

HOUSE COMMITTEE ON ELECTION AND RULES

June 17, 2005 Hearing Room E

1:00 P.M. Tapes 64 - 65

MEMBERS PRESENT: Rep. Derrick Kitts, Chair

Rep. Paul Holvey, Vice-Chair

Rep. Kim Thatcher, Vice-Chair

Rep. Billy Dalto

Rep. Debi Farr

Rep. Mitch Greenlick

Rep. Steve March

STAFF PRESENT: Cletus Moore, Committee Administrator

Annetta Mullins, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3488 – Public Hearing and Work Session

SB 162 – Work Session

SB 1008 A – 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 64, A

003 Chair Kitts Calls the meeting to order at 2:36 p.m. due to afternoon floor session and opens a public hearing on HB 3488.

HB 3488 – PUBLIC HEARING

011 Cletus Moore Committee Administrator. Reads summary of HB 3488.

020 Chair Kitts Notes that HB 3488 has a subsequent referral to the Committee on Budget.

025 Rep. Dalto HD 21. Testifies in support of HB 3488. States that HB 3488 is a roadmap that comes from a countless number of folks trying to figure out what our State Hospital should be.

Rep. Dalto States that the problems are so complicated and complex people do not know where to begin. Phase I has been completed and the report has been issued. Explains that the House Health and Human Services Committee met a few weeks ago with the Senate Human Services Committee to hear the report from the consultant. The Executive Summary of the consultant report is hereby made a part of these minutes (**EXHIBIT A**). Believes we must move forward with the plan. This is the roadmap and it gives the public some reasonable expectations what the next steps are. Explains Section 4 that allows the Department of Human Services (DHS) to arrange for financing to continue on from Phase I. States there will be a Phase II master plan that is included in the Governor's budget to continue on from Phase I and give some sort of ideas what the hospital will look like and whether it will remain in its location or another location in Salem or outside Salem. They expect Phase II to be completed by February or March of 2006. Stresses urgency to resolve the problems at the State Hospital and in the mental health system.

087 Rep. Holvey Comments that one of the options in the Executive Summary (**EXHIBIT A**) is to build a new campus in Portland and Pendleton, and asked if one option is to build at the present site.

Rep. Dalto Responds that they are not at the option stage; they are at an assessment stage. The Phase II master plan will start to answer some questions about how big the State Hospital should be and whether there should be satellite facilities, perhaps in Pendleton, Portland and

other places so people can stay closer to their communities. Notes that if the location is moved, siting issues must be dealt with.

- | | | |
|-----|----------------------|--|
| 120 | Bob Nikkel | Administrator, Health Services, Office of Mental Health and Addiction Services, Oregon Department of Human Services. States he is present to provide information and that they very much support HB 3488. Submits a prepared statement in support of HB 3488 (EXHIBIT B) . States the concerns their department has with HB 3488 are minor. One is the deadline of March 15 because it boxes them in in terms of Phase II of the master plan. Second, they are a little concerned about if they were to try to develop any kind of community facilities, state-operated or county-owned or operated, during the coming biennium that there might need to be some additional attention to the certificates of participation section of the bill. States that the intent of their testimony is simply to raise a couple of issues that might require some legislative intent or some minor modification, but they could live with HB 3488 either way. |
| 167 | Chair Kitts | Asks that any proposed changes to HB 3488 go through Rep. Dalto. |
| 170 | Gina Firman | Director of Association of Community Mental Health Programs. States their association wants to go on record very much in favor of HB 3488. They appreciate the work Rep. Dalto has done and they believe if a bill does not pass they will be stuck for several more years. The citizens of Oregon and their loved ones in the State Hospital really need to have the bill moved. |
| 170 | Doris Cameron-Minard | Member of the National Alliance for the Mentally Ill (NAMI) and the mother of a son with a mental illness. Testifies that NAMI urges support of HB 3488 to continue the process initiated by the report on the Oregon State Hospital. States the report outlines the conditions that currently exist at the hospital and the need for a system of care that is integrated and continuous. The report also underscores that limited investment over the years has resulted in the situation of today. |
| 190 | Linda Dunn | Member of Oregon NAMI Legislative Public Policy Committee in Washington County. Testifies in support of HB 3488 asking for continued planning for a new State Hospital and an adequate mental health system. Comments on consideration of admitting her daughter to the State Hospital. Advocates for smaller, more appropriate care facilities in locations easily reached by most family members. Comments on situation with patients leaving Dammasch Hospital when it was closing. |
| 235 | Janet Urton | |

Resident of Dundee and member of the National Alliance for the Mentally Ill. States she supports HB 3488 and others have provided information which she agrees with. States she is here with her daughter who is a mental health consumer and it has been her purpose to support her daughter in her quest for a satisfying, productive life.

- 252 Jesse Urton Resident of Sheridan and consumer of mental health services. Testifies in support of HB 3488. States she has been at the State Hospital and would not want to return there. States patients are in unsafe situations.
- 275 Martin Pittioni Executive Director, State Board of Psychologist Examiners. States he is also representing the other two mental health licensing boards, the Board of Licensed Counselors and Therapist and the Board of Licensed Clinical Social Workers. Paraphrases a prepared statement in support of HB 3488 (**EXHIBIT C**).
- Ann Heath Representing NAMI of Salem. States they are grateful for Rep. Dalto's position on HB 3488 and wants to go on recording supporting it. States her son is schizophrenic and has done extremely well in treatment and is independent and working, but she is familiar with many people who are not as lucky and have persistent symptoms and need on-going care. They believe it is extremely important to look at the total system and recognize that treatment can work and that people need different levels of treatment.
- 335 Dr. Daniel Smith Psychologist Resident at the Oregon State Hospital. State he is representing SEIU Local 392, the largest union at the hospital. Thanks Rep. Dalto for all his work and encourages this committee's continued support for HB 3488. States it is vital that the hospital be brought into the current century and be prepared for the coming century for the safety of the consumers and the state of Oregon.
- 344 Angela Kimball Association of Oregon Community Mental Health Programs, but will speak today as a family member. Speaks in support of HB 3488. Comments her son has a bi-polar disorder and she did not know if she might find him behind the walls of the State Hospital or behind the walls of other mental institutions or the state prison system, but today he has graduated from high school and is headed to college. He still suffers from his mental illness. Comments on attitudes of the public toward people with mental illness in the past and her fear, anger and humiliation when they discovered that her child behaved in away she did not know how to deal with. States it was years before she learned not to be afraid, to embrace the illness and understand. States she has walked the halls of the State Hospital and no one here would ever put someone they love in those buildings.

438 Chair Kitts Closes the public hearing and opens a work session on HB 3488.

HB 3488 – WORK SESSION

Rep. Thatcher MOTION: Moves HB 3488 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Budget by prior reference.

TAPE 65, A

002 Rep. March Comments in favor of HB 3488, stating he has audited programs in mental institutions and that the State Hospital is an important component of the continuum of care. States that we need to look at the whole system, including housing for persons with mental illness.

013 Rep. Dalto Comments it was refreshing to be at the hearing at the State Hospital and to have so many colleagues participating in the hearing. Thanks Chair Kitts for moving the bill forward.

023 VOTE: 7-0-0

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

Chair Kitts The motion CARRIES.

028 Chair Kitts Closes the work session on HB 3488 and opens a work session on SB 162 for the purpose of moving the bill to the Committee on Budget.

SB 162 – WORK SESSION

031 Rep. March MOTION: Moves SB 162 to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.

VOTE: 6-0-1

EXCUSED: 1 - Rep. Thatcher

Chair Kitts Hearing no objection, declares the motion CARRIED.

Rep. March

MOTION: Moves SB 162 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Budget.

- 048 Rep. Greenlick Comments that he does not see a fiscal impact for SB 162, and asked if there has been an indication there is a fiscal impact.
- Chair Kitts Responds that his understanding is there is not a fiscal impact and that the relating to clause will be used and it probably will have then a fiscal impact.
- 054 VOTE: 5-1-1**
- AYE: 5 - Dalto, Farr, Holvey, March, Kitts**
- NAY: 1 - Greenlick**
- EXCUSED: 1 - Thatcher**
- Chair Kitts The motion CARRIES.**
- 059 Chair Kitts Closes the work session on SB 162 and opens a public hearing on SB 1008 A.

SB 1008 A – PUBLIC HEARING

- 061 Cletus Moore Reads summary of SB 1008 A and explains the -A10 and -A12 through -A20 amendments (**EXHIBIT D**). Reviews the Executive Summary of the amendments (**EXHIBIT E**).
- 099 Chair Kitts Advises the committee will be considering the -A12, -A16, -A14 and -A18 amendments today, and that the -A15 and -A16 amendments are proposed by himself.
- 110 Gary Conklin Representing Washington County and working with the Coalition for SB 1008 A. Explains that the -A12 amendments deal with Trojan and Libby Henry of the Eugene Water and Electric Board (EWEB) is the best person to walk through them. States that the intentions of the supporters of SB 1008 A has always been to make sure that any successor to PGE would sustain its commitments for the liability surrounding Trojan. States they support EWEB in their desire that the language be accurate and clear. States they support EWEB's amendment.

| | | |
|-----|-------------|--|
| | Conklin | Explains that the SB 1008-A14 amendments address the issues raised in the initial hearing on the bill. Explains the first change deals with inadvertent language of the definitions of service territory. This is a more generic definition. The main part of the amendments deal with the nominating committee; reviews changes. The additional provision refers to city and county representatives; explains the change provided in the amendment. Comments on language in the -A14 amendments relating to timelines for the nominating committee. |
| 193 | Conklin | Explains that the second concern was about the powers of the board and what powers are being delegated in Section 11. In the -A14 amendments, on page 2, lines 11-21 spells out the board is a policy setting entity and may delegate powers to those specified. |
| 216 | Chair Kitts | Comments that it tightens the previous language that said any person |
| | Conklin | Explains the language on eminent domain in the -A14 amendments. On page 2, lines 23-24 make it clear that we are talking about carrying out the electric utility operation of Oregon Community Power. Believes this is a much cleaner reference and is what was intended. Believes the -A14 amendments deal with the three principle concerns raised. |
| 239 | Conklin | Explains that the -A18 amendments were developed to respond to a situation that might arise that would be different than having OCP being the bidder and buyer. It would anticipate a possible situation in which OCP might be the buyer, but not the bidder for PGE. That recognizes that the City of Portland or an entity that the City of Portland might create would appear, at this point, to be in a position of offering a bid for the purchase of PGE. This amendment, in Section 20a (1) starting on line 2 and going through line 8, creates the authority for OCP to accept an assignment of responsibility if Portland was to bid successfully and deem it appropriate to transfer the right to purchase to OCP. This gives OCP the ability to accept such an assignment of a right to purchase. Subsection (2) indicates that the transfer that would be most optimal would be prior to the issuance of any bonds by the City of Portland or an entity that it might create. It sets a timing preference but does not require the City of Portland to assign. It says Portland may assign the right to acquire PGE to OCP. States they are trying to create a discretionary environment of where OCP may become a tool that can be part of a bid-buy situation where the bidder is different than the buyer. To affect such a purchase, an issuance of bonds by a single entity as opposed to having the City of Portland issue bonds and subsequently transfer ownership, which would require a second issuance of bonds either by the state or the utility, OCP, would expose ratepayers to additional costs that would seem to be unnecessary. If we had a bid- |

buy scenario in collaboration such as this, they could issue the bonds once and save the additional expense.

- 285 Conklin States the final part of the –A18 amendments indicates that if Portland was to assign the right to purchase to OCP and it was to accept that right, Portland would be reimbursed for its costs for due diligence and pursuing those costs. This is a normal standard procedure. It would probably be able to recoup those costs in issuance of bonds if it were the bond issuer. They are trying to make sure the City of Portland as the bidder would not be put in a disadvantage in terms of the cost outlay to pursue the bid itself.
- 315 Libby Henry Eugene Water and Electric Board (EWEB). Submits and summarizes a prepared statement and explanation of the -A12 amendments relating to Trojan liabilities (**EXHIBIT F**).
- 374 Rep. Greenlick Asks if a bill on the liabilities has already passed.
- Henry Explains that the House passed HB 3479 and it will be heard in Senate Rules on Tuesday.
- Rep. Greenlick Asks if this is a necessary amendment if HB 3479 passes.
- Henry Responds only if SB 1008 A with the amendments passes after HB 3479; the language would then be the same in both bills. States since she does not know what is going to happen to this bill and it is really important to EWEB to have the language somewhere in the law, they put it in a stand alone measure. States that if HB 3479 passes, the language could be taken out of the amendments to SB 1008 A.

The following material is submitted for the record without public testimony:

- Sandy Flicker, Libby Henry and Tom O'Connor Oregon Rural Electric Cooperatives Association, Oregon Municipal Electric Utilities and Eugene Water and Electric Board. Submit a prepared statement in support of the –A19 amendments relating to preference power and protection of rates of their members (**EXHIBIT G**).
- 395 Chair Kitts Advises members that it is his intent to move the –A12, -A14 and –A18 amendments into the bill but not move the bill because the committee is waiting for other amendments.
- 397 Chair Kitts Closes the public hearing and opens a work session on SB 1008 A.

SB 1008 A – WORK SESSION

| | | |
|-----|---------------|--|
| 405 | Rep. Thatcher | MOTION: Moves to ADOPT SB 1008-A12 amendments dated 06/08/05. |
| 411 | | VOTE: 6-0-1 EXCUSED: 1 - Rep. Farr |
| | Chair Kitts | Hearing no objection, declares the motion CARRIED. |
| 413 | Rep. Thatcher | MOTION: Moves to ADOPT SB 1008-A14 amendments dated 06/10/05. |
| 416 | | VOTE: 6-0-1 EXCUSED: 1 - Rep. Farr |
| | Chair Kitts | Hearing no objection, declares the motion CARRIED. |
| 419 | Rep. Thatcher | MOTION: Moves to ADOPT SB 1008-A18 amendments dated 06/16/05. |
| 422 | | VOTE: 6-0-1 EXCUSED: 1 - Rep. Farr |
| | Chair Kitts | Hearing no objection, declares the motion CARRIED. |
| 427 | Chair Kitts | Closes the work session on SB 1008 A and adjourns the meeting at 3:34 p.m. |

EXHIBIT SUMMARY

- A. HB 3488, executive summary of report on Oregon State Hospital, Rep. Dalto, 3 pp
- B. HB 3488, prepared statement, Robert Nikkel, 2 pp

- C. **HB 3488, prepared statement, Martin Pittioni, 1 p**
- D. **SB 1008, -A10, -A12, -A13, -A14, -A15, -A16, -A17, -A18, -A19 and -A20 amendments, staff, 36 pp**
- E. **SB 1008, Executive Summary of amendments, staff, 2 pp**
- F. **SB 1008, prepared statement and explanation of amendments, Libby Henry, 2 pp**
- G. **SB 1008, prepared statement, Sandra Flicker, Libby Henry and Tom O'Connor, 2 pp**