

# SENATE COMMITTEE ON GENERAL GOVERNMENT

April 14, 2005  
3:10 P.M

Hearing Room B  
Tapes 61 - 62

**MEMBERS PRESENT:** Sen. Frank Shields, Chair  
Sen. Gary George, Vice-Chair  
Sen. Joanne Verger  
Sen. Vicki Walker

**MEMBER EXCUSED:** Sen. B. Starr

**STAFF PRESENT:** Judith Callens, Committee Administrator  
Linda K. Gatto, Committee Assistant

**MEASURES/ISSUES HEARD:**

SB 563 – Public Hearing and Work Session  
SB 363 – Public Hearing and Work Session  
SB 477 – Work Session  
SB 929 – Work Session  
SB 4 – Work Session  
SB 5 – Work Session

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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 61, A</b>		
005	Chair Shields	Calls the meeting to order at 3:20 p.m. Opens a public hearing on SB 563.
<b><u>SB 563 – PUBLIC HEARING</u></b>		
005	Judith Callens	Committee Administrator. Explains the provisions of SB 563 and the -1 amendments ( <b>EXHIBIT A</b> ) which replace the original bill.
016	Sen. Roger Beyer	Senate District 9. States that the League of Oregon Cities is in agreement with the amendments. Displays the contract that the Realtors Association uses regarding the seller's responsibility for utilities bills.
043	Willie Tiffany	League of Oregon Cities (LOC). Affirms agreement with the amendments.
054	Chair Shields	Closes the public hearing on SB 563 and opens the work session on SB 563.
<b><u>SB 563 – WORK SESSION</u></b>		
055	Sen. George	<b>MOTION: Moves to ADOPT SB 563-1 amendments dated 4/5/05.</b>
058		<b>VOTE: 4-0-1</b> <b>EXCUSED: 1 - B. Starr</b>
	Chair Shields	<b>Hearing no objection, declares the motion CARRIED.</b>
061	Sen. George	<b>MOTION: Moves SB 563 to the floor with a DO PASS AS AMENDED recommendation.</b>
061		<b>VOTE: 4-0-1</b>

	<b>Chair Shields</b>	<b>EXCUSED: 1 - B. Starr</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. BEYER will lead discussion on the floor.</b>
066	Chair Shields	Closes the work session on SB 563. Announces that SB 471 and SB 556 will not be heard today. Opens the public hearing on SB 363.
<b><u>SB 363 – PUBLIC HEARING</u></b>		
077	Judith Callens	Committee Administrator. Reviews the provisions of SB 363 and the -1 amendments ( <b>EXHIBIT B</b> ).
091	Bill Perry	Oregon Restaurant Association. Explains that SB 363 addresses background checks on cases where a loan was made but there is no operations/ownership interest in the business.
118	Sen. Verger	Comments they would have to go before the commission.
121	Perry	Responds there is a requirement to inform about anyone with a financial interest in the business but the commission would determine when to waive disclosure requirements.
133	Brian Doherty	Western State Petroleum Association. States this is a request for the director and the commission to have discretion in regard to criminal background checks. Refers to the correspondence from Director Dale Penn in support of the -1 amendments ( <b>EXHIBIT C</b> ).
180	Chair Shields	Closes the public hearing on SB 363 and opens the work session on SB 363.
<b><u>SB 363 – WORK SESSION</u></b>		
182	Sen. George	<b>MOTION: Moves to ADOPT SB 363-1 amendments dated 3/14/05.</b>
188		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Shields</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
190	Sen. George	<b>MOTION: Moves SB 363 to the floor with a DO PASS AS AMENDED recommendation.</b>
195		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Shields</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. GEORGE will lead discussion on the floor.</b>
209	Chair Shields	Closes the work session on SB 363 and opens the work session on SB 477.
<b><u>SB 477 – WORK SESSION</u></b>		
211	Judith Callens	Committee Administrator. Explains the provisions of SB 477 and the -1 amendments ( <b>EXHIBIT D</b> ).
252	Sen. George	<b>MOTION: Moves to ADOPT SB 477-1 amendments dated 4/8/05.</b>
260		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Shields</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
264	Sen. George	<b>MOTION: Moves SB 477 to the floor with a DO PASS AS AMENDED recommendation.</b>
264		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Shields</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. WALKER will lead discussion on the floor.</b>
264	Chair Shields	Closes the work session on SB 477 and opens the work session on SB 929.

**SB 929 – WORK SESSION**

279 Judith Callens Committee Administrator. Reviews the provisions of SB 929. Reviews the -5 amendments (**EXHIBIT F**) and the -6 amendments (**EXHIBIT G**). Notes that the bill has a subsequent referral to the Committee on Ways and Means.

400 Chair Shields Recalls discussions about removing the subsequent referral.

413 Sen. Walker States that according to the racing commission in a letter from Mr. Nelson the bill must be on its way to the Governor or employees will be laid off.

434 Chair Shields Asks how many people would be laid off.

409 Dave Nelson Magna Entertainment. Explains that all employees associated with the 18 off track operations would be laid off; approximately 100 employees.

**TAPE 62, A**

010 Nelson States there have been conversations and the basic issue is economic. Reviews that SB 929 was an effort to continue horse racing in Oregon. States the intention of the bill. Explains that the -5, -6 and expected -7 amendments delete the protections in SB 929, Section 1. Explains the only difference remaining is the current status quo of a seven month limitation.

052 Paul Romaine Attorney representing Oregon Greyhound Association. Explains they did not participate in the negotiations two years ago. Summarizes that the bill would allow Magna year-round simulcasting as long as there is no greyhound racing which would be a year or two. Recommends the -6 amendments and would go with the proposed -7 amendments noting the only difference is 10 months versus 350 days.

102 Sen. Verger Asks if Portland Meadows is for sale.

124 Romaine Shakes his head no.

128 Sen. Verger States there is no dog track, asks why have this conversation.

130 Romaine States that Portland Meadows has had discussions with the Grand Ronde tribe regarding the proposed casino in La Center Washington.

139 Sen. George States there is a need for economic development and some have a vision of this being the “Kentucky” of the West Coast. If Magna phases out dog racing they should be able to stay in Oregon to solicit for an investor. Asks how both operations can be preserved.

171 Nelson Responds it is economics and the odds of someone coming into the state and investing in a greyhound facility is unknown. There may be a way to combine it with NASCAR. The -6 or -7 amendments preserve the opportunity.

213 Romaine States this is about having one industry that can be economically viable. Magna has invested \$28 million in the state and has concluded that both cannot be viable.

239 Nelson Comments the same argument could be said of expanding horse racing.

248 Chair Shields Asks what is economically viable.

268 Jody Hanson Executive Director Oregon Racing Commission. Responds that in discussions with Chair Walters, the -6 amendments would be an economic enhancement. The commission would not approve an application without protection mechanisms in place for the dogs. Without year round simulcasting the industry is dead, the greyhound simulcasting is about 20%.

280 Chair Shields Asks about the issue of restraint of trade in the un-amended SB 929 and does the -5, -6 or -7 amendments addresses the issue.

317 Hanson Responds that in discussions with Chair Walter, and the -7 amendments being unknown at the time, the -6 amendments appear to do the best job of addressing restraint of trade.

344 Sen. George States the purpose of government is to provide protections. As a state, Oregon should be open for business. Asks is it true that Oregon is a stellar state in regard to caring for these animals.

375 Hanson Responds absolutely. Oregon is viewed at the top of the chart.

405 Sen. George Comments that there appears to be compromise on the -6 amendments.

407 Sen. Walker States support for the -3 or -5 amendments which ban greyhound racing.

421 Sen. Verger Comments that if it is a matter of equality why tell a business that they cannot go into business here. States the horses have the track and the dogs need someone to build one; it is not equal but would support the -6 amendments.

**TAPE 61, B**

**465 Sen. George MOTION: Moves to ADOPT SB 929-6 amendments dated 4/7/05.**

489 Sen. George States that in two years it will be known whether this provided an opportunity or not.

023 Sara Chieffo Legislative Assistant to Chair Shields. States it is her impression that Sen. B. Starr would be in favor of the -6 amendments.

052 Sen. Walker States she cannot support the -6 amendments because of the extension on the greyhound racing.

075 Chair Shields Inquires how waiting until Tuesday affects the proposed lay offs.

076 Hanson Responds that the Racing Commission needs a clear indication that the bill can pass in a timely fashion otherwise they are obliged to shut down the off track systems.

**088 VOTE: 3-1-1**  
**AYE: 3 - George, Verger, Shields**  
**NAY: 1 - Walker**  
**EXCUSED: 1 - Starr B.**  
**Chair Shields The motion CARRIES.**

**098 Sen. George MOTION: Moves SB 929 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the Committee on Ways and Means BE RESCINDED.**

**109 VOTE: 3-1-1**  
**AYE: 3 - George, Verger, Shields**  
**NAY: 1 - Walker**  
**EXCUSED: 1 - Starr B.**  
**Chair Shields The motion CARRIES.**  
**SEN. B. STARR will lead discussion on the floor.**

121 Chair Shields Closes the work session on SB 929 and opens the work session on SB 4.

**SB 4 – WORK SESSION**

150 Judith Callens Committee Administrator. Explains the provisions of SB 4 and the -1 amendments (**EXHIBIT H**).

**194 Sen. George MOTION: Moves to ADOPT SB 4-1 amendments dated 4/6/05.**  
**VOTE: 3-0-2**

208	Chair Shields Sen. George	<p><b>EXCUSED: 2 - B. Starr, Verger</b>  <b>Hearing no objection, declares the motion CARRIED.</b>  <b>MOTION: Moves SB 4 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the Committee on Ways and Means by prior reference.</b></p>
207	Chair Shields Chair Shields	<p><b>VOTE: 3-0-2</b>  <b>EXCUSED: 2 - B. Starr, Verger</b>  <b>Hearing no objection, declares the motion CARRIED.</b>  Closes the work session on SB 4 and opens the work session on SB 5.</p>
<b><u>SB 5 – WORK SESSION</u></b>		
210	Judith Callens	Committee Administrator. Reviews the provisions of SB 5 and the -1 amendments ( <b>EXHIBIT I</b> ).
214	Sen. George	<b>MOTION: Moves to ADOPT SB 5-1 amendments dated 4/6/05.</b>
216		<b>VOTE: 3-0-2</b>
219	Chair Shields Sen. George	<p><b>EXCUSED: 2 - B. Starr, Verger</b>  <b>Hearing no objection, declares the motion CARRIED.</b>  <b>MOTION: Moves SB 5 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the Committee on Ways and Means by prior reference.</b></p>
219		<b>VOTE: 3-0-2</b>
210	Chair Shields Chair Shields	<p><b>EXCUSED: 2 - B. Starr, Verger</b>  <b>Hearing no objection, declares the motion CARRIED.</b>  Closes the work session on SB 5. Adjourns the meeting at 4:35 p.m.</p>

**EXHIBIT SUMMARY**

- A. SB 563, -1 amendments, Senator Roger Beyer, 1 p
- B. SB 363, -1 amendments, staff, 1 p

**EXHIBIT SUMMARY (Cont'd)**

- C. SB 363, correspondence, Brian Doherty, 1 p
- D. SB 477, -1 amendments, staff, 1 p
- E. SB 929, Matrix, Paul Romaine, 1 pp
- F. SB 929, -5 amendments, Dave Nelson, 2 pp
- G. SB 929, -6 amendments, Paul Romaine, 2 pp
- H. SB 4, -1 amendments, staff, 6 pp
- I. SB 5, -1 amendments, staff, 6 pp