

Tapes 45-46 (A/B)
Public Hearing: HB 3064,
HB 3065, HB 3071, HB 3209
Work Session: HB 3064,
HB 3065
HOUSE COMMITTEE ON REVENUE AND SCHOOL FINANCE
SUBCOMMITTEE ON PROPERTY TAXATION

April 29, 1991 8:00 AM Hearing Room A State Capitol Building
Members Present: Representative Fred Parkinson, Chair (excused at 9:55)
Representative Kelly Clark
Representative Carl Hosticka
Representative Delna Jones
Representative Jim Whitty

Staff Present: Steve Meyer, Legislative Revenue Office
Linda Leach, Committee Assistant

Witnesses Present: Representative Ron Cease, District 19
Diane Luther, Multnomah County
Peter Grundfossen, Oregon Housing Authority
Ramsay Weit, City of Portland
Jerry Lindsay, Franciscan Enterprise, Portland, OR
David Buer, Franciscan Enterprise, Portland, OR
Jim Brown, Department of Revenue
Jim Kenney, Department of Revenue
Mickey Clay, Housing Now Coalition
Representative Liz VanLeeuwen, District 37
Bert Udell, Oregon Small Woodlands Association
Don Schellenberg, Oregon Farm Bureau
Representative John Meek, District 5

TAPE 45 SIDE A

005 CHAIR PARKINSON called the meeting to order at 8:08.

PUBLIC HEARING - HB 3064 and HB

306 5

010 REP. CEASE explained HB 3064 and HB 3065 come from the House Committee on Housing and Urban Development and are related to low income housing. Rep. Cease supported HB 3064 and HB 3065 and introduced Diane Luther from Multnomah County.

033 Questions and discussion regarding current law and delinquent taxes.

044 STEVE MEYER reviewed current law and explained foreclosure timing and a redemption period.

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060 DIANE LUTHER supported HB 3064 and HB 3065. She summarized her prepared testimony. Exhibit

1

112 Questions and discussion regarding foreclosure proceedings.

160 Questions and discussion regarding definition of social services.

195 Questions and discussion regarding criteria for low income housing.

246 PETER GRUNDFOSSEN testified in support of HB 3064 and HB 3065. He explained that the Housing Authority falls in the municipal corporation

category. He reviewed the work of the Housing Authority.

288 Questions and discussion regarding criteria for low income housing.

305 Questions and discussion of the mechanics in HB 3064 and HB
306 5.

360 PETER GRUNDFOSSEN discussed Oregon's housing crisis for low income
people.

392 CHAIR JONES was concerned with a possible impact on income tax returns
in terms of donated property ("double dipping").

TAPE 46 SIDE

A

005 RAMSAY WEIT testified in support of HB 3064 and HB 3065 and summarized
his prepared testimony. Exhibit 2

084 Questions and discussion regarding charitable deductions (double
dipping, net or gross value of property).

122 JERRY LINDSAY supported HB 3064 and HB 3065. He provided examples of
back taxes funded out of the Franciscan's limited funds. He reviewed the
history of the Franciscan organization and volunteer labor. He addressed
the negative effects on neigHB orhoods when properties are vacant.

202 Questions and discussion regarding a process for certain organizations
obtaining property.

279 DAVID BUER supported HB 3064 and HB 3065 and reviewed positive issues
relating to low income housing projects.

336 Questions and discussion regarding how the Franciscan organization
acquires properties.

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383 Questions and discussion regarding tax advantages to the owner of
donated property.

395 JIM BROWN reviewed "fair market value" claim and factors involved in
tax advantages of donated property.

TAPE 45 SIDE B

001 JIM BROWN explained a property donation would be subject to a lien or
back taxes. He explained a "forgiveness" of taxes must take place after a
donation.

047 Questions and discussion.

063 MICKEY CLAY supported HB 3064 and HB 3065 and described Housing Now
Coalition. She provided examples of Oregon's housing crisis.

She believed HB 3064 and HB 3065 would provide an enhancement for revenue
in the future.

WORR SESSION - HB 3064

121 MOTION REP. CLARK moved HB 3064 to the full committee
with a do pass recommendation.

126 VOTE In a roll call vote, the motion was adopted (4-0).

AYES: Reps. Whitty, Clark, Hosticka, Parkinson.

EXCUSED: Rep. Jones.

WORR SESSION - HB 3065

131 REP. PARKINSON suggested a sunset date of January 1994 in order to
review the program.

147 MOTION REP. CLARK moved adoption of January 1, 1994 sunset date.

159 REP. PARKINSON noted that Jim Brown and Jim Kenney acknowledged January
1, 1994 is the proper date (the intent of Rep. Parkinson).

155 ORDER There being no objection, CHAIR PARKINSON so

ordered.

157 MOTION REP. CLARK moved HB 3065 as amended to the full committee with a do pass recommendation.

160 VOTE In a roll call vote, the motion was adopted (4-0).

AYES: Reps. Whitty, Clark, Hosticka, Parkinson.

EXCUSED: Rep. Jones.

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180 CHAIR PARKINSON recessed the meeting at 9:18 and reconvened at 9:37

PUBLIC HEARING - HB

307 1

188 REP. VANLEEUWEN sponsored HB 3071 which allows a farm or forest homesite to retain the special value for advalorem tax purposes if the farmer or forester remains in the home and is no longer involved in the term or forest activities solely due to retirement for age or disability.

222 BERT UDELL gave his history of limited home ownership and suggested an amendment to page 2, line 9. He supported HB 3071.

274 Questions and discussion regarding language of "sold".

302 REP. HOSTICKA supported the general idea in HB 3071 but requested certainty that those who would continue receiving the special value were "really retired". He provided examples relating to his concern.

319 Questions and discussion regarding possibilities of abuse and criteria needed for an age issue.

367 JIM KENNEY pointed out that length of property ownership is not addressed in HB 3071.

377 Questions and discussion.

390 REP. PARKINSON was concerned with Subsection c, page 2, line 9 of HB 307 1.

399 Questions and discussion regarding concerns pointed out by Rep. Parkinson and possible amendments from the Department of Revenue.

TAPE 46 SIDE

B

010 Questions and discussion regarding possible time limits.

020 DON SCHELLENBERG pointed out his concerns (which have been identified earlier). He will work on amendments with the Department of Revenue.

PUBLIC HEARING - HB

320 9

060 REP. MEEK supported HB 3209 which relates to the self worth of senior citizens. He presented newspaper articles relating to senior citizens and their volunteer efforts. HB 3209 authorizes issuance of script redeemable as payment for deferred property taxes or special assessments for volunteer services performed by senior citizens.

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REP. MEEK (cont.)

He believed HB 3209 would be revenue neutral in the long term. Exhibits 3,
4

120 Questions and discussion.

187 JIM KENNEY explained clarification was needed for administrative
purposes:

-Page 1, line 8 - type of organization.

-Page 2, line 3 - criteria.

-Line 10 - guidelines for individuals.

-Line 13 - how to determine.

-Line 23 - cost of
administration.

-Would script apply only to current active seniors.

Questions and discussion interspersed.

274 STEVE MEYER reviewed approximate amount of 13,000 currently on senior
deferral program (active). He explained approximately \$20 million is
currently deferred annually with an accumulative deferred amount of
approximately \$90 million.

293 REP. HOSTICKA questioned if the impact from HB 3209 would be revenue
loss or would an appropriation be required. He addressed the mechanics of
the senior deferral program.

307 REP. MEEK explained an appropriation would be required and that
clarification would be needed (cannot pay off old deferral, limits and
amounts to be eligible in one year). He urged the committee to consider the
long term positive aspects.

360 Questions and discussion.

376 ACTING CHAIR JONES adjourned the meeting at 10:17.

Linda Leach, Committee Assistant

Kimberly Taylor, Office Manager

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EXHIBIT SUMMARY

1. Testimony from Diane Luther, 4/9/91 - HB 3064, HB 3065

2. Testimony from Ramsay Weit, 4/29/91 - HB 3064, HB 3065

3. Newspaper Article, Rep. Meek, 4/29/91 - HB 3209

4. Newspaper Article, Rep. Meek, 4/29/91 - HB 3209

5. Staff Measure Summary, House Committee on Housing and Urban
Development, 4/29/91 - HB 3064

6. Staff Measure Summary, House Committee on Housing and Urban
Development, 4/29/91 - HB 3065

7. Staff Measure Summary, House Committee on Environment and Energy,
4/29/91 - HB 3071

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