

# SENATE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

March 1, 2005  
1:00 P.M.

Hearing Room B  
Tapes 31 - 32

Corrected 10/18/05

**MEMBERS PRESENT:** Sen. Rick Metsger, Chair  
Sen. Bruce Starr, Vice-Chair  
Sen. Jason Atkinson  
Sen. Ryan Deckert  
Sen. Laurie Monnes Anderson

**STAFF PRESENT:** Theresa Van Winkle, Committee Administrator  
James Goulding, Committee Assistant

**MEASURES/ISSUES HEARD:**

SB 17A – Reconsideration and Work Session  
SB 120 – Work Session  
SB 173 – Public Hearing  
SB 385 – Public Hearing

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 31, A</b>		
003	Chair Metsger	Calls the committee to order at 1:09 p.m. Announces the last projected date to hear Senate Bills is April 8, and House Bills on April 28.
018	Chair Metsger	Opens possible reconsideration and work session on SB 17A.
<b><u>SB 17A – RECONSIDERATION AND WORK SESSION</u></b>		
020	Chair Metsger	Explains that SB 17A does not need to be sent to the committee on Ways and Means.
025	Sen. Atkinson	<b>MOTION: Moves to SUSPEND the rules for the purpose of rescinding referral of SB 17A to the committee on Ways and Means.</b>
028		<b>VOTE: 3-0-2</b> <b>EXCUSED: 2 - Deckert, Starr B.</b>
	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED.</b>
030	Sen. Atkinson	<b>MOTION: Moves to RESCIND referral of SB 17A to the committee on Ways and Means and move it to the floor with a DO PASS recommendation.</b>
035		<b>VOTE: 3-0-2</b> <b>EXCUSED: 2 - Deckert, Starr B.</b>
	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED.</b> <b>SEN. NELSON will lead discussion on the floor.</b>
040	Chair Metsger	Closes possible reconsideration and work session on SB 17. Opens work session on SB 120.
<b><u>SB 120 – WORK SESSION</u></b>		
041	Chair Metsger	States that the Department of Consumer and Business Services (DCBS) has worked to address previous concerns voiced by the committee.

043	Theresa Van Winkle	Committee Administrator. Explains the provisions of SB 120.
<b>047</b>	<b>Sen. Monnes Anderson</b>	<b>MOTION: Moves SB 120 to the floor with a DO PASS recommendation.</b>
<b>050</b>		<b>VOTE: 3-0-2</b>
	<b>Chair Metsger</b>	<b>EXCUSED: 2 - Deckert, Starr B.</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. METSGER will lead discussion on the floor.</b>
053	Chair Metsger	Closes work session on SB 120. Opens a public hearing on SB 173.
<b><u>SB 173 – PUBLIC HEARING</u></b>		
055	Van Winkle	Explains the provisions of the measure.
063	Mike Marsh	Deputy Director, Central Services, Oregon Department of Transportation (ODOT). Presents written testimony in favor of SB 173 ( <b>EXHIBIT A</b> ).
100	Chair Metsger	Wonders how many firms and small businesses have been able to take advantage of ODOT's assistance.
105	Marsh	Replies that 32 contracts have been awarded in the current biennium, and the amount is expected to increase.
110	Chair Metsger	Asks about the average size of a contract.
112	Marsh	States that most are in the \$50,000 range.
114	Chair Metsger	Questions if there is data to show if the contracts are going to Oregon companies.
116	Marsh	Responds that they are all Oregon based companies.
117	Sen. Atkinson	Asks about this being needed to resolve conflicts between statute and practices.
120	Marsh	Responds that they have accomplished the purposes of the law, but to spend highway funds they have to have an agreement with DCBS to show the funds stay within that account.
127	Sen. Atkinson	Asks who regulates Disadvantaged Business Enterprise (DBE).
129	Marsh	Clarifies DCBS certifies the creation of DBEs. Notes ODOT monitors them.
130	Sen. Atkinson	Inquires who a DBE would contact if a problem occurred.
132	Marsh	Replies they would contact ODOT if they had a contractor complaint.
134	Sen. Atkinson	Wonders about other types of complaints.
137	Marsh	States they would go to the Department of Administrative Services if they have a purchasing complaint.
140	Sen. Atkinson	Offers that there has been trouble between the department and consumers in the past. Feels there are too many hoops to jump through that are causing businesses to move out of the state. Notes former constituents that have moved out of state.
150	Marsh	Asks how long ago this occurred.
153	Sen. Atkinson	States this occurred two years ago.
155	Marsh	Relates that this system will help ease the problem with small businesses.
160	Sen. Atkinson	Feels this is a political focus that won't help small businesses. Gives his opinion that this will slow down the process.
165	Marsh	Responds DCBS has been trying to focus the process.
170	Chair Metsger	Suggests Mr. Marsh contact Sen. Atkinson to address his concerns in detail.
175	Sen. B. Starr	Introduces his job shadow for the day, Randy Shifler, junior at Liberty High School in Hillsboro. Offers a question to Mr. Marsh on the language change and the addition of an advocate for women and minorities in statute.

195	Marsh	Replies that the advocate position has existed since 1991. Notes the reference is not creating anything new and the changes are for clarification.
210	Sen. B. Starr	Describes the difficulties he's observed with minorities and emerging businesses getting the assistance they need.
220	Marsh	Clarifies and states he will get additional information for him.
230	Sen. Deckert	Talks about a personal experience with a contractor he was working with that had a very difficult time navigating through the process to become certified.
257	Marsh	States he will follow up with Sen. Deckert regarding his concerns.
260	Chair Metsger	Observes that the committee would like to have additional information on the operations of the office. Suggests providing contacts and additional testimony to aid the committee.
280	Jessica Harris Adamson	Associated General Contractors (AGC). Testifies in favor of SB 173. Relates the intent and positive attributes of the bill in assisting public contractors. Talks about how the legislation will assist start up companies to be competitive.
327	Chair Metsger	Points out it would be extremely helpful to hear from the membership she represents to improve and streamline the functioning of the process.
345	Adamson	Concurs that she would be happy to help. Remarks further on the importance of the program.
357	Chair Metsger	Closes public hearing on SB 173.
360	Sen. Atkinson	Relays his frustration that the representatives from DCBS aren't present.
370	Chair Metsger	Agrees that it would be helpful to have their input. Opens a public hearing on SB 385.

**SB 385 – PUBLIC HEARING**

375	Van Winkle	Explains the provisions of the measure.
380	Bob Keith	Administrator, Oregon Appraiser Certification and Licensure Board (ACLB). Submits written testimony in favor of SB 385 ( <b>EXHIBIT B</b> ).
410	Keith	Continues discussing SB 385.
<b>TAPE 32, A</b>		
005	Keith	Continues testimony in favor of SB 385.
050	Keith	Discusses the ability of the board to be self sustaining.
070	Keith	Notes FBI approval for the background check. Discusses the need to have FBI approval on the currently drafted form of the bill. States they will have to amend it if it does not meet the necessary standards.
097	Chair Metsger	Discusses the fiscal impact of the bill. Wonders about the collection of their fees.
103	Keith	Replies that the board was set up with its own account to sustain itself through license fees and civil penalties. Notes that other states that have semi-independent boards use the general fund.
120	Sen. B. Starr	Asks if their appraisers work under their licensees.
127	Keith	Explains the process of hiring an appraiser, pointing out the importance of having them develop good judgment.
150	Sen. B. Starr	Wonders if the licensees have insurance coverage to cover a person to some degree.
165	Keith	Replies that most appraisers carry professional liability insurance.
178	Craig Zell	Board Chair, ACLB. Offers to answer any questions.

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Chair Metsger

Thanks them for their assistance. Closes public hearing on SB 385. Discusses the agenda for the next meeting. Adjourns at 1:54 p.m.

**EXHIBIT SUMMARY**

- A. **SB 173, Written testimony, Mike Marsh, 2 pp**
- B. **SB 385, Written testimony, Bob Keith, 5 pp**