

Tapes179-180 (A) Work Session: HB 2081A, HB 2419A, HB 2212A HOUSE  
COMMITTEE ON REVENUE AND SCHOOL FINANCE May 6, 1991 8:00 AM Hearing Room  
A State Capitol Building .

Members Present: Representative Delna Jones, Chair Representative Carl  
Hosticka, Vice-Chair Representative Mike Burton (arrived 8:18)  
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  
Linda Leach, Committee Assistant

Witnesses Present: Ray Wilkeson, Oregon Forest Industries Council Elaine  
Day, Insurance and Finance Division Chuck Wilson, Legislative Counsel

TAPE 179 SIDE A

005 CHAIR JONES called the meeting to order at 8:13 and conducted  
administrative business.

WORK SESSION - HB 2081A

010 CHAIR JONES explained HB 2081A deals with contractor bonds and  
should not have been referred to House Revenue Committee.

014 JIM SCHERZINGER explained the history of HB 2081A and  
recommendation from the Subcommittee on Income Taxation to re-refer HB  
2081A to Business and Consumer Affairs Committee for consideration of  
amendments presented to Subcommittee on Income Taxation.

032 Questions and discussion.

044 MOTION REP. SCHOON moved HB 2081A be re-referred to House Committee  
on Business and Consumer Affairs.

046 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 May 6, 1991  
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WORK SESSION - HB 2419A 050 CHAIR JONES explained HB 2419A is from the  
Subcommittee on Property Taxation and has a subsequent referral to Ways  
and Means Committee. 059 Questions and discussion regarding subsequent  
referral to Ways and Means Committee. 075 REP. HOSTICKA noted his  
concern regarding a previous Attorney general opinion and any  
relationship to HB 2419A. He explained an issue of boards/commissions  
and their memberships (limited to certain interest groups) which  
exercise quasi governmental power (control over money raised by the  
taxing power of the state). 100 RAY WILKESON related a discussion he  
had with Chuck Wilson from Legislative Counsel. He provided an example  
of the Board of Forestry and limited authority by the Governor's  
appointment. HB 2419A provides an elected board from people who pay a  
harvest tax (elected by peers). 129 Questions and discussion regarding

commodity commissions and utilization of taxing power of the State. 156  
TERRY DRAKE reviewed HB 2419A which establishes Oregon Forest Resources  
Institute (commodity commission) which is funded through forest products  
harvest tax. 187 REP. PARKINSON pointed out Proposed Amendments to HB  
2419-A4, 4/24/91 were approved in the Subcommittee on Property Taxation.  
Exhibit 1 191 MOTION REP. PARKINSON moved adoption of Proposed  
Amendments to HB 241 9-A4. 200 DISCUSSION 208 REP. BURTON questioned  
Sections 12 and 15 relating to a liability issue (individual/State of  
Oregon). 216 Questions and discussion regarding Rep. Burton's concern.  
CHAIR JONES indicated Legislative Counsel will review Rep. Burton's  
concern. 236 ORDER There being no objection, CHAIR JONES so ordered.  
240 MOTION REP. PARKINSON moved HB 2419A as amended to Ways and Means  
Committee with a do pass recommendation. 250 VOTE In a roll call  
vote, the motion was adopted (8-0). AYES: Rep. Burton, Rep. Clark, Rep.  
Clarno, Rep. Nelson, Rep. Parkinson, Rep. Schoon, Rep. Whitty, Rep.  
Jones. EXCUSED: Rep. Hosticka.

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WORR SESSION - HB 2212A 265 REP. SCHOON explained HB2212A came from  
Subcommittee on income Taxation which limits claim responsibility of  
Oregon Life and Health Insurance Guaranty Association to Oregon  
residents and certain nonresidents and provides coverage for certain  
unallocated annuity contracts. 305 CHAIR JONES clarified a reciprocal  
arrangement in relationship to other states. 322 TERRY DRAKE commented  
on the reason why HB 2212A was sent to House Revenue Committee was  
because the Guaranty Association assessment is underwritten by state  
revenues. Exhibit 4 354 CHAIR JONES referred to Revenue Analysis of HB  
2212A. Exhibit 4 366 ELAINE DAY responded to a question from Rep.  
Parkinson and explained HB 221 2A does not relate to Greater Oregon  
Health Services (which recently failed). She pointed out health service  
contractors are not included in HB 221 2A and provided examples. 390  
Questions and discussion regarding Guaranty Association and  
responsibility of a licensed company. 420 Questions and discussion.  
TAPE 180 SIDE A 004 MOTION REP. SCHOON moved HB 2212A to the floor with  
a do pass recommendation. 013 Questions and discussion regarding other  
states trend relating to HB 221 2A. 025 VOTE In a roll call vote, the  
motion was adopted (9-0). AYES: Rep. Clark, Rep. Clarno, Rep. Nelson,  
Rep. Parkinson, Rep. Schoon, Rep. Whitty, Rep. Burton, Rep. Hosticka,  
Rep. Jones. RETURN TO HB 2419A 032 CHAIR JONES explained that CHUCK  
WILSON from Legislative Counsel will address a previous concern noted by  
REP. BURTON relating to Sections 12 and 15 of HB 2419A (individual/State  
of Oregon liability limited).

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words. For complete context of proceedings, please refer to the tape  
recording. House Committee on Revenue and School Finance May 6, 1991  
Page 4 050 CHUCK WILSON explained that the language in HB 2419A is  
lifted from existing commodity commission law. He explained to the  
extent the established commission is considered to be a state agency, it

would be subject to the same liability that other state agencies are under the Tort Claim Act. 060 Questions and discussion. 089 CHAIR JONES suggested the committee forward a letter to the Judiciary Committee regarding House Revenue concerns of "boiler plate language" relating to commodity commissions. 126 Questions and discussion. 143 CHAIR JONES conducted administrative business and adjourned the meeting at 8:55.

Linda Leach, Committee Assistant Kimberly Taylor, Office Manager EXHIBIT SUMMARY 1. Proposed Amendments to HB 2419-A4, 4/24/91, LRO - HB 2419 2. Staff Measure Summary HB 2419A, House Committee on Agriculture, Forestry & Natural Resources, 5/6/91 - HB 2419 3. Fiscal Analysis HB 2419A, 2/26/91, LFO - HB 2419 4. Revenue Analysis HB 2212A, LRO, 5/3/91 - HB 2212 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.