

Tapes 34(A/B), 35(B)  
Public Hearing/Work Session: HB 2002, HB 2262  
Public Hearing: HB 3006,  
HB 2991  
HOUSE COMMITTEE ON REVENUE AND SCHOOL FINANCE  
SUBCOMMITTEE ON INCOME TAXATION

April 23, 1991 8:00 am Hearing Room 357 State Capitol Building

Members Present: Representative John Schoon, Chair  
Representative Mike Burton  
Representative Bev Clarno  
Representative Delna Jones  
Representative Mike Nelson

Witnesses: Kay Burns, Oregon Commission for Child Care  
Mary Louise McClintock, Department of Human  
Resources  
Jo Rymer, Professional Temporary Services (Pro-TEM)  
Janet Neuman, Division of State Lands  
Jim Brown, Department of Revenue (DOR)  
Elaine Young, Oregon Advocates for the Arts  
Staff: Dick Yates, Legislative Revenue Office  
Kimberly Taylor, Committee Assistant

TAPE 34. SIDE A

007 CHAIR SCHOON called the meeting to order at 8:25.  
PUBLIC HEARING HB 2002, HB  
226 2

011 CHAIR SCHOON noted neither support or opposition regarding HB 2002.  
020 DICK YATES explained that HB 2002 and HB 2003 are companion bills and  
briefly summarized the intent of the two bills. HB 2662 extends existing  
tax credits for child care currently in the law for ten years, and noted  
the cost this year of the actual tax credit is \$30,000.  
063 DICK YATES directed attention to the Oregon laws 1987 and 1989. (the  
relevant sections). Exhibits 1 and 2  
069 KAY BURNS read her testimony in support of HB 2262. Exhibit 3  
090 KAY BURNS directed members attention to material from JR Simplot and  
summarized the efforts involved in establishing a child care facility in  
that business. Exhibit 3, pages 4-7

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.  
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115 MARY LOUISE MCCLINTOCK outlined office functions of a Child Care  
Coordinator and directed members attention to a listing of Oregon employers  
with programs assisting working parent employees along with letters in  
support of extending the program. Exhibit 4

160 MARY LOUISE MCCLINTOCK rationalized the reasons for continuing the  
employer dependent care assistance tax credit. Exhibit 4, pages 2 and 3

193 JO RYMER described the voucher program for child care benefits  
available to employees of the PRO TEM Professional Temporary Services and  
directed members attention to data illustrating the success of the program.  
Exhibit 5, pages 3 and 4

220 JO RYMER emphasized the tax credit incentives provided for her to  
initiate the program and the resulting benefits to her from a business  
standpoint and to her employees. Exhibit 5, page 2

Questions and discussion followed regarding interest among small employers  
to expand the program.

382 KAY BURNS responded SB 453 is an expansion to HB 2262 and described efforts in her community to build a child care facility to share.

Questions and discussion on capital construction tax credit for business donating to building a facility.

TAPE 34 SIDE B

Questions and discussion continued on capital construction tax credit for business donating to building a facility.

WORK SESSION HB 2262

Discussion among members regarding HB 2262.

021 MOTION Rep. Nelson moved HB 2262 to full committee with a do pass recommendation.

026 VOTE In a roll call vote the motion was adopted (4/0).

WORK SESSION HB 2002

040 DICK YATES explained HB 2002 in connection with HB 2003. Discussed teen-parent programs in relation to child care centers.

Discussion among members regarding like facilities in their respective districts.

093 DICK YATES cautioned members on the difficulty of estimating the cost of this program.

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Subcommittee on Income Taxation

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Questions and discussion regarding the intent of HB 2002 in coordination with HB 2003.

135 DICK YATES clarified HB 2002 would not be effective without HB 2003, however HB 2003 could be effective without an appropriation.

Discussion of a tax credit for businesses that wish to donate to a curriculum set up within the schools.

183 REP. JONES reminded members of federal money coming into the state for this type of program which would fit into similar programs, noting HB 2002 would encourage the business community to support the program.

226 CHAIR SCHOON suggested the tax credit be 50 percent of the gift to a maximum of \$50,000 credit in HB 2002, page 1, line 13.

Questions and discussion followed.

270 CONCEPTUAL MOTION Rep. Burton suggested Legislative Counsel re move the reference, in HB 2002, to specific school and the reference to HB 2003.

296 FRIENDLY AMENDMENT Chair Schoon questioned if Rep. Burton would consider the percentages and dollar amount (Rep. Burton agreed).

301 CONCEPTUAL MOTION RESTATED Chair Schoon restated the conceptual motion that HB 2002 be amended to permit the credit for any program approved by the Department of Education without regard to whether or not HB 2003 passes, and that the maximum amount of the credit be 50 percent of the contribution up to a maximum of \$50,000 dollars.

310 ORDER There being no objections, Chair Schoon so ordered.

316 REP. JONES discussed full committee administration.

PUBLIC HEARING HB 3006

334 JANET NEWMAN clarified the bill is sponsored by REP. CLARK, noting the Division of State Lands does not oppose.

Questions and discussion regarding common school funding.

374 9 JANET NEWMAN noted timber receipts make up the largest amount of the fund and discussed revenues from use of submerged land and grazing land leases. Explained the distribution of interest off the common school fund and efforts to increase the principal and growth.

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TAPE 35 SIDE B

001 JANET NEWMAN continued explaining the distribution of interest off the common school fund and efforts to increase the principal and growth.

Discussion of fee structure on leasing rates and investment review and flexibility in timing of payouts.

097 JANET NEWMAN discussed authority to sell some of the isolated parcels that are difficult to manage for income production.

Discussion followed regarding income production.

139 JIM BROWN noted areas of language regarding the tax credits in HB 3006 that need rewriting and expressed willingness to assist with any changes.

159 REP. JONES interjected HB 3006, being a tax credit, needs a sunset.

164 DICK YATES explained HB 3006 as an appropriation, in the sense that the individual directs the state to make a payment to the common school fund.

PUBLIC HEARING HB 2991

178 DICK YATES summarized the intent of HB 2991, in relation to standard deductions, encourages charitable contributions and eliminates the political contribution credit.

Discussion regarding HB 2991 language.

270 ELAINE YOUNG overviewed her testimony supporting HB 2991.

Discussion continued regarding HB 2991 language.

321 REP. JONES clarified Section 3 of HB 2991 allows the current deduction to become a tax credit and includes those who take the standard deduction.

323 ACTING CHAIR BURTON adjourned the meeting at 9:50.

Transcribed by: Marlene Stickley

Kimberly Taylor, Office Manager

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EXHIBIT SUMMARY

1. 1987 Oregon Laws, 4/23/91 - HB 2262
2. 1989 Oregon Laws, 4/23/91 - HB 2262
3. Testimony, Kay Burns, 4/23/91 - HB 2262
4. Testimony, Mary Louise McClintock, 4/23/91 - HB 2262
5. Testimony, Jo Rymer, 4/23/91 - HB 2262
6. Testimony, Elaine Young, 4/23/91 - HB 2991
7. Testimony, Gwendolyn Griffith, 4/22/91 - HB 2262
8. Fiscal Statement, LFO, 4/19/91 - HB 2262
9. Staff Measure Summary, LRO, 4/23/91 - HB 2002
10. Staff Measure Summary for HB 2003, LRO, 4/23/91 - HB 2002
11. Fiscal Analysis, LFO, 3/20/91 - HB 2002
12. Education and Cultural Facilities, 4/23/91 - HB 3006
13. Revenue Statement, LRO, 3/11/91 - HB 3006
14. Revenue Taxation, 4/23/91 - HB 2991

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