

HOUSE COMMITTEE ON GENERAL GOVERNMENT

January 21, 2003 Hearing Room D
8:30 AM Tapes 2 - 4

MEMBERS PRESENT: Rep. Jerry Krummel, Chair
Rep. Donna Nelson, Vice-Chair
Rep. Floyd Prozanski, Vice-Chair
Rep. Brad Avakian
Rep. Derrick Kitts
Rep. John Mabrey
Rep. Kelley Wirth

STAFF PRESENT: Patrick Brennan, Committee Administrator
Jeana Harrington, Committee Assistant

MEASURE/ISSUES HEARD: -HB 2052 – Public Hearing and Work Session
-HB 2132 – Public Hearing and Work Session
-HB 2140 – Public Hearing and Work Session
-HB 2170 – Public Hearing and Work Session
-HB 2175 – Public Hearing and Work Session
-Informational meeting
Association of Oregon Counties (AOC) and the League of Oregon
Cities (LOC).

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
TAPE 2, A		
005	Chair Krummel	Calls meeting to order at 8:37 AM. Informs that House Bill (HB) 2167 will not be heard. Opens public hearing on HB 2052.
<u>HB 2052 PUBLIC HEARING</u>		
021	Patrick Brennan	Reads Staff Measure Summary (SMS) for HB 2052.
028	Keith Kutler	Oregon Department of Justice (DOJ). Testifies in support of HB 2052. Provides history of the bill. Invites questions.
045	Chair Krummel	Asks how many federal military installations there are in Oregon.
046	Kutler	Responds he is unsure. Lists Umatilla as a possibility.
048	Chair Krummel	Asks if Kingston or Portland airbases would count in addition to Umatilla.
050	Kutler	Thinks that they would.
051	Chair Krummel	Asks if there is a possibility of the federal government adding installations in Oregon.
053	Kutler	States he has no idea.
054	Chair Krummel	Wonders about potential of adding one on the coast since we were attacked there in World War II.

058 Rep. Prozanski Comments in favor of HB 2052.
066 Chair Krummel Closes public hearing on HB 2052. Opens work session on HB 2052.

HB 2052 WORK SESSION

068 Rep. Prozanski **MOTION: Moves HB 2052 to the floor with a DO PASS recommendation.**
073 **VOTE: 6-0-1**
EXCUSED: 1 - Wirth
Chair Krummel **Hearing no objection, declares the motion CARRIED. REP. AVAKIAN will lead discussion on the floor.**
092 Chair Krummel Closes work session on HB 2052. Opens public hearing on HB 2132.

HB 2132 PUBLIC HEARING

094 Patrick Brennan Reads SMS on HB 2132.
099 Inga Deckert Office of the Treasury. Explains HB 2132. Details cost of bill indicating no fiscal impact. Invites questions.
128 Chair Krummel Asks if Ms. Deckert approves of the amendments.
135 Deckert Responds she is in favor of amendments.
138 Chair Krummel Questions if the amendments will create a fiscal impact.
139 Patrick Brennan Negates.
141 Rep. Mabrey Poses a concern about language of the measure.
145 Chair Krummel Clarifies language. Closes public hearing and opens work session on HB 2132.

HB 2132 WORK SESSION

155 Rep. Prozanski **MOTION: Moves to ADOPT HB 2132-1 amendments for HB 2132-1 dated 1/20/2003.** 2132.
158 **VOTE: 6-0-1**
EXCUSED: 1 - Wirth
Chair Krummel **Hearing no objection, declares the motion CARRIED.**
165 Rep. Prozanski **MOTION: Moves HB 2132 to the floor with a DO PASS AS AMENDED recommendation.**
168 **VOTE: 6-0-1**
EXCUSED: 1 - Wirth
Chair Krummel **Hearing no objection, declares the motion CARRIED. REP. KITTS will lead discussion on the floor.**
179 Chair Krummel Closes work session on HB 2132. Opens public hearing on HB 2140.

HB 2140 PUBLIC HEARING

186 Patrick Brennan Reads SMS.
Chair Krummel Asks question concerning the action of the amendment.

199 Brennan Explains the amendment.

211 Roy Turnbaugh Office of the Secretary of State. Submits written testimony (**EXHIBIT A**).
Testifies in support of HB 2140. Explains bill further.

232 Chair Krummel Thanks the witness. Closes public hearing on HB 2140. Opens public hearing on HB 2170.

HB 2170 PUBLIC HEARING

260 Jack Kenny Deputy Director of Housing and Community Services. Submits written testimony (**EXHIBIT B**). Testifies in support of HB 2170.

283 Rep. Nelson Voices concern as to why ombudsman program is not functioning according to the way it was established.

295 Kenny Responds that historically the program was meant to provide neutral assistance and support. Adds that if it were indeed an ombudsman the neutrality would be taken away.

321 Rep. Nelson Inquires as to why the word “ombudsman” is kept, as it is a misnomer.

329 Kenny Explains that HB 2170 no longer maintains the word “ombudsman” but changes program to “manufactured dwelling park community relations office”.

336 Rep. Nelson Asks if the entire district requires that change.

341 Kenny Affirms.

350 Rep. Nelson Comments on the need for the word “ombudsman”. Reiterates necessity for the terms and lists reasons. Questions necessity according to her understanding of the position.

371 Kenny Acknowledges that although Rep. Nelson is raising valid points, they are not relevant to his particular agency or addressed in this bill. States that he does not desire to sidestep her issue. Suggests that a different bill would be needed to align name change with function.

409 Rep. Prozanski Inquires if the department believes the current listing is a misnomer that misleads the public as to what the agency does.

420 Kenny Answers he is correct.

425 Chair Krummel Comments on the clarification. Closes public hearing and opens work session on HB 2170

445 Rep. Nelson States her desire to be positive, but recommends that the committee postpone its decision until full consideration is given to the affects of this bill on ombudsmen. Restates her concern as to who may fill this position.

471 Rep. Prozanski Responds to Rep. Nelson. Raises question concerning the referral of HB 2170 to Ways and Means as there appears to be no reflection of fiscal impact.

TAPE 3,A

005 Rep. Prozanski Continues discussion of HB 2170.

061	Chair Krummel	Remarks that he has been asked to remove the subsequent referral to Ways and Means.
064	Rep. Mabrey	Comments on the misleading nature of the term. Agrees with Rep. Nelson that it is a misnomer.
075	Rep. Nelson	Asks if the committee would consider amending the bill. Asks if Jack Kenny will return and further complete testimony.
082	Chair Krummel	Invites Jack Kenny to return and testify.
090	Jack Kenny	Responds to Rep. Nelson that an amendment would change the character of this particular program. Believes changes are a larger policy discussion.
109	Rep. Avakian	Inquires as to what distinguishes the office from an ombudsman.
113	Kenny	Explains that an ombudsman is an advocate for people who have been violated of state law and the states they would be. Believes they would lose neutral ground in the relationship and that this would take away the element of trust they enjoy.
131	Rep. Prozanski	Asserts that if ombudsman existed within the department it would change the department. Assumes that if they did so they would need advocates and that would require additional funds.
150	Kenny	Affirms statement.
152	Rep. Nelson	Conveys this issue is of great importance to her constituents. Asks who the ombudsman will be when this bill takes effect. Asks when the bill takes effect.
155	Patrick Brennan	Committee Administrator states it will take effect January 1, 2004
156	Rep. Nelson	Hopes he will establish a bill so that these people have an ombudsman.
166	Kenny	Remarks he would be happy to develop new bill if it interests the committee.
168	Chair Krummel	Provides history of program. Explains agreement as to how program would function. Believes the program functions well.
197	Rep. Nelson	Asks Mr. Kenny if funds could be located for an ombudsman. Provides that an ombudsman offers legal aide to those who cannot afford an attorney.
219	Chair Krummel	Closes public hearing and opens work session on HB 2170.

HB 2170 WORK SESSION

221	Rep. Prozanski	MOTION: Moves HB 2170 to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
		recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
223		VOTE: 6-0-1
		EXCUSED: 1 - Kitts
	Chair Krummel	Hearing no objection, declares the motion CARRIED. REP. MABREY will lead discussion on the floor.
240	Chair Krummel	Closes work session on HB 2170. Opens work session on HB 2140.

HB 2140 WORK SESSION

260 Rep. Prozanski **MOTION: Moves HB 2140 to the floor with a DO PASS AS AMENDED Recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.**

275 **VOTE: 6-0**

EXCUSED: 1 - Kitts

Chair Krummel Hearing no objection, declares the motion CARRIED. REP. WIRTH will lead discussion on the floor.

295 Chair Krummel Closes work session on HB 2140. Opens public hearing on HB 2175.

HB 2175 PUBLIC HEARING

314 Col. Mike Caldwell Deputy Director, Oregon Military Department (OMD). Testifies in support of HB 2175. Provides written testimony (**EXHIBIT C**).

355 Rep. Wirth Questions the language regarding the armory.

365 Caldwell Responds the language is clarify the definition of the armory as some things that fall in the current category are not actually armories.

390 Rep. Wirth Asks if changing this definition could render the armory unusable in its current form.

403 Caldwell States he does not foresee that at all.

418 Rep. Kitts Thanks Col. Caldwell. Asks for rough estimate as to how many facilities to which this currently applies.

427 Caldwell Replies thirty-eight armories, three major training areas, two air bases and two camps. States they are a large agency with regard to real estate.

TAPE 2, B

005 Caldwell Continues to answer question.

039 Rep. Mabrey Inquires if the measure would change any provision of the property itself.

043 Caldwell States that the bill would change nothing about the property.

046 Rep. Nelson Thanks Col. Caldwell for security and freedom. Asks if he could provide information as to the total owned property of the guard.

055 Caldwell Responds that he would be happy to provide that information.

- 059 Rep. Nelson Asks if facilities are shared between military branches.
- 064 Caldwell Affirms.
- 066 Rep. Nelson Wonders if facilities could be used for educational programs.
- 070 Caldwell Provides that the Youth Challenge Program in Bend is an example of that.
- 089 Rep. Nelson Asks if Col. Caldwell would consider assisting to draft a bill that would expand the use of facilities for drop outs.
- 094 Caldwell States that he is more than willing to take on that challenge. Adds that the problem is not the facilities themselves, but the money necessary to run those facilities.
- 111 Chair Krummel Closes public hearing and opens work session on HB 2175.

HB 2175 WORK SESSION

- 113 Rep. Prozanski **MOTION: Moves HB 2175 to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED. recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.**
- 115 Chair Krummel **VOTE: 7-0**
Hearing no objection, declares the motion CARRIED. REP. NELSON will lead discussion on the floor.
- 125 Chair Krummel States this is the extent of the bills.
- 135 Rep. Nelson **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. NELSON to BE RECORDED as voting AYE on HB 2052.**

- 140 Chair Krummel **VOTE: 7-0**
Hearing no objection, declares the motion CARRIED.

- 159 Chair Krummel Closes work session on HB 2052. Opens informational meeting on local government issues.

INFORMATIONAL MEETING ON LOCAL GOVERNMENT ISSUES

- 163 Ken Strobeck Executive Director, League of Oregon Cities (LOC). Gives statistics and information on various Oregon cities. States purpose of LOC. Overviews written testimony.

271	Mayor Helen Berg	Mayor of Corvallis. States the impact of economic downfall has been severe. Adds that unless the money to provide the services is available, they cannot perform their jobs. Stresses that fiscal “challenges” are in the area of operating funds, not in the area of capital. Invites questions.
371	Rep. Wirth	Inquires as to the expectations of the Mayor for this session and of her idea of the impact of last session.
388	Berg	Answers request.
TAPE 3,B		
006	Berg	Continues testimony. Provides that franchise fees are the second largest source of income in Corvallis.
017	Strobeck	Comments on the negative affect of the inability of cities to charge fees on local government.
031	Rep. Nelson	Inquires as to the burden of the Public Employee Retirement System (PERS) on cities.
035	Strobeck	Responds it is exceptionally large. States PERS is crippling cities and has caused layoffs in order for cities to pay the benefits.
044	Rep. Nelson	Asks if statistics of this are available.
050	Strobeck	Responds that each member will receive a legislative directory with information on each city.
054	Rep. Nelson	Wonders if there could be surveys that would show the types of economic development cities desire.
067	Strobeck	Answers that he would be happy to follow up on that issue. Adds that infrastructure needs to be adequate as well.
075	Rep. Nelson	Points out that Mayor Berg should auction abandoned belongings of Oregon State University (OSU) students.
084	Mayor Berg	Responds she had not considered that. Explains that non-profit agencies do take advantage of recycling said belongings.
092	Rep. Mabrey	Points out the valuable nature of LOC. States they perform a function that is less costly than if it were the state’s responsibility. Submits that the legislature has created a burden. Expresses desire to preclude predation of local funding.
122	Chair Krummel	Refers to (EXHIBIT D) . Asks what cities view as essential government services.
139	Strobeck	Explains they see them as whatever local residents ask them to provide.
145	Berg	Thanks the chair for asking that question. Lists the police departments, fire departments, libraries, and parks as essential. Indicates that for every possible fee they can charge, they do in order to relieve the property tax burdens on communities. Turns to Rep Mabrey’s earlier comments .
165	Chair Krummel	Comments on the difference is essential services at the state and local levels.
178	Tony Hyde	Columbia County Commissioner, President of Associated Oregon Counties (AOC). Provides statistics on Oregon Counties. Details life in six Oregon counties.
286	Hyde	Refers to packet (EXHIBIT E) . Points out that government serves the same cities. Details shared state-county services. Explains he has included those the AOC felt were most important. Indicates the desire of the AOC to work with the legislature.

338 Bob Cantine AOC. Provides overview of revenue in Oregon counties and its expenditure. States that services and revenue are interwoven.

TAPE 4,A

005 Cantine Continues presentation.

026 Tony Hyde Understands the economic reality in Oregon currently. Expresses they have endured painful cuts as well. Invites questions.

063 Rep. Prozanski Asks if they can address action counties are taking on SB 1145 and related funding.

070 Hyde Commits to get back to them on that issue.

077 Rep. Nelson Thanks everyone. Tells of her goal to eliminate unfunded mandates. Expresses desire to hear from them if they encounter these. Adds she wishes to know what counties can do to be self-sufficient. Reiterates she would like to know what kinds of economic development counties are ripe for.

105 Rep. Mabrey Comments on Rep. Nelson's statement.

123 Rep. Nelson Expresses concern with regard to state action on issues of mental health and security.

137 Hyde Remarks with regard to Rep. Nelson's earlier comments on the separation of county and state governments stating he finds it ultimately impossible, and restates the AOC is not advocating that, and reiterates that is not something counties want. States his hesitation to respond in any other way.

150 Rep. Nelson Clarifies, asks how county services can be made efficient without the burden of the state.

159 Hyde Responds that block grants are helpful in allowing counties flexibility as well as limiting state investment in overhead.

162 Chair Krummel Inquires how much state agencies withhold in terms of administrative costs when an agency is not involved in providing the service the county provides.

174 Cantine Answers that this varies by agency. Adds that although this is not the best analysis, the figure is in the eight-to-ten percent range in addition to overhead costs from the program. Provides that the Department of Corrections (DOC) as an example of an agency with clean overhead costs.

197 Chair Krummel States he shares the concerns Rep. Prozanski voiced earlier.

200 Cantine Comments that the budget they have currently says the state will no longer fund 8,000 offenders.

209 Chair Krummel States this is why he was not in favor of SB 1145 when it came up. Requests information on state and federally qualified Medicare and Medicaid providers and the types of services that they provide. Comments on the expectation of counties in reimbursement.

240 Hyde Reiterates that services will disappear as budget issues worsen.

256 Rep. Nelson Voices concern about the Governor's role in releasing the imprisoned.

266 Chair Krummel Identifies that his understanding is that sentences will have to be completed although the DOC can modify behavioral corrections ending in early release. Comments that because there is no money to carry out services, the counties are left responsible when prisoners are released.

296 Rep. Nelson Expresses distress as to the inability of the treasury to reserve funds.

311 Chair Thanks audience and presenters. Closes informational meeting. Adjourns at
 Krummel 10:47 AM.

EXHIBIT SUMMARY

- A – HB 2140, prepared testimony, Roy Turnbaugh, 1 p 1**
- B – HB 2170, prepared testimony, Jack Kenny, 2 pp**
- C – HB 2175, prepared testimony, Colonel Mike Caldwell, 2 pp**
- D – Informational, (LOC), Ken Strobeck, 47 pp**
- E – Informational, (AOC), Tony Hyde, 15 pp**