

HOUSE COMMITTEE ON TRANSPORTATION

April 27, 2005 Hearing Room C

1:00 P.M. Tapes 56 - 57

MEMBERS PRESENT: Rep. George Gilman, Chair

Rep. Terry Beyer, Vice-Chair

Rep. Chuck Burley, Vice-Chair

Rep. Deborah Boone

Rep. Scott Bruun

Rep. Dave Hunt

Rep. Kim Thatcher

STAFF PRESENT: Patrick Brennan, Committee Administrator

Mike Reiley, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3323 – Public Hearing

HB 2869 – 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.

TAPE/#	Speaker	Comments
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TAPE 56, A		
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003	Rep. Beyer	
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Calls the meeting to order at 1:05 p.m. Opens a public hearing on HB 3323.

HB 3323– PUBLIC HEARING

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| 009 | Rep. Bill Garrard | House District 56. Explains and testifies in support of HB 3323 relating to prohibiting the resident of a facility who has a disabled person parking permit from parking overnight in the space reserved for a disabled person if the space reserved for the residents of the same facility is available to the resident in the same parking lot. |
| 020 | Claire Griffin | Portland. Testifies in support of HB 3323. |
| 044 | Rep. Garrard | Notes that no one has come forward to speak in opposition to the bill. |
| 048 | Rep. Burley | Asks if the other reserved spots are labeled as “disabled.” |
| 053 | Griffin | Stresses that the bill would only apply to persons who are provided another spot in the same parking lot. |
| 064 | Rep. Beyer | Closes the public hearing on HB 3323 and opens a public hearing on HB 2869. |

HB 2869 – PUBLIC HEARING

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| 067 | Patrick Brennan | Committee Administrator. Introduces HB 2869, relating to imposing a fee on the retail sale of studded tires or on the installation of studs in tires. |
| 085 | Rep. Terry Beyer | House District 12. Submits and summarizes the “Studded Tire Use in Oregon” report (EXHIBIT A) and testifies in support of HB 2869. |
| 110 | Rep. Beyer | Talks about how the road damage could be addressed easier if more money was funneled into prevention. Discusses the drawbacks of studded tires as opposed to regular tires. |
| 150 | Rep. Dave Hunt | House District 40. Testifies in support of HB 2869. Notes that there are eight states that have banned studded tires. Stresses that this bill does not seek to ban studded tires in Oregon. |

187	Chair Gilman	Inquires if the \$10 fee was selected arbitrarily.
189	Rep. Hunt	Explains that he contacted the tire manufacturers, who were unable to provide a number and cites the Oregon Department of Transportation's (ODOT) estimate.
205	Rep. Beyer	Notes that ODOT estimates a \$22 per tire fee.
224	Rep. Bruun	Asks how much revenue would be generated by a \$10 fee per tire.
231	Rep. Beyer	Answers that she does not know, but declares that the \$22 per tire fee would generate an estimated \$7.8 million.
240	Rep. Bruun	Wonders if other states have established fee structures rather than banning the tires.
242	Rep. Hunt	Replies that Alaska has specific fees associated with tires that have studs.
250	Rep. Bruun	Clarifies that not many states use a combination of approaches.
260	Rep. Beyer	Answers that they came to the work group with nothing.
263	Rep. Hunt	Explains that he asked the manufacturers if they would live with the results from another study.
275	Rep. Bruun	Talks about what the cost in terms of property damage, injury and loss of lifewould be of banning studded tires.
301	Rep. Beyer	Concurs that it is difficult to reach a consensus on the costs of allowing or prohibiting studded tires.
327	Rep. Hunt	Speaks to the arguments against banning studded tires. Addresses the correlation between the fees on studded tires with driving more miles and passenger cars causing more damage.
358	Rep. Boone	Imagines that the damage quotient in Eastern Oregon would be less due to a more dispersed population, more snow, and less drivers. Explains the need for studded tires on rescue vehicles in her district on Hwy 26.

392	Rep. Beyer	Notes that the work group addressed the use of studded tires by emergency vehicles and that was a reason for not banning them. Talks about the differences between eastern and western Oregon and cites previous legislation that sought to address the issue regionally.
416	Rep. Boone	Stresses that the coast range is still receiving ice and snow during the spring months.
427	Rep. Beyer	Declares that there is more damage from studded tires on the western side roads due to the higher traffic volumes.

TAPE 57, A

002	Rep. Burley	Explains that studded tires are helpful. Asks where the money goes. Describes the problem with where the money comes from and where it goes.
021	Rep. Hunt	Responds that he is open to amendments to resolve the funding issue.
026	Rep. Beyer	Concurs with Rep. Hunt.
034	Rep. Thatcher	Inquires whether damage caused by chains, as opposed to studded tires, was discussed.
041	Rep. Beyer	Replies that it was not brought up in the work group.
049	Rep. Boone	Notes that part of the fees from tires bought in Bend would go towards checking the east side roads.
063	John Jackley	Highway Division, ODOT. Submits and summarizes prepared testimony regarding HB 2869 (EXHIBIT B).
109	Rep. Hunt	Asks if a formula could be created for the equitable distribution of the fees to address the ruts caused by studded tires.
119	Jackley	Responds that it is a policy decision for the legislature, but says the department would prefer no additional studies be conducted.
140	Rep. Boone	Proposes a fee for studded tires and a credit for tires without studs.

148	Rep. Beyer	Describes the incentives versus disincentives and the Highway Fund.
156	Rep. Thatcher	Asks about the administration and enforcement costs being thought of when imposing the \$10 fee.
162	Jackley	Describes that \$6 million would go to the state and it would not have an impact on the budget.
171	Rep. Thatcher	Wonders if the figure came about from the estimation of how many tires are out there, and whether it takes into account the enforcement costs and other factors.
177	Jackley	Answers that it was a straight analysis of the \$10 fee by the ODOT.
181	Rep. Hunt	Notes that 5 percent would come “right off the top” for the administrative costs the tire dealers must face.
192	Rep. Thatcher	Talks about the cost to government enforcing the fees.
203	Kevin Westfall	Oregon Cattlemen’s Association. Submits and summarizes prepared testimony on behalf of Glen Stonebrink in opposition to HB 2869 (EXHIBIT C) .
229	Rep. Hunt	Asks if Mr. Westfall would acknowledge that studded tires cause more damage to roads than non-studded tires.
230	Westfall	Answers yes but stresses that much of the driving done in Eastern Oregon is on ice and snow rather than bare pavement and would not impact the roads as much as in Western Oregon.
240	Mark Nelson	Les Schwab Tire Company. Testifies in opposition to HB 2869. Describes the safety benefits of studded tires.
305	Nelson	References a study from the State of Alaska that concluded that studded tires provide enhanced safety. Notes that there are barriers to using tire chains, including physical limitations
350	Nelson	Asserts that studies should include all economic costs of using or not using studded tires, not just wear on the roads. Talks about the pros and cons of a ban on studded tires.

410	Nelson	Argues that imposing a tax forces people to make a choice between costs and safety.
430	Rep. Hunt	Wonders if Mr. Nelson would agree that damaged roads are a safety concern.
435	Nelson	Responds affirmatively, and talks about the safety issues concerning snow and ice driving where studded tires/chains were unable to be used.

TAPE 56, B

004	Rep. Hunt	Discusses the Alaska study and notes that it recommended a \$5/tire fee; would Mr. Nelson agree with something similar to this method.
011	Nelson	Answers no, because all economic costs have not been addressed in that study.
024	Rep. Hunt	Asks if Mr. Nelson would be supportive of the results of another study.
027	Nelson	Responds that they would agree with the assessment, but the safety costs outweigh the road damage costs.
042	Rep. Boone	Inquires about the use of rubber studs.
046	Nelson	Replies that lightweight studs are being used now.
055	Rep. Thatcher	Observes that the work group was made up mostly of government agency representatives with very little representation of the industry.
067	Rep. Bruun	Wonders about what the burden on Les Schwab would be if HB 2869 were implemented.
073	Nelson	Explains that they would simply be collecting \$10 more per tire and notes that it is not a major reason why Les Schwab opposes the bill.
082	Rep. Beyer	Notes that the work group was not able to use information from the Alaska report.

095	Nelson	Answers that it is a fair criticism and talks about the good and bad aspects of the Alaska report.
101	Rep. Beyer	States that the tire industry was not on this work group but says she wants their opinion before the issue goes further
110	Nelson	Concurs with the process.
116	Bill Linden	Les Schwab Tire Company. Discusses concerns with the findings in the state of Washington.
129	Don Schellenberg	Oregon Farm Bureau (OFB). Points out that road damage is less in central and eastern Oregon due to the snow and ice covering the street and more driving on non-paved roads. Mentions that the OFB advisory committee unanimously supports HB 2869.
167	Rep. Beyer	Closes the public hearing on HB 2869.
171	Rep. Thatcher	Notes that her office has coordinated a trip to the Mexican consulate.
194	Rep. Beyer	Adjourns the meeting at 2:13 p.m.

EXHIBIT SUMMARY

- A. HB 2869, Studded Tire Use in Oregon report and information, Rep. Beyer, 19 pp**
- B. HB 2869, prepared testimony, John Jackley, 1 p**
- C. HB 2869, prepared testimony, Kevin Westfall, 1 p**