### HOUSE COMMITTEE ON WATER

March 07, 2005 Hearing Room 357

1:00 P.M. Tapes 39 - 40

### **Corrected 10/17/05**

| MEMBERS PRESENT:                    | Rep. Bob Jenson, Chair                         |  |
|-------------------------------------|--|--|
| Rep. Jackie Dingfelder, Vice-Chair  |  |  |
| Rep. Jerry Krummel, Vice-           | Chair  |  |
| Rep. Phil Barnhart                  |  |  |
|                                     | Rep. Alan Brown                                |  |
| Rep. Carolyn Tomei                  |  |  |
|                                     |  |  |
| MEMBER EXCUSED:                     | Rep. Billy Dalto                               |  |
|                                     |  |  |
| STAFF PRESENT:                      | Sandy Thiele-Cirka, Committee Administrator    |  |
| Elizabeth Howe, Committee Assistant |  |  |
|                                     |  |  |
| <b>MEASURES HEARD:</b>              | HB 2130 – Public Hearing                       |  |
|                                     | Introduction of Committee Bills – Work Session |  |
|                                     | HB 2265 – Public Hearing                       |  |
|                                     | HB 2170 – Work Session                         |  |
|                                     | HB 2178 – Work Session                         |  |
|                                     | HB 2186 – Work Session                         |  |
|                                     |  |  |

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

| TAPE/#           | Speaker        | Comments   |
|------------------|----------------|--|
| <b>TAPE 39,</b>  | Α              |  |
| 002              | Chair Jenson   | Calls the meeting to order at 1:08 p.m. Opens as a subcommittee.<br>Opens a public hearing on HB 2130.                       |
| <u>HB 2130 –</u> | PUBLIC HEARING |  |
| 006              | Ann Hanus      | Director, Department of State Lands (DSL). Submits written testimony <b>(EXHIBIT A)</b> and testifies in support of HB 2130. |
| 049              | Chair Jenson   | Opens as the full committee. Continues public hearing.   |
| 052              | Hanus          | Continues discussing the fees and funds affected by HB 2130.   |
| 069              | John Lilly     | Assistant Director, DSL. Submits written testimony (EXHIBIT B) and testifies in support of HB 2130.                          |
| 128              | Lilly          | Continues discussion of jurisdictional determination fees and wetland determination reports.                                 |
| 134              | Chair Jenson   | Asks if the committee members have copies of the proposed amendments.  |
| 136              | Lilly          | Answers affirmatively (EXHIBIT C).   |
| 137              | Rep. Tomei     | Asks why the fee does not cover all the process costs.   |
| 143              | Hanus          | States that DSL is working with funds that are available.  |
| 149              | Pon Tomai      | Expresses has perpleyity that the fee does not eaver the cost of   |

- 148Rep. TomeiExpresses her perplexity that the fee does not cover the cost of<br/>performing the tests.
- 152 Chair Jenson States that the committee will readily address her concerns.

| 154      | Lilly         | Continues discussion of removal-fill permits.  |
|----------|---------------|--|
| 211      | Rep. Tomei    | Inquires about the cost of the two permits in the examples and if the cost if for both permits.  |
| 214      | Lilly         | Explains the cost of processing permits and states that each permit process is different.  |
| 249      | Rep. Barnhart | Asks if DSL has discussed establishing fees that are not absolute dollar amounts.  |
| 267      | Hanus         | Explains possibilities for setting fees.   |
| 275      | Lilly         | Points out that HB 2130 includes a percentage adjustment in 2007.  |
| 282      | Rep. Krummel  | Asks why rates are not tied to the Consumer Price Index (CPI).   |
| 297      | Chair Jenson  | Agrees that sometimes three percent would be inadequate.   |
| 302      | Hanus         | Explains that linking to the CPI index is an option. Notes that three percent is an average.   |
| 307      | Rep. Krummel  | Expresses belief that following the CPI would be more adequate.<br>Inquires about the intended placement of funds created by the fees. |
| 339      | Hanus         | Explains that fees are intended to cover a portion of the administrative costs, and explains how fees benefit the Common School Fund.  |
| 357      | Rep. Krummel  | Questions if this program will enhance DSL's ability to reach performance measures.  |
| 367      | Hanus         | Discusses performance measures and explains how the department can improve wetland delineations.                                       |
| TAPE 40, | Α             |  |
| 004      | Hanus         | Continues discussion of wetland delineations.  |

| 013 | Rep. Dingfelder    | Inquires if current statute precludes a local government from establishing stricter wetland ordinances.                             |
|-----|--------------------|---|
| 028 | Lilly              | Offers to provide information.  |
| 030 | Hanus              | Defines person and public body.   |
| 033 | Rep. Dingfelder    | Questions each discreet project.  |
| 044 | Lilly              | States that discreet project is not defined in statute. Explains the rule within DSL regarding discreet projects.                   |
| 052 | Rep. Dingfelder    | Asks for clarification about applying for multiple projects, and how<br>the fees compare to other states' fees.                     |
| 056 | Lilly              | Explains that it is best when an applicant discloses all plans at once.   |
| 078 | Janet Morlan       | Wetland Program Manager, DSL. Describes advanced review of delineation.   |
| 104 | Hanus              | Explains the link from waterways to the Common School Fund.   |
| 113 | Rep. Barnhart      | Questions why the Common School Fund should subsidize programs.<br>Expresses belief that fees should cover the cost of the process. |
| 125 | Chair Jenson       | Inquires about Section 2, subsection 3 (a), line 22 regarding typo: "may" or "will."  |
| 129 | Lilly              | Reports that there is no typo.  |
| 136 | Chair Jenson       | Expresses desire for an amendment that will change "may" to "will."   |
| 158 | Sandy Thiele-Cirka | Administrator. Notes written testimony submitted by Timothy Acker <b>(EXHIBIT D)</b> .  |
| 160 | Timothy Acker      | Linn County. Testifies in support of HB 2130.   |
| 219 | Acker              | Expresses desire to increase resources for DSL for wetland delineation and offers suggestions.                                      |

| 245      | Rep. Barnhart           | Questions suggestion that DSL not be notified about local wetlands.   |
|----------|-------------------------|---|
| 251      | Acker                   | Clarifies his suggestion.   |
| 262      | Rep. Barnhart           | States that DSL would not be involved in the process at all if they were not notified by the local jurisdiction to act.   |
| 274      | Acker                   | Continues offering suggestions for local wetland inventories.   |
| 312      | Chris Bayham            | Environmental Coordinator, County Road Program, Association of Oregon Counties. Submits written testimony (EXHIBIT E) and testifies in support of HB 2130.                |
| 334      | Rep. Tomei              | Questions whether it would be fair to pay full price for studies.   |
| 338      | Acker                   | Answers affirmatively.  |
| 345      | Dale Buck               | Tillamook County. Submits written testimony (EXHIBIT F) and testifies in opposition to HB 2130.   |
| 402      | Glen Stonebrink         | Oregon Cattlemen's Association. Submits written testimony <b>(EXHIBIT G)</b> and testifies in opposition to HB 2130.  |
| TAPE 39, | В                       |   |
| 023      | Laurie Wimmer<br>Whelan | Oregon Education Association. Testifies in support of HB 2130. Describes history of fees that cover cost of permit processing.  |
| 040      | Chuck Bennett           | Confederation of Oregon School Administrators. Testifies in support<br>of HB 2130, and suggests raising the fee to cover a greater<br>percentage.                         |
| 070      | John Marshall           | Oregon School Boards Association. Testifies in support of HB 2130<br>and suggests an amendment to decrease the amount of money being<br>used from the Common School Fund. |
| 090      | Phil Scoles             | Terra Science, Inc., Portland. Testifies in support of HB 2130.<br>Suggests amendments.   |

| 124 | Rep. Tomei   | Asks if he would be more supportive of an expedited process if there were extra people hired to service expedited reports.  |
|-----|--------------|---|
| 127 | Scoles       | States his belief that resources are already available to ensure that reports are reviewed efficiently. Continues proposing amendments.                           |
| 163 | Scoles       | Responds to Rep. Dingfelder's question related to precluding local governments from adopting more strict regulations.   |
| 197 | Mel Stewart  | Constituent. Testifies in opposition of HB 2130. Emphasizes that the Common School Fund should never fund government programs. Offers suggestions for amendments. |
| 247 | Stewart      | Concludes testimony.  |
| 257 | Chair Jenson | Discusses amendments. Closes public hearing on HB 2130. Opens a work session to introduce committee bills.  |

### **INTRODUCTION OF COMMITTEE BILLS – WORK SESSION**

| 266 | Sandy Thiele-Cirka | Committee Administrator. Explains LC 3213 (EXHIBIT H).  |
|-----|--------------------|---|
| 288 | Rep. Krummel       | MOTION: Moves LC 3213 BE INTRODUCED as a committee bill.  |
| 292 | Chair Jenson       | Reminds committee members that supporting the introduction of committee bills does not require them to vote for the bill. |
|     |                    | VOTE: 6-0-1   |
|     |                    | EXCUSED: 1 - Dalto  |
| 300 | Chair Jenson       | Hearing no objection, declares the motion CARRIED.  |
| 302 | Chair Jenson       | Closes work session on committee bills. Opens public hearing on HB 2265.  |

# HB 2265 – PUBLIC HEARING

311 John Lilly

|                  |                    | Assistant Director, Department of State Lands. Testifies in support of HB 2265. Provides background of HB 2265.  |
|------------------|--------------------|--|
| 336              | Chair Jenson       | States that there will be an amendment to the bill.  |
| 342              | Rep. Barnhart      | Clarifies what the amendment will remove from HB 2265.   |
| 355              | Jeff Boatwright    | Citizen. Testifies in opposition to HB 2265.   |
| TAPE 40,         | B                  |  |
| 010              | Greg Addington     | Oregon Farm Bureau. Submits written testimony (EXHIBIT I) and testifies in opposition to HB 2265.  |
| 020              | Chair Jenson       | Closes public hearing on HB 2265. Opens work session on HB 2170.   |
| <u>HB 2170 –</u> | WORK SESSION       |  |
| 025              | Sandy Thiele-Cirka | Committee Administrator. Explains the background and testimony on HB 2170. Notes SMS, and fiscal statement for -1 amendments. Describes -1 amendments (EXHIBIT J). |
| 066              | Rep. Dingfelder    | MOTION: Moves to ADOPT HB 2170-1 amendments dated 2/28/05.   |
|                  |                    | VOTE: 6-0-1  |
|                  |                    | EXCUSED: 1 – Dalto   |
| 068              | Chair Jenson       | Hearing no objection, declares the motion CARRIED.   |
| 069              | Rep. Dingfelder    | MOTION: Moves HB 2170 to the floor with a DO PASS AS<br>AMENDED recommendation and the SUBSEQUENT<br>REFERRAL to the committee on Ways and Means BE<br>RESCINDED.  |
|                  |                    | VOTE: 6-0-1  |
|                  |                    | AYE: In a roll call vote, all members present vote Aye.  |
|                  |                    | EXCUSED: 1 - Dalto   |

| 082              | Chair Jenson       | The motion CARRIES.   |
|------------------|--------------------|---|
| 084              | Rep. Brown         | MOTION: Moves HB 2170 be placed on the CONSENT CALENDAR.  |
|                  |                    | VOTE: 6-0-1   |
|                  |                    | EXCUSED: 1 - Dalto  |
| 088              | Chair Jenson       | Hearing no objection, declares the motion CARRIED.  |
| 092              | Chair Jenson       | Closes work session on HB 2170. Opens a work session on HB 2178.  |
| <u>HB 2178 -</u> | - WORK SESSION     |   |
| 093              | Sandy Thiele-Cirka | Administrator. Summarizes HB 2178.  |
| 105              | Adam Sussman       | Water Resources Department. Explains the -1 amendments <b>(EXHIBIT K)</b> to HB 2178.                                     |
| 131              | Sussman            | Suggests conceptual amendment to change "owners" to "operator" in the current -1 amendments (EXHIBIT K, page 2, line 11). |
| 137              | Thiele-Cirka       | States that Legislative Counsel will accept the conceptual amendment.   |
| 151              | Rep. Krummel       | Asks why "owners" is currently plural and "operator" will not be.   |
| 156              | Sussman            | Agrees that "operators" might be more consistent.   |
| 158              | Rep. Krummel       | Asks for clarification regarding the intent of HB 2178.   |
| 166              | Sussman            | Responds that there is another body of law addressing Rep.<br>Krummel's question.   |
| 170              | Chair Jenson       | Offers clarification for the bill. Asks Legislative Counsel if singular or plural term is more acceptable.                |
| 183              | Brendan McCarthy   |   |

Deputy Legislative Counsel, Legislative Counsel. Expresses preference for singular term.

| 224 | Rep. Krummel | Asks for clarification.   |
|-----|--------------|---|
| 225 | Chair Jenson | Comments on the change.   |
| 231 | McCarthy     | Explains why operator is emphasized over the owner, but not necessarily in both references.   |
| 244 | Sussman      | Provides history to explain why the emphasis in second reference is<br>on the operator rather than the owner.   |
| 259 | Rep. Tomei   | MOTION: Moves to ADOPT HB 2178-1 amendments dated 3/7/05 and that the amendment be CONCEPTUALLY AMENDED on page 2, line 11, by changing "owners" to "operator." |
|     |              | VOTE: 6-0-1   |
|     |              | EXCUSED: 1 - Dalto  |
| 265 | Chair Jenson | Hearing no objection, declares the motion CARRIED.  |
| 267 | Rep. Tomei   | <b>MOTION:</b> Moves HB 2178 to the floor with a DO PASS AS CONCEPTUALLY AMENDED recommendation.  |
|     |              | VOTE: 6-0-1   |
|     |              | AYE: In a roll call vote, all members present vote Aye.   |
|     |              | EXCUSED: 1 - Dalto  |
| 265 | Chair Jenson | The motion CARRIES.   |
|     |              | REP. DINGFELDER will lead discussion on the floor.  |
| 283 | Chair Jenson | Closes work session on HB 2178. Opens work session on HB 2186.  |

## HB 2186 – WORK SESSION

| 284 | Sandy Thiele-Cirka | Administrator. Explains background and testimony on HB 2186.<br>Notes fiscal impact statement.  |
|-----|--------------------|---|
| 306 | Rep. Krummel       | Questions 2005-07 fiscal impact regarding reversal of budget deficit.   |
| 317 | Adam Sussman       | Water Resources Department. Asks for clarification.   |
| 322 | Rep. Krummel       | Clarifies concerns that the impact statement expenditures and revenues change from 2005-07 biennium to the 2007-09 biennium.            |
| 335 | Sussman            | Explains how the authors may have gotten the statistics.  |
| 352 | Chair Jenson       | Reiterates how they got the statistics.   |
| 358 | Rep. Barnhart      | Notes the subsequent referral to Ways and Means.  |
| 361 | Sussman            | Explains why there is a correction in revenue and not in expenditures.  |
| 367 | Rep. Krummel       | Asks if revenue will actually be closer to expenditures after correction.   |
| 375 | Sussman            | Responds affirmatively.   |
| 376 | Rep. Krummel       | Questions whether HB 2186 will help the department reach its goals and benchmarks.  |
| 385 | Sussman            | Responds affirmatively.   |
| 392 | Rep. Tomei         | MOTION: Moves HB 2186 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference. |
|     |                    | VOTE: 6-0-1   |
|     |                    | AYE: In a roll call vote, all members present vote Aye.   |
|     |                    | EXCUSED: 1 – Dalto  |
| 407 | Chair Jenson       | The motion CARRIES.   |

#### **EXHIBIT SUMMARY**

- A. HB 2130, written testimony, Ann Hanus, 4 pp
- B. HB 2130, written testimony, John Lilly, 2 pp
- C. HB 2130, -1 amendments, staff, 1 p
- D. HB 2130, written testimony, Timothy Acker, 5 pp
- E. HB 2130, written testimony, Chris Bayham, 1 p
- F. HB 2130, written testimony, Dale Buck, 1 p
- G. HB 2130, written testimony, Glen Stonebrink, 1 p
- H. Introductions, LC 3213, staff, 3 pp
- I. HB 2265, written testimony, Greg Addington, 1 p
- J. HB 2170, -1 amendments, staff, 1 p
- K. HB 2178, -1 amendments, staff, 3 pp