

**HOUSE COMMITTEE ON GENERAL GOVERNMENT**

January 20, 2005 Hearing Room B

8:30 A.M. Tapes 4 - 5

**MEMBERS PRESENT:** Rep. Vicki Berger, Chair

Rep. Peter Buckley, Vice-Chair

Rep. Mac Sumner, Vice-Chair

Rep. Larry Galizio

**MEMBER EXCUSED:** Rep. Sal Esquivel

**STAFF PRESENT:** Caralyn Fischer, Committee Administrator

Linda K. Gatto, Committee Assistant

**MEASURES/ISSUES HEARD:**

Office of Regulatory Streamlining, (DCBS) - Informational Meeting

**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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TAPE 4, A

004 Chair Berger Calls the meeting to order at 8:30 a.m. Opens the informational meeting on the Office of Regulatory Streamlining (**EXHIBIT G**).

**OFFICE OF REGULATORY STREAMLING - INFORMATIONAL MEETING**

016 Patrick Allen Manager, Office of Regulatory Streamlining, Department of Consumer and Business Services. Reads prepared testimony (**EXHIBIT A**) submitted with informational materials: *Annual Report to the Governor 2004* and project summary report (**EXHIBIT B**), Regulatory Streamlining Legislative Agenda (**EXHIBIT C**), Factors Agencies Should Weigh When Evaluating Need For New/Expanded Regulation (**EXHIBIT D**) and *Report of the Advisory Committee on Agency Rule Streamlining December 2004* (**EXHIBIT E**).

042 Allen Begins an overview on the streamlining activities over the past two years (**EXHIBIT A, Page 2**). Refers to the *Annual Report to the Governor 2004* and the project summary report (**EXHIBIT B**). Notes that there are more than 250 individual streamlining projects that agencies are engaged in. Highlights paperwork reduction projects, the survey on the state's regulatory environment, and the on-line license directory.

101 Allen Reviews the lessons learned and provides an example of the cumulative impacts of regulation on small retailers. Reviews the questions that were presented to agencies intended as a guide while agencies consider proposals to create or expand existing regulation.

136 Allen Reviews legislative agenda (**EXHIBIT C**).

210 Tom Gallagher Legislative Advocates. States that being on the 3120 Committee and the 2011 Committee was rewarding. States that regulatory streamlining is about process and management. The Community Solutions Team became the Economic Revitalization Team which produced HB 3120 and opened the Office of Regulatory Streamlining.

292 Gallagher Discusses the cost to go through the permit process. Discusses two bills from 2003, HB 3120 and HB 2011, and the work during the interim that reviewed the process.

314 Gallagher Describes the individuals serving on the 3120 Committee. Relays an example of a debate on waiving a rule that produces an absurd outcome.

371 Gallagher Refers to page four (**EXHIBIT E**) and the document titled *Factors Agencies Should Weigh When Evaluating Need For New/Expanded Regulation (EXHIBIT D)*. Provides an example of asbestos removal and effective management.

**TAPE 5, A**

032 Gallagher Discusses regulations in general. Suggests that an additional person be placed and dedicated to interface with small businesses. Comments on regulations that benefit the agency and the lack of incentives for agencies to eliminate arcane and ineffective regulations.

075 Gallagher Provides a summary of active interim committees that are working on streamlining rules/permits and a list of documents for the 2005 Session (**EXHIBIT F**).

135 Gallagher States there is no legislation drafted from the 2011 Committee. States that most of the problem comes from overlapping statutory direction and authority. States support for HB 2188.

181 Rep. Buckley Inquires when the 2011 Report will be available.

191 Gallagher Responds that the report is available through the Governor's Office.

198 Allen Clarifies the makeup of the 2011 Committee. The report went to the directors and the governor but is available for distribution. (submitted for the record after the meeting (**EXHIBIT G**).

206 Rep. Sumner Comments on the operational challenges of Oregon Liquor Control Commission (OLCC).

244 Gallagher Responds that OLCC has the dual mission of selling liquor and prohibit people from drinking it. Discusses interest groups and OLCC.

309 Allen Adds that the streamlining efforts are not to change the standards but rather implement the standards in a more efficient and effective manner.

317 Rep. Sumner States that it was not his intent to open a discussion on how OLCC conforms to the regulations. States that the way it does its job is inefficient. Distribution and enforcement should be workable and not rely on nineteenth century technology.

- 337 Rep. Galizio Asks for clarification of HB 2188.
- 351 Gallagher States that he pushed for an additional person who would be charged with working with agencies to respond to the concerns of small businesses concentrating on the cumulative effects of regulations.
- 407 Allen Adds that there is a business with a person or two being regulated by an agency with a person or two. Help the agencies see additional perspectives, improve training and capacity in the office.

**TAPE 4, B**

- 012 Chair Berger Asks how Oregon compares with what other states are doing.
- 014 Allen Responds that New York provides the best example of different approaches.
- 032 Gallagher Adds there was an extensive search and there are hundreds of articles and almost all of them are on the federal appeals process.
- 054 Rep. Galizio Asks what the earlier comment that “this is about process and management and no public policy outcome” mean.
- 060 Gallagher Responds that enforcement efforts become policy outcomes. States in his view there are two parts, the public process with agency rule making and then there is the “Nimby” that does not want it to happen.
- 109 Gallagher Suggests allowing government and the public to come to common ground “tip the pyramid up side down.”
- 118 Chair Berger States that it is hard to find ways to resolve some of these issues.
- 141 Gallagher Adds that in reading the reports, there are countless references to land use processes and the land use appeals process. Land use is the poster child of where the frustration focuses.
- 167 Chair Berger Closes the public hearing on the Office of Regulatory Streamlining. Adjourns the meeting at 9:40 a.m.

## **EXHIBIT SUMMARY**

- A. Regulatory Streamlining, prepared testimony, Patrick Allen, 5 pp**
- B. Regulatory Streamlining, Annual Report to the Governor 2004 and summary of projects, Patrick Allen, 84 pp**
- C. Regulatory Streamlining, Legislative Agenda, Patrick Allen, 5 pp**
- D. Regulatory Streamlining, Factors Agencies Should Weigh When Evaluating Need For New/Expanded Regulation, Patrick Allen, 3 pp**
- E. Regulatory Streamlining, Report of the Advisory Committee on Agency Rule Streamlining, Patrick Allen, 16 pp**
- F. Regulatory Streamlining, Summary of documents for 2005, Patrick Allen, 3 pp**
- G. Regulatory Streamlining, HB 2011 Committee Report, staff, 52 pp**