

HOUSE COMMITTEE ON WATER

March 25, 2003 Hearing Room B
8:30 AM Tape 42 - 43

MEMBERS PRESENT: Rep. Bob Jenson, Chair
Rep. Jackie Dingfelder, Vice-Chair
Rep. Jeff Kropf, Vice-Chair
Rep. Linda Flores
Rep. Jeff Kruse
Rep. Mike Schaufler
Rep. Carolyn Tomei

STAFF PRESENT: Pete Test, Committee Administrator
Ryan Sherlock, Committee Assistant

MEASURE/ISSUES HEARD: HB 2473 – WORK SESSION
HB 2227 – WORK SESSION
HB 2268 – PUBLIC HEARING AND WORK SESSION
HB 2895 – PUBLIC HEARING
HB 3006 – PUBLIC HEARING
HB 2293 – PUBLIC HEARING
HB 2360 – PUBLIC HEARING
HB 2364 – PUBLIC HEARING
HB 2457 – PUBLIC HEARING
HB 2606 – PUBLIC HEARING
HB 2659 – PUBLIC HEARING
HB 2688 – PUBLIC HEARING
HB 2887 – PUBLIC HEARING
HB 2977 – PUBLIC HEARING
HB 2991 – PUBLIC HEARING
HB 3047 – PUBLIC HEARING
HB 3094 – PUBLIC HEARING
HB 3201 – PUBLIC HEARING
HB 3202 – PUBLIC HEARING
HB 3204 – PUBLIC HEARING
HB 3205 – PUBLIC HEARING
HB 3215 – PUBLIC HEARING
HB 3216 – PUBLIC HEARING
HB 3217 – PUBLIC HEARING
HB 3220 – PUBLIC HEARING
HB 3297 – PUBLIC HEARING
HB 3249 – PUBLIC HEARING
HB 3261 – PUBLIC HEARING
HB 3281 – PUBLIC HEARING
HB 3295 – PUBLIC HEARING
HB 3298 – PUBLIC HEARING
HB 3309 – PUBLIC HEARING

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<u>TAPE 42, A</u>		
003	Chair Jenson	Calls meeting to order at 8:38 a.m., and discusses the intent of the hearing today. Opens a work session on HB 2473.
<u>HB 2473 – WORK SESSION</u>		
020	Pete Test Chair Jenson	Committee Administrator. Offers a description of HB 2473. Asks if there anyone would like to submit testimony regarding HB 2473, closes the work session on HB 2473, and opens a work session on HB 2227.
<u>HB 2227 – WORK SESSION</u>		
045	Pete Test	Committee Administrator. Offers a description of HB 2227, and the proposed -1 amendment (EXHIBIT A).
065	Lee Beyer	Public Utilities Commission (PUC), Commissioner. Offers testimony in support of HB 2777 and the proposed -1 amendment.
075	Rep. Kruse	MOTION: Moves to ADOPT HB 2227-1 amendments dated 03/12/03.
		VOTE: 7-0
		Hearing no objection, declares the motion CARRIED.
080	Chair Jenson Rep. Kruse	MOTION: Moves HB 2227 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 7-0
		AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
090	Chair Jenson Rep. Kruse	MOTION: Moves HB 2227 be placed on the CONSENT CALENDAR.
		VOTE: 7-0
		Hearing no objection, declares the motion CARRIED.
095	Chair Jenson Chair Jenson	Closes the work session on HB 2227, and opens a public hearing on HB 2268.
<u>HB 2268 – PUBLIC HEARING</u>		
105	Pete Test	Committee Administrator. Offers a description of HB 2268, and the proposed -3 amendment (EXHIBIT B).
115	Adam Sussman	Water Resources Department (WRD), Legislative Director. Introduces and defers to Mr. Cleary.
120	Paul Cleary	Water Resources Department, Director. Offers written testimony (EXHIBIT C) in support of HB 2268.
195	Chair Jenson	Asks how the bill dealing with the WRD fees which has already been passed out of committee relates to HB 2268.
210	Cleary	Offers an explanation for the relationship between the two issues.
230	Chair Jenson	Clarifies that the department is not experiencing a loss in revenues.
235	Cleary	Acknowledges
240	Rep. Flores	Asks what the Full Time Employee (FTE) number is for the whole department.
245	Cleary	Indicates the number of FTE's at the department totals 144. Continues with testimony.
330	Rep. Dingfelder	Asks in regards to the dedicated funds, whether the Water Right Operating Fund would pay all the permits.
340	Cleary	Explains that the mix of funds would remain relatively constant, and further discusses the issue of funding.
350	Rep. Dingfelder	Asks what percentage of the start card is funded by fees versus

355 Cleary general funds.
Explains that the well inspection program is totally funded through start card fees, and discusses the use of general funds.

365 Rep. Kropf Refers to previously submitted testimony from the witness in a prior hearing, and asks about figures in that testimony.

370 Cleary Offers an explanation for those costs as outlined in the testimony.

390 Rep. Kropf Asks if he could be provided with cost breakdowns.

395 Cleary Indicates that he will get those figures for the Representative, and continues with testimony.

TAPE 43, A

020 Rep. Dingfelder Clarifies that the proposal is to increase the fees for the start card program, and put on hold the current schedule.

025 Cleary Further explains the proposal, including discussion of the timeline. Points out that the line items will be discussed in the Committee on Ways and Means.

040 Rep. Dingfelder Asks about the proposed work group.

045 Cleary Discusses the intent of the work group

050 Rep. Schaufler Asks for clarification of the fees in relation to the cost of the program.

055 Cleary Explains the relationship between the proposed fee and the cost of the program.

080 Sussman Offers description of the proposed -3 amendment.

095 Chair Jenson Clarifies the definition of “public benefit.”

100 Sussman Gives a definition of “public benefit” and continues discussing the -3 amendment.

165 Chair Jenson Clarifies that the fees for the start card fund will be depleted before October.

175 Jerry Schmidt Oregon Ground Water Association. Offers written testimony (**EXHIBIT D**) regarding HB 2268, and the proposed -1 amendment (**EXHIBIT E**).

200 Cleary Agrees that the department has a number of tools, and discusses the intent of the amendment.

220 Chair Jenson Closes the public hearing on HB 2268, and opens a work session on HB 2268.

HB 2268 – WORK SESSION

225 Rep. Dingfelder **MOTION: Moves to ADOPT HB 2268-1 amendments dated 03/18/03.**

230 **VOTE: 7-0**

Chair Jenson **Hearing no objection, declares the motion CARRIED.**

235 Rep. Dingfelder **MOTION: Moves to ADOPT HB 2268-3 amendments dated 03/25/03.**

240 **VOTE: 7-0**

Chair Jenson **Hearing no objection, declares the motion CARRIED.**

245 Rep. Dingfelder **MOTION: Moves HB 2268 AS AMENDED, WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.**

255 Rep. Kruse Expresses his intent to vote NO on HB 2268, and discusses his concerns for the convolution of water laws in the State.

285 Rep. Kropf Expresses his intent to vote NO on HB 2268, explaining his disinterest to add more FTE’s to the state payroll, the lack of efficiency in the agency, but expresses his concerns for the lack of funding for the start card program.

380 Rep. Dingfelder Expresses her concerns for the complexity of western water laws, but expresses her interest in seeing the start card program funded properly.

TAPE 42, B

Chair Jenson Discusses his concerns regarding water laws, but questions the simplicity of other state statutes. Points out that the start card fee needs to be addressed, and will be addressed in Ways and Means.

060

VOTE: 5-2

AYE: 5 - Dingfelder, Flores, Schaufler, Tomei, Jenson

NAY: 2 - Kropf, Kruse

The motion CARRIES.

Chair Jenson

070

Chair Jenson

Closes the work session on HB 2268, and opens a public hearing on HB 2895.

HB 2895 – PUBLIC HEARING

075

Pete Test

Committee Administrator. Offers a description of HB 2895.

080

Cathy Polino

Secretary of State, Audits Division. Offers testimony regarding HB 2895.

125

Rep. Kruse

Asks whether the Audits Division has expertise in water issues and programs, or whether the division would need to out source for that information.

135

Polino

Explains that the Audits Division does have some expertise in the area, but whether that expertise is enough depends on the scope of the audit.

145

Chair Jenson

Ask why the costs presented are higher than those charged by the private sector.

150

Polino

Discusses the costs of the audits.

165

Chair Jenson

Comments on the costs of such audits.

175

Rep. Kropf

Asks where the estimations of the cost come from.

185

Polino

Explains how the projected figures were come by.

200

Ted Lorensen

Oregon Department of Forestry. Offers written testimony **(EXHIBIT F)** in opposition to HB 2895.

230

Chair Jenson

Asks whether there is a cots associated with the audit.

235

Lorensen

Explains that the cost is a half million per biennium for the monitoring program, and continues with testimony.

275

Matt Blevins

Oregon Environmental Council. Offers written testimony **(EXHIBIT G)** in support of HB 2895.

340

Rep. Kropf

Ask which programs Mr. Blevins sees as operating inefficiently or not accomplishing its goals.

245

Blevins

Explains that he does not have specific numbers, and discusses those programs which are underperforming.

255

Rep. Kropf

Clarifies his question that with their current budget, which programs are underperforming.

260

Blevins

Refers to the Water Permit Program and questions its effectiveness.

270

Sussman

Water Resources Department. Offers written testimony **(EXHIBIT H)** in opposition to HB 2895.

280

Kropf

Recognizes the severity of the states budgetary concerns, and expresses the importance of auditing, and asks what current measures are in place to make agencies accountable.

TAPE 43, B

030

Sussman

Discusses the Water Resources Department's interactions with stakeholders which help to keep the agency honest.

055	Rep. Schaufler	Expresses his concerns for increasing the bureaucracy in the state.
070	Rep. Kruse	Expresses his concern for increasing the level of audits.
080	Chair Jenson	Enters written testimony from the Department of Environmental Quality (EXHIBIT I), and the Oregon Watershed Enhancement Board (EXHIBIT J). Closes the public hearing on HB 2895, opens a public hearing on HB 3006.
<u>HB 3006 - PUBLIC HEARING</u>		
094	Chair Jenson	Closes the public hearing on HB 3006, opens a public hearing on HB 2293.
<u>HB 2293 - PUBLIC HEARING</u>		
096	Chair Jenson	Closes the public hearing on HB 2293, opens a public hearing on HB 2360.
<u>HB 2360 - PUBLIC HEARING</u>		
098	Chair Jenson	Closes the public hearing on HB 2360, opens a public hearing on HB 2364.
<u>HB 2364 - PUBLIC HEARING</u>		
100	Chair Jenson	Closes the public hearing on HB 2364, opens a public hearing on HB 2457.
<u>HB 2457 - PUBLIC HEARING</u>		
102	Chair Jenson	Closes the public hearing on HB 2457, opens a public hearing on HB 2606.
<u>HB 2606 - PUBLIC HEARING</u>		
104	Chair Jenson	Closes the public hearing on HB 2606, opens a public hearing on HB 2659.
<u>HB 2659 - PUBLIC HEARING</u>		
106	Chair Jenson	Closes the public hearing on HB 2659, opens a public hearing on HB 2688.
<u>HB 2688 - PUBLIC HEARING</u>		
108	Chair Jenson	Closes the public hearing on HB 2688, opens a public hearing on HB 2887.
<u>HB 2887 - PUBLIC HEARING</u>		
110	Chair Jenson	Closes the public hearing on HB 2887, opens a public hearing on HB 2977.
<u>HB 2977 - PUBLIC HEARING</u>		
112	Chair Jenson	Closes the public hearing on HB 2977, opens a public hearing on HB 2991.
<u>HB 2991 - PUBLIC HEARING</u>		
114	Chair Jenson	Closes the public hearing on HB 2991, opens a public hearing on HB 3047.
<u>HB 3047 - PUBLIC HEARING</u>		
116	Chair Jenson	Closes the public hearing on HB 3047, opens a public hearing on HB 3094.
<u>HB 3094 - PUBLIC HEARING</u>		
118	Chair Jenson	Closes the public hearing on HB 3094, opens a public hearing on HB 3201.
<u>HB 3201 - PUBLIC HEARING</u>		
120	Chair Jenson	Closes the public hearing on HB 3201, opens a public hearing on HB 3202.
<u>HB 3202 - PUBLIC HEARING</u>		
122	Chair Jenson	Closes the public hearing on HB 3202, opens a public hearing on HB 3204.
<u>HB 3204 - PUBLIC HEARING</u>		
124	Chair Jenson	Closes the public hearing on HB 3204, opens a public hearing on

HB 3205 - PUBLIC HEARING

126 Chair Jenson

HB 3205.

Closes the public hearing on HB 3205, opens a public hearing on HB 3215.

HB 3215 - PUBLIC HEARING

128 Chair Jenson

Closes the public hearing on HB 3215, opens a public hearing on HB 3216.

HB 3216 - PUBLIC HEARING

130 Chair Jenson

Closes the public hearing on HB 3216, opens a public hearing on HB 3217.

HB 3217 - PUBLIC HEARING

132 Chair Jenson

Closes the public hearing on HB 3217, opens a public hearing on HB 3220.

HB 3220 - PUBLIC HEARING

134 Chair Jenson

Closes the public hearing on HB 3220, opens a public hearing on HB 3297.

HB 3297 - PUBLIC HEARING

136 Chair Jenson

Closes the public hearing on HB 3297, opens a public hearing on HB 3249.

HB 3249 - PUBLIC HEARING

138 Chair Jenson

Closes the public hearing on HB 3249, opens a public hearing on HB 3261.

HB 3261 - PUBLIC HEARING

140 Chair Jenson

Closes the public hearing on HB 3261, opens a public hearing on HB 3281.

HB 3281 - PUBLIC HEARING

142 Chair Jenson

Closes the public hearing on HB 3281, opens a public hearing on HB 3295.

HB 3295 - PUBLIC HEARING

144 Chair Jenson

Closes the public hearing on HB 3295, opens a public hearing on HB 3298.

HB 3298 - PUBLIC HEARING

146 Chair Jenson

Closes the public hearing on HB 3298, opens a public hearing on HB 3309.

HB 3309 - PUBLIC HEARING

148 Chair Jenson

Closes the public hearing on HB 3309, and adjourns the meeting at 10:09 a.m.

EXHIBIT SUMMARY

- A – HB 2227, -1 amendment, Staff, 3 pp.**
- B – HB 2268, -3 amendment, Staff, 8 pp.**
- C – HB 2268, written testimony, Paul Cleary, 14 pp.**
- D – HB 2268, written testimony, Jerry Schmidt, 2 pp.**
- E – HB 2268, -1 amendment, Jerry Schmidt, 1 p.**
- F – HB 2268, written testimony, Ted Lorensen, 17 pp.**
- G – HB 2268, written testimony, Matt Blevins, 2 pp.**
- H – HB 2895, written testimony, Adam Sussman, 1 p.**
- I – HB 2895, written testimony, Mike Llewelyn, 1 p.**
- J – HB 2895, written testimony, Staff, 1 p.**