Tape 150 (A/B) Tape 151 (A) Work Session: HB 3030, HB 2949 HOUSE COMMITTEE ON REVENUE AND SCHOOL FINANCE

April 8, 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 Terry Drake, Legislative Revenue Office Steve Bender, Legislative Revenue Office Linda Leach, Committee Assistant Witnesses Present: Joan Plank, Motor Vehicle Division (DMV) Peter Nunnenkamp, Motor Vehicle Division TAPE 150 SIDE A 005 CHAIR JONES called the meeting to order at 8:10 and conducted administrative business. WORK SESSION - HB 303 0 027 CHAIR JONES reviewed funding of OSSOM (Oregon Student Safety on the Move) and whether the proposed increase of \$1 was necessary to fund OSSOM. 035 JOAN PLANK provided HB 3030 Comparison of 1989-91 approved budgets to 199 1-93 budget requests and Driver License Fee Increases. Exhibits 1, 2 044 Questions and discussion regarding breakdown of requested funding for OSSOM. 100 Questions and discussion regarding student fees collected from OSSOM and distribution of same. 117 Questions and discussion regarding the status of HB 2275 (proposed driver license fee increase of  $\$\bar{2}$ ). 130 Questions and discussion regarding Driver License Fee Increases. Exhibit 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 April 8, 1991 Page 2

163 REP. NELSON favored an increase in the driver license fee to those who will benefit from the OSSOM program (by age). 173 JOAN PLANK explained the four safety programs proposed to be funded in HB 3030 benefit people of all ages. 185 Questions and discussion. 190 REP. WHITTY believed that OSSOM benefits all drivers. 210 Questions and discussion regarding funding of DMV's current older driver program. 227 PETER NUNNENKAMP reviewed a reexamination program procedure. 248 Questions and discussion regarding a reexamination program. 279 CHAIR JONES summarized issues in HB 3030 and referred to the Fiscal Analysis of HB 3030. Exhibit 3 290 Questions and discussion regarding traffic safety programs. 367 REP. HOSTICKA supported the OSSOM program, but viewed the proposed \$1 increase as a backfill to the highway fund. 380 CHAIR JONES was concerned with funding of the OTSC (Oregon Traffic Safety Commission). TAPE 151 SIDE A 001 Questions and discussion. 030 MOTION REP. BURTON moved to table HB 3030. 032 VOTE In a roll call vote, the motion failed (4-5). AYES: Rep. Burton, Rep. Clarno, Rep. Nelson, Rep. Schoon. NAYS: Rep. Whitty, Rep. Clark, Rep. Parkinson, Rep. Hosticka, Rep. Jones. 051 CHAIR JONES supported funding OSSOM. 055 REP. PARKINSON supported 25 cents funding for OSSOM but was concerned with driver license fee increases. 060 Questions and discussion. 068 JOAN PLANK explained that the DMV is committed to funding the OSSOM program (even if revenue source is not provided).

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 April 8, 1991 Page 3 070 MOTION - REP. BURTON moved conceptually to fund the OSSOM program by a 25 cent dedicated driver license fee increase. 080 Questions and discussion regarding HB 2275. 097 REP. CLARK supported Rep. Burton's motion. 098 REP. WHITTY supported Rep. Burton's motion and commented on "tax bills" compared to "fee bills". 106 REP. CLARNO commented on innovative ways to fund programs such as OSSOM rather than fee increase proposals. 118 CHAIR JONES clarified Rep. Burton's motion as not a fee increase, but to dedicate 25 cents of the final driver license fee structure (from Ways and Means Committee) to the OSSOM program. 134 REP. BURTON agreed with Chair Jones summary of his motion. 145 MOTION WITHDRAWN REP. BURTON withdrew his motion. 152 CHAIR JONES explained an amendment will be prepared to address Rep. Burton's motion. 160 Questions and discussion. 220 REP. WHITTY was concerned about hurting DMV programs if the proposed 25 cents is taken from the existing fee structure to fund OSSOM. He would prefer an increase of 25 cents to fund OSSOM. 230 REP. HOSTICKA wanted to review the Department of Transportation's entire funding package. 252 CHAIR JONES conducted administrative business. She recessed the meeting at 8:59 and reconvened at 9:27. WORK SESSION - HB 294 9 300 CHAIR JONES reviewed HB 2949 which preempts local taxes imposed upon the service or furnishing of food, drink or meals until such time as a state-wide sales tax is enacted. 305 REP. BURTON was concerned with policy issues which will affect the ability of local governments to raise revenue. He requested that no action be taken on HB 2949 today because additional time is needed to review issues. 340 REP. HOSTICKA commented on a effort for major tax reform and impact by any action of local governments. He preferred a sunset date in HB 2949 and discussed a possible two year moratorium.

These minutes paraphrase and/or suTmarize 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 April 8, 1991 Page 4 358 REP. CLARK favored a sunset date but believed sales tax was too narrow (HB 2949 preempts local taxes imposed upon the service or furnishing of food, drink or meals until such time as a state-wide sales tax is enacted). 376 CHAIR JONES agreed with comments from the committee and commented on Oregon's total tax structure. TAPE 150 SIDE B 001 CHAIR JONES commented on state funding for schools and would prefer local governments not impose local taxes at this time which could be a detriment to state-wide efforts. 032 REP. BURTON was concerned with the beverage and food industry being targeted and discussed a possible working group (cities and counties) to review long term issues with the Legislature. 056 CHAIR JONES reviewed possible plans for working with local jurisdictions. 070 Questions and discussion regarding Revenue committee's schedule. 142 CHAIR JONES conducted administrative business and adjourned the meeting 9:47.

Linda Leach, Committee Assistant Kimberly Taylor, Office Manager EXHIBIT SUMMARY 1. HB 3030 Comparison of 1989-91 approved budgets to 1991--93 budget requests, DMV, 4/5/19 - HB 3030 2. Driver License Fee Increases, DMV, 4/5/91 - HB 3030 3. Fiscal Analysis HB 3030, 4/5/91, LFO - 4/8/91

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.