

HOUSE COMMITTEE ON
BUSINESS, LABOR, AND CONSUMER AFFAIRS

May 09, 2005 Hearing Room B

8:30 A.M. Tapes 122 - 123

Corrected 09/30/05

MEMBERS PRESENT: Rep. Alan Brown, Chair

Rep. Sal Esquivel, Vice-Chair

Rep. Mike Schaufler, Vice-Chair

Rep. Paul Holvey

Rep. George Gilman

Rep. Derrick Kitts

Rep. Chip Shields

STAFF PRESENT: Janet Adkins, Committee Administrator

Katie Howard, Committee Assistant

MEASURES/ISSUES HEARD:

SB 563A – Public Hearing

SB 929A – Public Hearing and Work Session

HB 3319 – Work Session

HB 3256 – Work Session

SB 398 – Public Hearing and Work Session

SB 259 – Public Hearing and Work Session

SB 207 – Public Hearing and Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 122, A		
003	Chair Brown	Calls the meeting to order at 8:39 a.m. Opens the public hearing on SB 563A.
<u>SB 563A – PUBLIC HEARING</u>		
008	Janet Adkins	Committee Administrator. Explains SB 563A.
019	Sen. Roger Beyer	Senate District 9. Speaks in support of SB 563A. States Rep. Richardson is recommending amendments to SB 563A. Talks about how municipal water district would be required to send a notice to the landowner that the water bill has gone unpaid by a tenet.
059	Rep. Dennis Richardson	House District 4. Submits –A2 amendments and written testimony in support of the –A2 amendments (EXHIBIT A and B).
065	Trent Nissler	Central Point. Speaks in support of the –A2 amendments. Talks about a lack of water for a rural subdivision. Indicates that the attempts to get water for the residents have failed.
082	Cliff Beebee	Central Point. Concurs with Mr. Nissler's testimony. States that they have worked with the Army Corp and that they have permits to get water down the river. Says that they do not have a viable means to get water from the river to their subdivision.
094	Chair Brown	Asks if the Metro Water Commission is for the City of Medford.
095	Cliff	Says that the Medford Water District supplies water to all cities and other municipalities in the Rogue Valley.
099	Chair Brown	

		Asks why the Metro Water Commission cannot supply water to the subdivision.
101	Cliff	States that they have a charter that says they cannot supply water outside of the urban growth boundaries.
103	Nissler	Says that applies to the growth boundaries of other cities in the Rogue Valley as well.
104	Rep. Richardson	Says that Medford provides the infrastructure for transferring water to cities and municipalities in the Rogue Valley. States that the subdivision is willing to pay all of the costs and the water will not come from Medford's reservoir. Mentions the reasons for the diminishing water supply in the subdivision (EXHIBIT B). Talks about how water has become contaminated by pesticides.
135	Chair Brown	Asks if the Metro Water Commission can grant water transport under their charter.
136	Rep. Richardson	Notes that politics in Medford are stopping the transport of the water.
139	Rep. Esquivel	Talks about how they bought the houses even though they knew that the wells were low. Discusses the background of the subdivision's attempts to get water. States that the policy of Medford has existed since the 1950s. Says that this is about a precedence of policy. Says that Medford only sells water to municipalities.
167	Rep. Schaufler	Talks about water needs in Happy Valley. Appreciates them bringing the –A2 amendments. Asks if in West Wood they have any water rights.
185	Beebe	States that they do not have water rights other than ground water wells. Says that they have shallow wells because there is unpalatable water deeper.
199	Nissler	Says that in the beginning the well flows could support the subdivision. Talks about the ditches and open piping that is used for irrigation. States that the city of Medford would like to help them and the city of Medford wants them to be annexed. Notes that they are the only water district that has been created in the Rogue Valley in the last thirty years.
229	Rep. Gilman	

- States that the issue is broader than this individual situation. Says that the residents will not join the city if they have water and sewer services without joining the city. Understands the subdivision's plight.
- 250 Beebe Says that the Medford urban growth boundary will never include the subdivision because there are Exclusive Farm Use (EFU) zones surrounding the subdivision.
- 268 Rep. Holvey Asks if the water quality is getting worse due to pesticides.
- 273 Nissler States that the water that they have is questionable.
- 277 Rep. Holvey Asks about a community reservoir.
- 283 Beebe Says that more water is needed every year. States that more than half the residents have treatment on their groundwater system. Indicates that they cannot go deeper than 40 feet because of organic decay and a layer of clay.
- 308 Rep. Schaufler Talks about water being piped off to conserve water and notes that wells are drying up because of it.
- 313 Beebe Talks about an orchard that was owned by Harry and David and how they piped the ditch to conserve water.
- 333 Chair Brown Closes the public hearing on SB 563A and opens the public hearing on SB 929A.

SB 929A – PUBLIC HEARING

- 336 Janet Adkins Committee Administrator. Explains SB 929A and submits the fiscal statement (**EXHIBIT C**).
- 380 Larry Campbell Magna Entertainment Corporation. Submits written testimony in support of SB 929A (**EXHIBIT D**). Speaks in support of SB 929A. Notes that dog racing provides 3,000 jobs in the state of Oregon. Says that the future of horse racing is dim. Talks about the history of dog racing and Magna's involvement with dog racing.

001	Campbell	References the financials in the packet. Addresses concerns about the increase in gambling and says that the dogs may run less days and this would keep the gambling stable.
038	Dave Nelson	Magna Entertainment. States that he is there to handle any technical questions and urges the committees to support SB 929A.
047	Rep. Schaufler	Asks if the bill that is on the agenda is the one Magma wants approved.
050	Campbell	States that it is important that no amendments be made to SB 929A.
053	Rep. Schaufler	Asks if Oregon is the only state with a “no kill” policy for racing dogs.
055	Campbell	Details the adoption process for greyhounds.
058	Adkins	Asks what the purpose of the percentage change in the purse percentages to the associations is.
061	Nelson	References page 2, line 14 through 22, of SB 929A. Explains that the money encourages the breeding of horses.
074	Steve Walters	Oregon Racing Commission. Speaks in support of SB 929A. Says that racing has been engulfed by other forms of gambling in the state. Indicates that race tracks cannot expand, because it is limited to one type of gambling and there are many statutes artificially regulating it. Addresses concerns about the expansion of gambling and says that racing is a victims of the expansion of gambling in Oregon. Says that there will be less wagering at the race tracks than last year even if SB 929A passes.
118	Rep. Holvey	Asks how much expenditures are and if there will be any fiscal impact if the bill is passed.
126	Walters	States that there will not be any additional revenue if SB 929A does pass.
137	Jodi Hanson	Oregon Racing Commission. Speaks in support of SB 929A. Talks about the Grant Pass and Medford racing event that helps generate revenue for the agricultural community.

162 Chair Brown Closes the public hearing on SB 929A. Opens the work session on SB 929A.

SB 929A – WORK SESSION

162 Rep. Kitts **MOTION: Moves SB 929A to the floor with a DO PASS recommendation.**

165 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Brown The motion CARRIES.

REP. KITTS will lead discussion on the floor.

172 Chair Brown Closes the work session on SB 929A. Opens the work session on HB 3319.

HB 3319 – WORK SESSION.

175 Janet Adkins Committee Administrator. Explains HB 3319 and the -2 amendments (**EXHIBIT E**). References the bottom of page 1 line 21 and talks about the time card issue.

223 Paul Cosgrove Eddis Healthcare. Speaks to the -2 amendments and says that they are acceptable to all the parties at the table.

230 Rep. Schaufler States that everyone is ready to move forward on HB 3319.

235 Rep. Kitts **MOTION: Moves to ADOPT HB 3319-2 amendments dated 05/05/05.**

237 **VOTE: 7-0-0**

Chair Brown Hearing no objection, declares the motion CARRIED.

240 Rep. Kitts **MOTION: Moves HB 3319 to the floor with a DO PASS AS AMENDED recommendation.**

243

VOTE: 7-0-0

AYE: In a roll call vote, all members present vote Aye.

Chair Brown

The motion CARRIES.

REP. GILMAN will lead discussion on the floor.

250

Chair Brown

Closes the work session on HB 3319. Opens the work session on HB 3256.

HB 3256 – WORK SESSION

254

Janet Adkins

Committee Administrator. Explains HB 3256 and explains the -1 amendments (**EXHIBIT F**).

273

Lisa Trussell

Associated Oregon Industries. Speaks in support of HB 3256 with the -1 amendments. Talks about the concerns with whistle-blowing. Says that if an employee files a civil suit against a company that involves whistle-blowing than the employee is protected. However in other civil cases, the protections would not apply.

293

Annette Talbot

Bureau of Labor and Industry. Says that HB 3256 is clarifying how whistleblowers are protected in civil proceedings.

315

Rep. Kitts

MOTION: Moves to ADOPT HB 3256-1 amendments dated 05/05/05.

317

VOTE: 7-0-0

Chair Brown

Hearing no objection, declares the motion CARRIED.

319

Rep. Kitts

MOTION: Moves HB 3256 to the floor with a DO PASS AS AMENDED recommendation.

323

VOTE: 7-0-0

AYE: In a roll call vote, all members present vote Aye.

Chair Brown

The motion CARRIES.

REP. SHIELDS will lead discussion on the floor.

330 Chair Brown Closes the work session on HB 3256. Opens the public hearing on SB 398.

SB 398 – PUBLIC HEARING

335 Janet Adkins Committee Administrator. Explains SB 398.

348 Michael Mason Confederated Tribes of Warm Springs. Says that SB 398 corrects an oversight in the statutes dealing with Limited Liability Corporations (LLC) and Native American groups.

376 Rep. Kitts Asks if SB 398 is applicable to all tribes in Oregon.

380 Mason States that it could but they do not know of any other tribe that operates an LLC, but that it could be.

391 Chair Brown Closes the public hearing on SB 398. Opens the work session on SB 398.

SB 398 – WORK SESSION

394 Rep. Kitts **MOTION: Moves SB 398 to the floor with a DO PASS recommendation.**

397 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Brown The motion CARRIES.

410 Rep. Kitts **MOTION: Moves SB 398 be placed on the CONSENT CALENDAR.**

413 **VOTE: 7-0-0**

Chair Brown Hearing no objection, declares the motion CARRIED.

002 Chair Brown Closes the work session on SB 398 and opens the public hearing on SB 259

SB 259 – PUBLIC HEARING

004 Janet Adkins Committee Administrator. Explains SB 259.

022 Andrew Morrow Attorney, Portland. Submits written testimony on SB 259 (**EXHIBIT G**). States that the approach that has been taken in the past keeps the Oregon Business Corporation Act and the Oregon Nonprofit Corporation Act in line with each other. Believes that SB 259 causes a divergence between the two acts. Shares concern about allowing people to attend nonprofit meetings via instant messaging on computers.

069 Chair Brown Asks if he testified on the senate side.

071 Morrow States that he did not.

074 Rep. Schaufler Asks if a legal problem exists and how soon it would be before any wrongdoing would occur after SB 259 passed.

085 Morrow Believes that the issue is not about wrongdoing, but says that the issue is how people are included. Talks about how teleconferencing. States that it more difficult to have adequate communication via instant messaging than with teleconferencing.

108 Chair Brown Closes the public hearing on SB 259 and opens the public hearing on SB 207.

SB 207 – PUBLIC HEARING

112 Janet Adkins Committee Administrator. Explains SB 207.

123 Sen. Vicki Walker Senate District 7. Speaks in support of SB 207. Talks about the Uniform Electronic Transaction Act. Notes that states changed the act and says that it exempted two types of insurance from being canceled by the email. Notes that home and car insurance should not be able to be changed by electronic medium. Discusses a motor vehicle accident that she was involved in and relates how it applies to SB 207.

201 Sen. Walker States that e-mail was never meant to serve as a medium for insurance companies to give notice of expired policies.

223 Kevin Neely Public Affairs and Legislative Coordinator. Submits written testimony in support of SB 207 (**EXHIBIT H**). Emphasizes that SB 207 is an important consumer protection bill.

240 Rep. Schaufler Speaks in support of SB 207. Talks about how a jurisdiction tested a hurricane warning system via e-mail. Notes that the e-mails were filtered out as spam.

250 Sen. Walker Talks about how a similar situation happened to her daughter's boss with his car insurance.

270 Chair Brown Closes the public hearing on SB 207 and opens the work session on SB 207.

SB 207 – WORK SESSION

282 Rep. Kitts **MOTION: Moves SB 207 to the floor with a DO PASS recommendation.**

285 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Brown **The motion CARRIES.**

295 Rep. Kitts **MOTION: Moves SB 207 be placed on the CONSENT CALENDAR.**

296 **VOTE: 7-0-0**

Chair Brown **Hearing no objection, declares the motion CARRIED.**

297 Chair Brown Closes the work session on SB 207. Reopens the public hearing on SB 259.

SB 259 – PUBLIC HEARING

- 302 Bill Cross Oregon Society of Association Management. Submits written testimony in support of SB 259 (**EXHIBIT I**). Talks about why it is important for nonprofits to have access to electronic communication. States that he has looked at the amendments being offered and does not believe that they are necessary.
- 360 Rep. Shields Asks how dissenting members views will be heard electronically under SB 259.
- 372 Cross Explains the process, which is much like a listserv than members can post messages.
- 384 Rep. Shields Asks if it is like a listserv.
- 385 Cross States that it is like a listserv. Gives an example.
- 421 Rep. Schaufler States that they should facilitate the ability of groups to get involved and pass SB 259.

TAPE 123, B

- 007 Rep. Shields Asks if there are actual amendments.
- 009 Cross Believes that only proposed amendments exist.
- 011 Chair Brown Closes the public hearing on SB 259. Opens work session on SB 259.

SB 259 – WORK SESSION

019 Rep. Kitts MOTION: Moves SB 259 to the floor with a DO PASS recommendation.

023 VOTE: 6-1-0

AYE: 6 - Esquivel, Gilman, Holvey, Kitts, Schaufler, Brown

NAY: 1 – Shields

Chair Brown The motion CARRIES.

REP. SCHAUFLER will lead discussion on the floor.

033 Chair Brown Closes the work session on SB 259 and adjourns the meeting at 10:06 a.m.

EXHIBIT SUMMARY

- A. **SB 563, -A2 amendments, Rep. Dennis Richardson, 1 p**
- B. **SB 563, written testimony, Rep. Dennis Richardson, 1 p**
- C. **SB 929, fiscal statement, staff, 1 p**
- D. **SB 929, written testimony, Larry Campbell, 13 pp**
- E. **HB 3319, -2 amendments, staff, 5 pp**
- F. **HB 3256, -1 amendments, staff, 2 pp**
- G. **SB 259, written testimony, Andrew Morrow, 2 pp**
- H. **SB 207, written testimony, Kevin Neely, 1 p**
- I. **SB 259, written testimony, Bill Cross, 2 pp**