

MEMBERS PRESENT:

SENATOR GLASER, CHAIRMAN	ASSEMBLYMAN PRICE, CHAIRMAN
SENATOR DON ASHWORTH	ASSEMBLYMAN CRADDOCK
SENATOR LAMB	ASSEMBLYMAN CHANEY
SENATOR SLOAN	ASSEMBLYMAN DINI
	ASSEMBLYMAN MANN
	ASSEMBLYMAN BERGEVIN
	ASSEMBLYMAN MARVEL
	ASSEMBLYMAN TANNER

MEMBERS ABSENT:

SENATOR DODGE	ASSEMBLYMAN COULTER
SENATOR KOSINSKI	ASSEMBLYMAN RUSK
SENATOR RAGGIO	ASSEMBLYMAN WEISE

Chairman Glaser called the meeting to order in the Assembly Lounge. He stated that Mr. Price and he had worked out some subcommittee assignments to work on the different aspects of the two Taxation Committee proposals. He added that there were certain areas where the proposals are pretty close together and there are other areas where suggestions have been made that perhaps could be resolved. A copy of these subcommittee assignments are attached to these minutes as Exhibit A.

Mr. Tanner inquired what the time frame for these subcommittees would be, to which Senator Glaser stated that he would hope that they would complete their work in the next two days.

Senator Glaser continued by stating that in determining the total cost there were two unresolved areas and that he felt that the general consensus of both committees, and the Governor recommended it, was to clean up several areas that have been shared between the cities and counties. One was the Real Estate Transfer Tax and other the State Gaming Tax. Senator Glaser asked for a show of hands of those present as to whether they favored the Governor's recommendation.

Senator Lamb interjected that he felt before taking this action they should determine the amount of money that the final package is going to cost as this will determine the areas that they could create more relief in. He continued that even with the best package they come up with they are still \$10,000,000 away from the Governor's projected amount of income. He suggested that they go a little slow on any more relief until they know how much money there is going to be.

Senator Sloan inquired how they would respond to the cities and counties that are going to lose money under the package taking off the sales tax on food. This is going to replace that revenue that is lost.

Senator Lamb agreed that the legislature could not leave them "high and dry" and that something would have to be done.

Mr. Mann stated that he felt that in those two areas they needed those as a "wash" on the sales tax on food. He added that he felt that there was enough flexibility capital improvement that they could one shot the deficit for one year and that was the year they were worried out. He pointed out that they had recieved testimony that would indicated that the second year would make it up.

Senator Lamb stated that they had just received information this morning in Senate Finance from Howard Barrett and Ron Sparks that they feel things are going to get a little "tougher" instead of better.

Senator Glaser stated that he felt that the problem that the subcommittee on this would have to deal with would be if they use revenues from a past year to offset tax relief in a coming year that they don't build a level of tax relief that can't be kept up with.

Mr. Mann stated that they had received testimony from Mr. Barrett that based on projections of the 20% increase in entertainment tax that they have already had, that we're not going to have that problem in the second year.

Senator Lamb stated that if they were to take Mr. Barrett's figures right now, they would be \$3,000,000 in the red.

Mr. Mann stated that he felt that what they have to realize is that the only chance they have against Question 6 is to come up with enough benefits that it is meaningful and that they can't afford a conservative approach to the tax benefits that the people are going to receive.

Senator Glaser stated that the two committees would meet again Tuesday night for some tentative reports from the subcommittees. The meeting was adjourned so that subcommittees could begin to meet.

Respectfully submitted,

*Sandra Gagnier*  
Sandra Gagnier,  
Assembly Attache

JOINT ASSEMBLY AND SENATE TAXATION SUB-COMMITTEES

(1) Tanner's Triple Net Renter Pass Thru

\*Assemblyman Tanner  
Senator Don Ashworth  
Assemblyman Dini  
Senator Sloan

(2) Coordination Committee

A- Trigger and detriquer  
B- State, County and City - Metro caps

\*Senator Kosinski  
Assemblyman Bergevin  
Senator Raggio  
Assemblyman Mann  
Assemblyman Weise

(3) School Cap

\*Assemblyman Rusk  
Assemblyman Coulter  
Senator Dodge

(4) Food Tax

\*Assemblyman Craddock  
Assemblyman Chaney  
Senator Glaser

(5) Total Relief Costs and General Fund Balance

\*Senator Lamb  
Assemblyman Weise  
Assemblyman Marvel

(6) Mechanical Problems

Assemblyman Price

Resource Persons:

Ed Schorr  
Dan Miles

\*Subcommittee chairman