

March 18, 1991 8:00 AM Hearing Room A State Capitol Building

Members Present: Representative Delna Jones, Chair Representative Carl Hosticka, Vice-Chair Representative Mike Burton Representative Kelly Clark Representative Bev Clarno Representative Mike Nelson Representative Fred Parkinson Representative John Schoon Representative Jim Whitty Staff Present: Jim Scherzinger, Legislative Revenue Officer Marlene Stickley, Committee Assistant Witnesses Present: Jim Kenney, Department of Revenue (DOR) Gil Riddell, Association of Oregon Counties Kim Worrell, Association of Oregon Counties Don Kirby, Gilham County Assessor Marjorie Kafoury, City of Portland Elizabeth Stockdale, Department of Justice TAPE 122. SIDE A 003 CHAIR JONES called the meeting to order at 8:07 and conducted administrative business. WORK SESSION - HB 255 0 035 JIM SCHERZINGER began explaining DOR-21 amendments to HB 2550. Exhibit 1, page 1 103 JIM SCHERZINGER continued explaining DOR-2 1 amendments . Exhibit 1, page 2 117 JIM SCHERZINGER noted amendment deleting \$20 dollar certification fee for mobiles. Exhibit 1, page 2 128 REP. NELSON questioned the deletion of the mobile fee. 131 JIM SCHERZINGER clarified the mobile fee issue is in the property taxation subcommittee.

These minutes paraphrase end/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. House Committee on Revenue and School Finance March 18, 1991 Page 2 135 JIM SCHERZINGER continued with DOR-21 amendments regarding rural telephone tax. Exhibit 1, page 2 148 Questions and discussion regarding rural telephone tax. 166 JIM SCHERZINGER presented the proposed amendments to page 109 of HB 255 0. Exhibit 1, page 2 180 JIM SCHERZINGER explained the DOR-21 amendments which would remove the amusement tax device from HB 2550. Exhibit 1, page 3 197 JIM SCHERZINGER discussed DOR-21 amendments that delete Section 322 from HB 2550. Exhibit 1, page 3 206 JIM SCHERZINGER expounded on the deletion of urban renewal in HB 2550. Exhibit 1, page 3 221 Questions and discussion regarding urban renewal. 276 REP. BURTON questioned the vote of committee regarding sections of HB 255 0 being deleted. 297 REP. PARKINSON clarified that due to timeline of full committee, a separate bill regarding urban renewal will be dealt with in the property taxation subcommittee. 309 JIM SCHERZINGER presented the rural telephone tax deletion from HB 255 0. Exhibit 1, page 3 327 JIM SCHERZINGER focused on amendments to Section 401 of HB 2550. Exhibit 1, page 3 337 Questions and discussion regarding Section 401 amendments. Exhibit 1, page 3 360 JIM SCHERZINGER discussed county clerk fees and the removal of Section 449 from HB 2550. Exhibit 1, page 3 370 JIM SCHERZINGER pointed out Section 156 of HB 2550 deals with railcar taxation. 405 Questions and discussion regarding railcar tax. TAPE 123. SIDE A 001 Questions and discussion continued regarding railcar tax. 039 MOTION Rep. Parkinson moved DOR-21 amendments to HB 2550 be adopted. 044 ORDER There being no objection Chair Jones so ordered.

These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. House Committee on Revenue and School Finance March 18, 1991 Page 3 046 Questions and discussion regarding Section 449 being deleted from HB 255 0. 063 GIL RIDDELL noted statutes in Section 449,

clarifying that if action is not taken in subcommittee regarding Section 449, current law would continue. 080 Questions and discussion continued regarding Section 449. 095 JIM SCHERZINGER began explaining DOR-16 amendments, noting attached example pages (7-13) of amendments to HB 2550. Exhibit 2 134 JIM SCHERZINGER discussed the "governing body" amendment. Exhibit 2, page 1 160 JIM SCHERZINGER continued his coverage of DOR-16 amendments to HB 2550. Exhibit 2, page 2 172 JIM SCHERZINGER reviewed the amendment to page 95, line 31 of HB 2550, regarding clerk of the board. Exhibit 2, page 2 174 Questions and discussion regarding clerk of the board. 189 JIM SCHERZINGER summarized the DOR-16 amendments regarding the restoration of "equalization". Exhibit 2, page 2 207 Questions and discussion regarding the appointment of a board member. Exhibit 2, page 2 220 JIM SCHERZINGER questioned the DOR-16 amendment to page 99 of HB 2550. Exhibit 2, page 3 238 JIM KENNEY clarified the amendment to page 99 of HB 2550 was to have the statutes coincide. 269 JIM SCHERZINGER reviewed the DOR-16 amendment regarding notice to assessor. Exhibit 2, page 3 281 JIM SCHERZINGER explained the amendments to page 104 of HB 2550. Exhibit 2, page 4 334 JIM SCHERZINGER pointed out the engrossed version of Section 204. Exhibit 2, page 5 350 Questions and discussion regarding the date for the Board of Ratio Review (BORR) to convene. Exhibit 2, page 5 358 JIM KENNEY clarified that the last Thursday in June would allow preparation time for July deadline. 368 Questions and discussion regarding BORR functions. . . . These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. House Committee on Revenue and School Finance March 18, 1991 Page 4 372 JIM KENNEY clarified two current functions of BORR are to review the ratio study and make a recommendation regarding Real Market Value (RMV) and to hear appeals regarding value reductions in prior years. 387 JIM SCHERZINGER explained the amendments regarding certified appraisers. Exhibit 2, page 5 TAPE 122. SIDE B 001 JIM SCHERZINGER continued explaining amendments regarding certified appraisers. Exhibit 2, page 5 010 Questions and discussion regarding "may v. "shall" in relation to certified appraisers. Exhibit 2, page 5 045 REP. CLARK pointed out his request to require certification for appraisers. 056 Questions and discussion regarding county ability to hire certified appraisers. 083 DON KIRBY explained Gilham county currently allows the request of an assessor or appraiser as an advisor in another county. 101 JIM SCHERZINGER noted DOR-16 amendments allowing reciprocal arrangements between counties. Exhibit 2, page 6 107 REP. PARKINSON expressed concern of adequate certified appraisers. 113 REP. NELSON noted his concern regarding a possible loss of integrity with taxpayers. 129 KIM WORRELL felt this amendment would create certified and designated appraisers. 132 Questions and discussion followed regarding the definition of assessor. 154 JIM SCHERZINGER referred back to the insertion of Section 202 (a and b) regarding equalization of assessment. Exhibit 2, page 4 175 JIM SCHERZINGER explained the amendment "value appeals" to "equalization", noting the insertion of Section 194. Exhibit 2, page 3 195 Questions and discussion regarding Section 194. 215 MOTION Rep. Parkinson moved the adoption of the corrected DOR16 amendments. 219 ORDER There being no objection Chair Jones so ordered.

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230 CHAIR JONES recessed the meeting at 9:20 and reconvened at 9:44 as subcommittee until a quorum was reached at 9:50, and conducted administrative business. 243 JIM SCHERZINGER explained Section 27a of DOR-13 amendments. Exhibit 3, page 1 286 Questions and discussion regarding the compression of Ballot Measure 5 in relation to Section 27a. Exhibit 3, page 1 355 MARJORIE KAFOURY explained the compression of Ballot Measure 5 in relation to the police and fire levy, clarifying Section 27a amendment would allow for limits outside of Ballot Measure 5. 379 Questions and discussion regarding compression. TAPE 123. SIDE B 001 Questions and discussion continued regarding compression. 015 MARJORIE KAFOURY clarified Section 27a amendment would give county assessors instruction. 018 Questions and discussion regarding the Oregon Constitution in relation to Section 27a. 045 JIM SCHERZINGER explained the amendment to Section 211 of HB 2550. Exhibit 3, page 1 050 Questions and discussion regarding ad valorem tax. 075 JIM SCHERZINGER discussed compression in relation to ad valorem tax. 095 JIM SCHERZINGER explained the language amendment to Section 212 of HB 255 0 appears to be more permissive. Exhibit 3, page 1 120 JIM SCHERZINGER read amendment to page 107 of HB 2550 and explained provided school services are part of the school funding system. Exhibit 3, page 2 158 JIM SCHERZINGER discussed amendments to page 108 of HB 2550, which deals with what is required to be certified to assessor. Exhibit 3, page 3 177 JIM KENNEY commented the change of certification process is more similar to current process and easier to understand. 199 JIM SCHERZINGER explained amendment to Section 109 of HB 2550. Exhibit 3, page 2

.. _ These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. House Committee on Revenue and School Finance March 18, 1991 Page 6 207 JIM SCHERZINGER covered the amendment to Section 220, commenting that the assessor still has authority not to accept levy. Exhibit 3, page 3 225 JIM SCHERZINGER discussed amendments to page 110 of HB 2550. Exhibit 3, page 3 234 CHAIR JONES requested the amendment to Section 27a. 247 ELIZABETH STOCKDALE explained that the language change was requested to recognize other levies not within the Constitutional guidelines. 284 Questions and discussion regarding funded levies. 300 ELIZABETH STOCKDALE discussed funded levies in relation to the compression of Ballot Measure 5. 330 Questions and discussion regarding compression. 371 ELIZABETH STOCKDALE mentioned there are still uncertain affects in relation to Ballot Measure 5, but Section 27a would accommodate the issue of assessors being directed by the court. 395 Questions and discussion regarding the amendment to Section 27a. TAPE 124. SIDE A 001 Questions and discussion continued regarding Section 27a. 027 ELIZABETH STOCKDALE pointed out that the Section 27a provision is not critical in relation to collecting outside of the levy. 043 Questions and discussion regarding the affects on levies subject to the limits of Ballot Measure 5. 073 JIM SCHERZINGER inquired if Section 27a would take action by the court to find if levy is outside Ballot Measure 5 limits, and if assessor can only respond to the court order. 082 ELIZABETH STOCKDALE responded that the assessor is acting on the court decision regarding whether or not the levy is inside or outside the limits of Ballot Measure 5. 089 Questions and discussion followed regarding court litigation dealing with levy limits and tax collection. 108 REP. PARKINSON questioned if the Section 27a provision would give direction to the court.

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112 ELIZABETH STOCKDALE answered the language in Section 27a would not predispose the court for a decision regarding the limit. 119 ELIZABETH STOCKDALE continued her explanation regarding the compression of Ballot Measure 5. 145 REP. CLARK commented on declaratory decision requiring assessor to collect taxes. 160 ELIZABETH STOCKDALE noted statutory requirements relating to refunds and explained appeal process. 172 CHAIR JONES directed Rep. Whitty and Rep. Clark to bring a recommendation regarding Section 27a provision. 181 MOTION Rep. Nelson moved DOR-13 amendments, with the exception of Section 27a, be adopted. 186 ORDER There being no objection Chair Jones so ordered. 205 JIM SCHERZINGER explained HB 2550-12 (LC 2386) amendments. Exhibit 4 243 Questions and discussion regarding tax year. 253 MOTION Chair Jones moved the HB 2550-12 (LC 2386) amendments be adopted. 256 ORDER There being no objection Chair Jones so ordered. 263 Chair Jones conducted administrative business and adjourned the meeting at 10:43.

Marlene Stickley, Committee Assistant

Kimberly Taylor, Office Manager

EXHIBIT SUMMARY 1. Amendments to HB 2550, DOR-21, 3/13/91 - HB 2550 2. Amendments to HB 2550, DOR-16, 3/13/91 - HB 2550 3. Amendments to HB 2550, DOR-13, 3/13/91 - HB 2550 4. Amendments to HB 2550, LRO, 3/13/19 - HB 2550

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