.m. for purpose of a fire drill.

Submitted by: Reviewed by:

Bryan Boehringer Kim Taylor Committee Clerk OFFICE

MANAGER

EXHIBIT LOG: A - Testimony on Oregon Tax Plan - Alice Pickard - 1 page B - Testimony on Oregon Tax Plan - Ray Deen - 6 pages

Thoso mmutes paraphrase and/or summarlze statoments made during this mec ng. Toxt enclosed in quotation marks reports the spelllcors exact words. For complete context of proceedings, ple~uo refer to the tape recordrng.