

Tapes 50-51 (A/B)  
Public Hearing: HB 2556,  
HB 2948, HB 2482, HB 2425

HOUSE COMMITTEE ON REVENUE AND SCHOOL FINANCE  
SUBCOMMITTEE ON PROPERTY TAXATION  
May 2, 1991 8:00 AM Hearing Room A State Capitol Building

Members Present: Representative Fred Parkinson, Chair  
Representative Carl Hosticka  
Representative Delna Jones  
Representative Jim Whitty -  
Member Excused: Representative Kelly Clark  
Staff Present: Steve Meyer, Legislative Revenue Office  
Linda Leach, Committee Assistant

Witnesses Present: Representative Sam Dominy, District 44  
Doris Reddekopp, Douglas County  
Keith Reisman, Douglas County  
Mike Dewey, Oregon Cable TV Association  
Kim Worrell, Association of Oregon Counties  
Joe Bonica, TCI Cable, Portland, Oregon  
Kim Worrell, Association of Oregon Counties  
Jim Wilcox, Department of Revenue  
Judge Dan Ahern, Jefferson County  
Jimmie Gleason, Pacific Power, Portland  
Denise McPhail, Portland General Electric  
Jennifer Hagloch, President, Oregon Museum  
Association  
Representative Bill Dwyer, District 42  
Representative Rod Johnson, District 45  
Lee Beyer, City Council President, City of  
Springfield  
Bob Cantine, Association of Oregon Counties  
Judge Kevin Campbell, Grant County  
Jack Roberts, Lane County Commissioner  
TAPE 50 SIDE A

005 CHAIR PARKINSON called the meeting to order at 8:11.

PUBLIC HEARING - HB 2556

008 REP. DOMINY introduced Keith Reisman and Doris Reddekopp from Douglas County. He reviewed how cable company taxing inequities was brought to his attention.

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 Subcommittee on  
Property Taxation  
May 2, 1991 Page 2

023 DORIS REDDEKOPP supported HB 2556 and referred to her handout entitled Information Supporting HB 2556. Exhibit 1

027 KEITH REISMAN summarized Information Supporting HB 2556 and emphasized the lack of equalization or equity in the assessment of the cable television industry. He requested an accurate valuation method of cable

systems throughout the state and counties and provided examples. Exhibit 1  
Questions and discussion interspersed.

312 MIKE DEWEY testified in opposition to HB 2556 and referred to written  
testimony from David Canary, Attorney, representing Oregon Cable Television  
Association. He summarized testimony from David Canary. Exhibit 2  
Questions and discussion interspersed.

117 Questions and discussion regarding cable television considered a  
utility or not considered a utility.

136 JOE BONICA emphasized the growth of cable television, uncertainties and  
average rates in the cable television industry. He opposed HB 2556.

154 Questions and discussion regarding fiber optic lines.

207 Questions and discussion interspersed regarding the methodology used in  
taxing cable television.

TAPE 51 SIDE A

001 Questions and discussion continued.

226 KIM WORRELL discussed the variables and the complexity of valuing cable  
television systems. He noted that the Department of Revenue supports the  
central assessment of cable television companies.

273 JIM WILCOX was concerned with the increased workload if cable  
television companies become centrally assessed, but believed consistency  
would follow upon central assessment.

284 REP. PARKINSON referred to the Fiscal Analysis of HB 2556. Exhibit 3

290 JIM WILCOX explained a goal of market value for assessment of cable  
television companies. He reviewed issues relating to intangible personal  
property and future use expectations.

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House Committee on  
Revenue and School Finance Subcommittee on  
Property Taxation  
May 2, 1991 Page 3

350 Questions and discussion regarding the treatment of radio and  
television stations, taxation of personal property and the transfer of  
cable companies.

TAPE 50 SIDE

B

001 Questions and discussion interspersed.

pl0 Questions and discussion regarding current law and methodology of  
taxing cable companies.

050 CHAIR PARKINSON recessed the meeting at 9:12 and reconvened at 9:20  
PUBLIC HEARING - HB

294 8

055 STEVE MEYER reviewed HB 2948 which would make the possession or  
beneficial use of electric transmission lines subject to a use tax with the  
same valuation and tax as any other real or personal property. Federally  
owned property would not be affected.

070 DAN AHERN testified in support of HB 2948 and read his prepared  
testimony. Exhibit 4

152 Questions and discussion regarding what lines would be affected. DAN  
AHERN interjected most lines affected go to California.

172 JIMMIE GLEASON testified in opposition to HB 2948 and read his prepared  
testimony. Exhibit 5

248 DENISE MC PHAIL opposed HB 2948 and summarized her prepared testimony.  
Exhibit 6

PUBLIC HEARING - HB

248 2

320 JENNIFER HAGLOCH testified in support of HB 2482 which relates to

property tax exemptions for museums and other historical properties held in the public trust by nonprofit corporations. She emphasized "nonprofit". She discussed the contribution from tourist dollars and supported Proposed Amendments HB 2482-1, 4/26/91. Exhibit 7

348 Questions and discussion regarding similar exemption bills.

357 Questions and discussion regarding earnings from leased portions of exempt property (those portions would be subject to property tax).

369 REP. DWYER supported HB 2482 which addresses problems of assessing certain historic properties. He provided an example in Springfield.

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House Committee on

Revenue and School Finance Subcommittee on

Property Taxation

May 2, 1991 Page 4

TAPE 51 SIDE

B

015 Questions and discussion interspersed.

020 REP. JOHNSON supported HB 2482 and Proposed Amendments HB 2482-1, 4/26/91. Exhibit 7

037 REP. DWYER indicated his support conceptually of Proposed ,Amendments HB 2482-1 but the "relating to clause" may be a problem.

050 Questions and discussion.

068 LEE BYER testified in support of HB 2482 and summarized his prepared testimony. Exhibit 9

PUBLIC HEARING - HB

242 5

120 STEVE MEYER reviewed HB 2425 which relates to the distribution of federal forest receipts between schools and county road funds. Currently 25% goes to the county school fund and 75% goes to the road fund. HB 2425 provides 75% to schools and 25% to roads.

PUBLIC HEARING - HB

248 2

129 KIM WORRELL believed there may be loopholes in HB 2482 for leasing to normally taxable organizations. He supported Proposed Amendments HB 2482-1, but may not fit the relating clause of HB 2482.

PUBLIC HEARING - HB

242 5

150 BOB CANTINE testified in opposition to HB 2425 and summarized his prepared testimony. He referred to a packet of letters from various counties which depict the impact from changes proposed in HB 2425.

Exhibits 13,

14

194 REP. WHITTY did not believe the proposed changes in HB 2425 was in the best interest of the counties and state.

205 JUDGE KEVIN CAMPBELL opposed HB 2425 and discussed substandard roads in Oregon.

230 JACK ROBERTS explained the issue in HB 2425 is not schools v. roads. The impact on schools from HB 2425 is less than 3%, but the impact on roads is 40%. He did not support HB 2425.

257 CHAIR JONES questioned "surplus funds" in county road accounts.

291 JACK ROBERTS addressed counties and their management of county road funds.

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House Committee on  
Revenue and School Finance  
Subcommittee on  
Property Taxation

May 2, 1991 Page 5

295 Questions and discussion regarding long term county road needs.

350 CHAIR PARKINSON conducted administrative business and adjourned the  
meeting at 10:10.

Linda Leach, Committee Assistant

Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. Information Supporting HB 2556, Douglas County Assessors's Office,  
5/2/91 - HB 2556

2. Testimony from David L. Canary, Attorney, Representing Oregon  
Cable Television Association, 5/2/91, Mike Dewey - HB 2556

3. Fiscal Analysis HB 2556, 5/1/91, LFO - HB 2556

4. Testimony from Association of Oregon Counties, 5/2/91 - HB 2948

5. Testimony from Jimmie Gleason, 5/2/91 - HB 2948

6. Testimony from Denise McPhail, 5/2/91 - HB 2948

7. Proposed Amendments to HB 2482-1, 4/26/92, Rep. Rod Johnson - HB

248 2

8. Testimony from Daniel C. Robertson, Douglas County Museum of History and  
Natural History, 4/29/91 - HB 2482

9. Testimony from Lee Beyer, 5/1/91 - HB 2482

10. Fiscal Analysis HB 2482, 5/1/91, LFO - HB 2482

11. Testimony from Sara Baker-Sifford, Oregon Rural Electric Cooperative  
Association, 5/2/91 - HB 2948

12. Testimony from Robert Keeler, Oregon Council for the Humanities,  
4/30/91 - HB 2482

13. Testimony from Association of Oregon Counties, 5/2/91 - HB 2425

14. Packet of Letters from Association of Oregon Counties, 5/2/91 - HB 2425

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