

Tapes 1-2 (A\B) CONFERENCE COMMITTEE ON HB 2550 June 21, 1991 1:00 PM  
Hearing Room A State Capitol Building .

Members Present: Representative Delna Jones, Chair Senator Jane Cease  
Senator John Brenneman Senator Bill McCoy Representative Beverly Clarno  
Representative Jim Whitty Staff Present: Jim Scherzinger, Legislative  
Revenue Office Marlene Stickley, Committee Assistant Witnesses Present:  
Gary Carlson, Association of Oregon Industries (AOI) Jim Kenney,  
Department of Revenue (DOR) Kim Worrell, Association of Oregon Counties  
(AOC) Don Schellenberg, Oregon Farm Bureau Federation Jerry Johnston,  
Amusement Unlimited, Eugene Fred Neal, Multomah County Jim Brown, DOR  
TAPE 1 SIDE A 005 CHAIR JONES called the meeting to order at 1:22 and  
conducted administrative business. 028 JIM SCHERZINGER noted the  
following exhibits for members: - Major Senate Changes to HB 2550A -  
Exhibit 1 - Proposed Conference Committee Amendments to HB 2550B BB6 -  
Exhibit 2 - Proposed Conference Committee Amendments to HB 2550B B88 -  
Exhibit 3 - Partial Exemptions - Exhibit 4 - Farm Use Amendments to HB  
2550 - Exhibit 5 - Urban Renewal Amendments - Exhibit 6 - Amusement  
Device Tax (comparison) - Exhibit 7 - Amusement Device Tax (explanation)  
- Exhibit 8 - Staff Measure Summary HB 2550A - Exhibit 9 - Revenue  
Analysis on HB 2550A - Exhibit 10 - Fiscal Analysis on HB 2550A -  
Exhibit 11 - Staff Measure Summary on HB 2550B - Exhibit 12 - Fiscal  
Analysis on HB 2550B - Exhibit 13 - Revenue Analysis on HB 2550B -  
Exhibit 14

These minutes paraphrase and/or summarize statements made during this  
meetings. Text enclosed in quotation marks reports the speakers exact  
words. For complete context of proceedings, please refer to the tape  
recording. Conference Committee on HB 2550 June 21, 1991 Page 2 052 JIM  
SCHERZINGER referred to the Major Senate changes to HB 2550A sheet and  
clarified the Senate left the House language changes but removed the  
sunset in relation to the supplemental budget. Exhibit 1 056 Questions  
and discussion regarding the supplemental budget and removal of the  
sunset. Exhibit 1 083 JIM SCHERZINGER discussed the gross error appeal,  
noting the Senate removed those provisions but allowed people who  
foreclose on property to use a similar process for unpaid taxes prior to  
foreclosure. Exhibit 1 beg SEN. CEASE summarized discussion resulting in  
the repeal of the gross error appeal and foreclosure provision. Exhibit  
1 121 CHAIR JONES explained the House members concern was to not make  
uncertain changes in the process that would have the opportunity to be  
removed later if needed. 138 SEN. BRENNEMAN expressed his concern to  
not change HB 2550A unless necessitated by Measure 5. 154 Discussion  
followed regarding the gross error appeal and foreclosure provision.  
Exhibit 1 169 JIM SCHERZINGER reported there is an exemption in current  
law for buildings under construction, noting some buildings under  
construction may not be eligible for the exemption due to the Senate  
delaying the date shift. Exhibit 1 195 Questions and discussion  
followed regarding the construction exemption. Exhibit 1 236 JIM  
SCHERZINGER referred to page 34, Section 55 for the definition of under  
construction. 240 Discussion followed. 242 GARY CARLSON explained the  
amendments for the date shift delay were agreed between AOI and DOR. 253  
JIM SCHERZINGER presented the industrial property return deadline being  
moved to July 15. Exhibit 1 279 CHAIR JONES mentioned the dates were  
worked on for a long time and questioned if July 15 was agreeable  
between DOR and assessors. 292 GARY CARLSON expressed his concern  
regarding the two-week period; suggested a 21-day compromise and shorter  
extension period. 303 CHAIR JONES compared the July 15 date in HB 2550B  
with extension allowable to August 15, to the recommendation of July 21  
with a twoweek extension beyond that.

These minutes paraphrase and/or summarize statements made during this meetings. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. Conference Committee on HB 2550 June 21, 1991 Page 3 309 Questions and discussion followed. 324 JIM KENNEY explained that the dates were worked out after several meetings with assessors, AOI, in order to work out the dates and felt it is important to remember that it isnt just a short time that they will have to file, because the blank returns requesting them to submit to the dept. are mailed 2 1/2 months prior to filing deadline and will be similar to current law. 345 Questions and discussion followed regarding the filing deadline. Exhibit 1 360 KIM WORRELL noted past testimony regarding assessors concerns to process returns between the time recieved and making the tax roll and July 15 would allow enough time. 381 JIM KENNEY mentioned the timeline in HB 2550A caused compressed time for assessors, therefore the Senate moved the date. 399 GARY CARLSON described the personal property process and felt two weeks was too short. 430 Discussion followed. TAPE 2. SIDE A 001 Discussion continued. 015 JIM SCHERZINGER compared the House and Senate version of HB 2550 regarding gross income test in relation to farm use assessment outside EFU zones. Referred to the farm use amendments to HB 2550 sheet that compare the current law to the changes in HB 2550B. Exhibit 5 026 Questions and discussion followed regarding the farm use amendments. Exhibit 5 049 JIM SCHERZINGER continued with the farm use amendments and explained the farm parcel income test. Exhibit 5 065 SEN. CEASE clarified the farm parcel income test was in relation to the treatment of farm special assessment taxation and a compromise to continue the treatment as stated in HB 2550A. 094 Questions and discussion followed regarding farmland issues. Exhibit 5 161 SEN. CEASE clarified the farm parcel income test as a compromise. Exhibit 5 175 Questions and discussion followed regarding the farm income test. Exhibit 5

These minuted paraphrase and/or summarize etatements made during this meetings. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording. Conference Committee on HB 2550 June 21, 1991 Page 4 185 DON SCHELLENBERG felt that something needs to be done in relation to taxes rising and income remaining fixed. 190 JIM SCHERZINGER explained the fee for certification of mobile home taxes. Exhibit 1 200 Discussion followed. 215 KIM WORRELL noted the fee was for processing a mobile home to another county during a certain timeframe and certifying that the taxes have been paid. Exhibit 1 220 Questions and discussion continued regarding the fee for certification of mobile home taxes. Exhibit 1 344 JIM SCHERZINGER presented the change to restrict unit of property to property with the same code area, noting the concern was to not have multiple utilities within the same area. Exhibit 1 364 Questions and discussion followed. 380 JIM SCHERZINGER discussed the application of Measure 5 limits to assessed value of partial exemptions and referred to the partial exemptions sheet. Exhibits 1 and 5 400 Questions and discussion interspersed. TAPE 1. SIDE B 001 Questions and discussion continued. 048 JIM SCHERZINGER covered the Senate change to convert all penalties back to additional taxes with questions and discussion interspersed. Exhibit 1 062 JIM SCHERZINGER explained the allocation of losses from multiple levies being allowed, noting the House removed and the Senate restored. Exhibit 1 070 Discussion followed. 080 JIM SCHERZINGER compared the House and Senate version of HB 2550 regarding the treatment of trigger points for spreading refunds. Exhibit 1 130 CHAIR JONES conducted administrative business. 133 JIM

SCHERZINGER explained the amusement device tax being converted to a privilege tax and referred to the amusement device comparison sheet. Exhibits 1 and 7 142 Questions and discussion followed regarding amusement device tax in relation to the limits of Measure 5.

These minutes paraphrase and/or summarize statements made during this meetings. Text enclosed in quotation marka reporta the apoakera exact words. For complete context of proceedings, please refer to the tape recording. Conference Committee on HB 2550 June 21, 1991 Page S 215 CHAIR JONES felt there would be disagreement between the House and Senate regarding the issue to raise tax on games of chance. 228 JERRY JOHNSTON testified in opposition to the tax raise on amusement devices, noting this type of tax takes investment capital which brings in money. 313 Discussion followed. 346 JIM SCHERZINGER mentioned that the Senate added a requirement in HB 255 0A to include a timber tax study during the interim. Exhibit 1 387 JIM SCHERZINGER discussed the collection of sewer fees on property tax roll if service cannot be shut off. Exhibit 1 406 SEN. CEASE summarized concerns raised resulting in the sewer fee collection amendment. Exhibit 1 430 Questions and discussion followed regarding the collection of sewer fees. Exhibit 1 TAPB 2, SIDE B 001 Discussion continued regarding collection for sewer fees. Exhibit 1 011 JIM SCHERZINGER clarified the Senate wanted to clarify/define all things that were not subject to Measure 5. Exhibit 1 - 015 Questions and discussion followed regarding registered vehicle fees in relation to Measure 5 and concerns for loss of revenue. Exhibit 1 103 FRED NEAL explained the provision does not diminish the fees but simply exempts them from Measure 5 limitations. Exhibit 1 110 JIM BROWN suggested a longer license period and having a vehicle be subject to the fee if it is used on the highway during that period. 115 Questions and discussion followed regarding vehicle registration and revenue impact. Exhibit 1 242 JIM SCHERZINGER explained water corporation fees. Exhibit 1 253 CHAIR JONES conducted administrative business. 283 JIM SCHERZINGER overviewed the urban renewal amendments in comparison to HB 2609. Exhibit 6 312 CHAIR JONES conducted administrative business and adjourned the meeting at 3:10.

These minuteda paraphrase and/or summarize atatements made during this meetings. Text enclosed in quotation marka reports the apeakera exact words. For complete context of proceedinga, please refer to the tape recording. Conference Committee on HB 2550 June 21, 1991 Page 6 Marrlene Stickley, Committee Assistant Kimberly Taylor Office Manager EXHIBIT SUMMARY 1. Major Senate Changes to HB 2550A, LRO, 6/21/91 - HB 2550 2. Proposed Conference Committee Amendments to HB 2550B-B86, LRO, 6/21/91 - HB 2550 3. Proposed Conference Committee Amendments to HB 2550B-B88, LRO, 6/21/91 - HB 2550 4. Partial Exemptions, LRO, 6/21/91 - HB 2550 5. Farm Use Amendments to HB 2550, LRO, 6/21/91 - HB 2550 6. Urban Renewal Amendments, LRO, 6/21/91 - HB 2550 7. Amusement Device Tax (Comparison), LRO, 6/21/91 - HB 2550 8. Amusement Device Tax (Explanation), LRO, 4/24/91 - HB 2550 9. Staff Measure Summary HB 2550A, LRO, 6/21/91 - HB 2550 10. Revenue Analysis on HB 2550A, LRO, 3/25/91 - HB 2550 11. Fiscal Analysis on HB 2550A, LFO, 3/25/91 - HB 2550 12. Staff Measure Summary on HB 2550B, LRO, 6/21/91 - HB 2550 13. Fiscal Analysis on HB 2550B, LFO, 6/12/91 - HB 2550 14. Revenue Analysis on HB 2550B, LRO, 6/11/91 - HB 2550 These minutes paraphrase and/or summarize statements made during this meetings. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording.