

**HOUSE COMMITTEE ON ENVIRONMENT**

March 29, 2005 Hearing Room D

1:00 P.M. Tapes 25 - 26

**MEMBERS PRESENT:**           **Rep. Gordon Anderson, Chair**

**Rep. Bob Jenson, Vice-Chair**

**Rep. Mary Nolan, Vice-Chair**

**Rep. Phil Barnhart**

**Rep. Bill Garrard**

**Rep. John Lim**

**Rep. Diane Rosenbaum**

**STAFF PRESENT:**           **John Houser, Committee Administrator**

**Mike Reiley, Committee Assistant**

**MEASURES/ISSUES HEARD:**

**HB 2328 – Public Hearing and Work Session**

**HB 2592 – Public Hearing**

**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.**

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
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<b>TAPE 25, A</b>		
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003 Chair Anderson Calls the meeting to order at 1:06 p.m. Opens a public hearing on HB 2328.

**HB 2328 – PUBLIC HEARING**

006 John Houser Committee Administrator. Introduces HB 2328 and the -2 amendments (**EXHIBIT A**).

010 Rep. Phil Barnhart House District 11. Testifies in support of HB 2328. Explains the use of propane in rural Lane County and the regulation and land use requirements for siting propane tanks.

053 Rep. Jenson Asks if HB 2328 would usurp the authority of local governments.

055 Rep. Barnhart Answers that the intent is to restore local control.

058 Rep. Jenson Clarifies question.

060 Rep. Barnhart Responds.

065 Rep. Bob Ackerman House District 13. Testifies in support of HB 2328 with the -2 amendments. Explains land use decisions and jurisdiction. Argues that the authority to site propane tanks should remain with the fire marshal. Addresses the similarities to HB 2356 (2005) that restored authority.

098 Rep. Garrard Asks for an explanation of the -2 amendments.

100 Rep. Ackerman Explains the -2 amendments.

107 Rep. Barnhart Directs the committee to the prepared information provided by Lana Butterfield (**EXHIBIT B**).

124 Rep. Jenson Raises concerns about HB 2328.

143 Lana Butterfield Northwest Propane Gas Association. Submits and summarizes written testimony in support of HB 2328 with the -2 amendments (**EXHIBIT B**), written testimony on behalf of Bill Gregg, Safeco Insurance, regarding HB 2328 (**EXHIBIT C**), written testimony on behalf of Ellen May Wilson, Citizen, Mapleton, Oregon, in support of HB 2328

**(EXHIBIT D)** and written testimony on behalf of Matthew Clement, Ambassador Piping Inc., in support of HB 2328 **(EXHIBIT E)**. Explains land use issues in Lane County related to propane tanks.

- 250 Butterfield Explains the -2 amendments to HB 2328.
- 358 Rep. Garrard Refers to **EXHIBIT C**. Asks about the permit fee that was referred to as being very high.
- 367 Butterfield Answers that the fees are still high to install a propane tank.
- 380 Chair Anderson Asks if there is retroactivity in terms of the fees being charged.
- 382 Butterfield Explains.
- 393 Houser Asks if Lane County could receive an exemption for rural areas of the county under the bill.
- 402 Butterfield Cites ORS 480.457 and the process for local jurisdiction to receive exemption authority and the requirements.

#### **TAPE 26, A**

- 002 Houser Asks if Lane County operates similarly to other rural areas.
- 005 Eric Nelson Ferrellgas, Eugene, Oregon. Responds.
- 007 Allen L. Johnson Attorney, Johnson & Sherton. Submits and summarizes prepared testimony in support of HB 2328 **(EXHIBIT F)**.
- 069 Mark Amspoker Suburban Propane. Testifies in support of HB 2328 with the -2 amendments. Explains the detrimental impact of Lane County regulatory authority on the propane industry. Explains the costs and difficulties with the permitting process.
- 111 Dennese Murray District Manager, Amerigas, Springfield, Oregon. Submits and summarizes prepared testimony in support of HB 2328 **(EXHIBIT G)**. Explains the difficulty with the permitting process.
- 153 Rep. Garrard Asks if Lane County charges a similar fee on other energy sources.

157	Murray	Answers that she is unsure, but thinks that they do not.
162	Rep. Garrard	Clarifies that the fee is only charged to propane users.
165	Murray	Answers, yes.
168	Rep. Lim	Asks about the issues of safety with propane tanks.
173	Murray	Explains that the industry is being regulated twice, by both the county and the state.
186	Rep. Lim	Asks how many more propane tanks would be installed in Lane County after the passage of HB 2328.
190	Murray	Estimates that it may be 20-50 more tanks. Notes that they are 120 or 250 gallon tanks.
200	Rep. Lim	Asks if propane contaminates the soil and air.
204	Murray	Explains that propane is clean and a potential leak would dissipate in the air.
213	Rep. Barnhart	Asks to confirm that siting a propane tank requires a fee to the state fire marshal and the state fire marshal is to inspect installations.
216	Murray	Answers, yes.
220	Rep. Barnhart	Asks if federal regulations handle the safety issues.
223	Murray	Answers, yes.
226	Amspoker	Clarifies that the intent of the bill is not to inundate Lane County with tanks.
238	Bruce Engeman	R & D Propane. Addresses Rep. Lim's concerns regarding fire safety. Explains that the issue is land use, not safety.
248	Chair Anderson	

Asks witnesses if there are other counties that have similar requirements as Lane County.

- 250 Murray Answers no.
- 251 Amspoker Explains that Lane County has the only permit process that is duplicative.
- 265 Engeman Submits and summarizes prepared testimony in support of HB 2328 **(EXHIBIT H)**.
- 325 John McCulley Tree Fruit Growers. Testifies regarding HB 2328. Expresses concern about the effect of regulation and permitting on agriculture applications in the -2 amendments.
- 349 Chair Anderson Asks for the size of the tanks being used by orchardists.
- 351 McCulley Responds.
- 370 Johnson Notes that the agricultural concerns are valid. Explains land use decisions.
- 412 Chair Anderson Asks Johnson to address McCulley's concern.
- 415 Johnson Answers question.

**TAPE 25, B**

- 003 Rep. Barnhart Addresses the difference between primary and auxiliary use.
- 009 Johnson Explains auxiliary usage.

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

Jim Davis Citizen, Florence, Oregon. Submits written testimony in support of HB 2328 **(EXHIBIT I)**.

Randy Schott

Oregon/Washington Area Manager, Ferrellgas. Submits written testimony in support of HB 2328 with the -2 amendments (**EXHIBIT J**).

Rita Maxwell Citizen, Lane County, Oregon. Submits written testimony in support of HB 2328 (**EXHIBIT K**).

Harvey Gail Executive Director, Oregon Hearth, Patio and Barbecue Association. Submits written testimony in support of HB 2328 (**EXHIBIT L**).

013 Chair Anderson Closes the public hearing on HB 2328 and opens a work session on HB 2328.

### **HB 2328 – WORK SESSION**

018 Rep. Jenson **MOTION: Moves to ADOPT HB 2328-2 amendments dated 3/18/05.**

**VOTE: 7-0-0**

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

Chair Anderson **The motion CARRIES.**

030 Rep. Jenson **MOTION: Moves HB 2328 to the floor with a DO PASS AS AMENDED recommendation.**

**VOTE: 7-0-0**

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

Chair Anderson **The motion CARRIES.**

**REP. BARNHART will lead discussion on the floor.**

035 Chair Anderson Closes the work session on HB 2328. Opens a public hearing on HB 2592.

### **HB 2592 – PUBLIC HEARING**

050	Mike Dewey	Waste Management. Testifies in support of HB 2592. Explains that HB 2592 has initiated a dialogue regarding recycling.
122	Kristan Mitchell	Oregon Refuse & Recycling Association. Expresses support for the concept of rate recovery and concerns about HB 2592. Notes the fiscal impact.
155	Michael Hogle	Director, Solid Waste, Metro. Testifies with a neutral position on HB 2592. Expresses support for increased rate of recovery and concerns about HB 2592.
212	Rep. Jenson	Asks if Oregon leads the nation in recovery recycling.
220	Hogle	Answers, yes.
224	Rep. Jenson	Asks for information about other state's recovery recycling.
226	Hogle	Explains how it is difficult to compare information.
244	Rep. Jenson	Asks how much it costs Oregon to recover 57%.
250	Hogle	Responds.
276	Rep. Jenson	Asks for clarification that there is a 10% premium and a policy decision to spend 10% more.
285	Hogle	Responds, yes. Elaborates.
290	Rep. Jenson	Asks question regarding the disposal charge.
294	Hogle	Answers question.
309	Rep. Jenson	Notes the costs associated with recycling.
327	Chair Anderson	Concurs that costs are present and notes potential saving from reducing water contamination.
337	Rep. Jenson	Discusses small landfills and water contamination.

- 353 Rep. Lim Asks if the Oregon Bottle Bill is included in Metro's recycling analysis.
- 363 Hoglund Answers that the study is commodity-based and includes the bottle bill.
- 385 Bob Danko Department of Environmental Quality (DEQ). Submits and summarizes prepared testimony in opposition to HB 2592 (**EXHIBIT M**).

**TAPE 26, B**

- 050 Alex Cuyler Chair, Association of Oregon Recyclers. Submits and summarizes prepared testimony in opposition to HB 2592 (**EXHIBIT N**). Explains the zero waste goals in Toronto and Berkeley, California. Notes the sustainability efforts of Fort Lewis.
- 124 Matt Blevins Legislative Affairs Director, Oregon Environmental Council. Testifies in opposition to HB 2592. Explains that HB 2592 duplicates previous efforts.
- 148 Rep. Lim Asks how much a statewide study would cost upon the passage of HB 2592.
- 152 Danko Estimates \$200,000.
- 157 Rep. Lim Asks why the study would cost so much if it is redundant.
- 164 Blevins Answers that DEQ would be required to redo its analysis.
- 168 Chair Anderson Closes the public hearing on HB 2592. Adjourns the meeting at 2:43 p.m.

**EXHIBIT SUMMARY**

- A. **HB 2328, -2 amendments, staff, 2 pp**
- B. **HB 2328, written testimony, Lana Butterfield, 7 pp**
- C. **HB 2328, written testimony of Bill Gregg, Lana Butterfield, 2 p**
- D. **HB 2328, written testimony of Ellen Wilson, Lana Butterfield, 1 p**
- E. **HB 2328, written testimony of Matthew Clement, Lana Butterfield, 3 pp**
- F. **HB 2328, written testimony, Al Johnson, 1 p**
- G. **HB 2328, written testimony, Denness Murray, 1 p**
- H. **HB 2328, written testimony, Bruce Engeman, 1 p**
  - I. **HB 2328, written testimony, Jim Davis, 2 p**
  - J. **HB 2328, written testimony, Randy Schott, 1 p**
- K. **HB 2328, written testimony, Rita Maxwell, 1 p**
- L. **HB 2328, written testimony, Harvey Gail, 1 p**
- M. **HB 2592, written testimony, Bob Danko, 1 p**
- N. **HB 2592, written testimony, Alex Cuyler, 2 pp**