

REVENUE: Revenue statement issued
FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed
Vote: 7 - 0 - 1
Yeas: Berger, Edwards C., Garrard, Gelser, Jenson, Read, Roblan
Nays: 0
Exc.: Nolan
Prepared By: Jerry Watson, Administrator
Meeting Dates: 3/25, 4/10

WHAT THE MEASURE DOES: Allows either party entering into domestic partnership to retain surname or to change surname to surname of other party or hyphenated combination of surnames of both parties. Clarifies that existing provision prohibiting and making void a domestic partnership when either party to the domestic partnership had a partner, wife or husband living at the time of the domestic partnership does not apply if the partner, wife or husband was the other party to the domestic partnership. Subtracts from federal taxable income, for purposes of calculating state taxable income, any amount that is included in taxpayer's federal taxable income for a health insurance benefit paid by the taxpayer's employer for health insurance coverage provided: (1) the person was eligible to register and actually registered as the taxpayer's partner prior to specified dates in 2008, and (2) a health insurance benefit was paid prior to February 1, 2008 and was not taxable under state law in effect and applicable prior to February 1, 2008. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Clean-up of issues from domestic partnership legislation adopted in 2007
- Ambiguity in existing law concerning effect on relationship established in other states and countries
- Comparison between name change process for married persons and persons in domestic partnership
- Tax effects of existing law and proposed amendment

EFFECT OF COMMITTEE AMENDMENT: For purposes of calculating state taxable income, the amendment to House Bill 2839 subtracts from federal taxable income any amount that is included in taxpayer's federal taxable income for a health insurance benefit paid by the taxpayer's employer for health insurance coverage provided: (1) the person was eligible to register and actually registered as the taxpayer's partner prior to specified dates in 2008, and (2) a health insurance benefit was paid prior to February 1, 2008 and was not taxable under state law in effect and applicable prior to February 1, 2008. The amendment excludes claims for any domestic partnership dissolved or annulled during 2008.

BACKGROUND: In 2007, the Legislative Assembly enacted HB 2007 dealing with domestic partnerships. HB 2007 became Chapter 99, Oregon Laws 2007. That Act was the subject of a 2007 referendum petition that failed to obtain the necessary signatures to place the initiative on the 2008 General Election Ballot. Chapter 99 therefore took effect January 1, 2008, but did not have ORS Chapter and Section numbers assigned at the time the 2007 edition of the Oregon Revised Statutes was compiled and published in late 2007. The text may, however, be found in a note following ORS 106.990. HB 2839 proposes several changes to the provisions of Chapter 99, Oregon Laws 2007. House Bill 2839 changes the surname options available to the parties to a domestic partnership and provides a mechanism by which the selected surname is indicated on the Declaration of Domestic Partnership. Proponents assert that House Bill 2839 as amended also eliminates confusion and preserves a tax practice established in 1999 under the Tanner decision (157 Or.App. 502, 971 P.2d 435) by creating a bridge for tax year 2008 for registered domestic partners who registered anytime during 2008. Following implementation of the Oregon Family Fairness Act (HB 2007) in February, 2008, the Department of Revenue has allowed the deduction only for registered domestic partners and only from the month during which the domestic partnership was registered. House Bill 2839 as amended would allow the benefit for the full year if the domestic partnership was registered at any time during the year provided the registered domestic partnership was not subsequently dissolved or annulled during 2008.

4/20/2009 1:43:00 PM

This summary has not been adopted or officially endorsed by action of the committee.