

HOUSE COMMITTEE ON WATER

April 15, 2003 Hearing Room B
8:00 AM Tape 61 - 64

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

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

MEASURE/ISSUES HEARD: HB 2459 – Work Session
 HB 2255 – Work Session
 HB 2515 – Work Session
 HB 3620 – Work Session
 HB 3616 – Work Session
 HB 3534 – Work Session
 HB 2253 – Work Session
 HB 2431 – Work Session
 HB 2364 – Work Session
 HB 2459 – Work Session

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 61, A		
003	Chair Jenson	Calls meeting to order at 8:14 a.m.
005	Chair Jenson	MOTION: Moves to SUSPEND the rules for the purpose of reconsidering the vote by which HB 2459 was sent to the floor.
		VOTE: 5-0
		EXCUSED: 2 - Kruse, Kropf
	Chair Jenson	Hearing no objection, declares the motion CARRIED.
010	Chair Jenson	Opens a work session on HB 2459.
<u>HB 2459 – WORK SESSION</u>		
010	Chair Jenson	MOTION: Moves to RECONSIDER the vote by which HB 2459 was sent to the floor.
015		VOTE: 5-0
		EXCUSED: 2 - Kruse, Kropf
	Chair Jenson	Hearing no objection, declares the motion CARRIED.
020	Pete Test	Committee Administrator. Offers description of HB 2459, the proposed -1 amendments (EXHIBIT A), and the issued fiscal statement (EXHIBIT B).
030	Chair Jenson	Recesses the work session on HB 2459, and opens a work

HB 2255 – WORK SESSION

035	Pete Test	session on HB 2255.
040	Chair Jenson	Committee Administrator. Offers a description of HB 2255, and the proposed -2 amendments (EXHIBIT C).
RECESS		
041	Chair Jenson	Recesses the meeting.
045	Rep. Tomei	Calls meeting back to order.
		MOTION: Moves to ADOPT HB 2255-2 amendments dated 04/14/03.
		VOTE: 6-0
		EXCUSED: 1 - Kropf
		Hearing no objection, declares the motion CARRIED.
050	Chair Jenson Rep. Tomei	MOTION: Moves HB 2255 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
055	Chair Jenson	Points out that there was dissention on the measure during initial discussion, and outlines the attempt to reconcile those concerns.
065		VOTE: 6-0
		AYE: In a roll call vote, all members present vote Aye.
	Chair Jenson	EXCUSED: 1 - Kropf
070	Chair Jenson	The motion CARRIES.
		Closes the work session on HB 2255, and opens a work session on HB 2515.

2515 – WORK SESSION

075	Chair Jenson	Closes the work session on HB 2515, and opens a work session on HB 3620.
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3620 – WORK SESSION

080	Pete Test	Committee Administrator. Offers a description of HB 3620.
085	Chair Jenson	Comments on the significance of the bill, but points out the rather large fiscal impact, which might be mitigated through amendments.
100	Keith Leavitt	Port of Portland. Offers testimony in support of HB 3620
140	Chair Jenson	Comments on the timeframe for the meeting, and asks what the major issue is with the fiscal.
145	Leavitt	Comments on the fiscal impact of the bill, and how the proposed amendments would address and eliminate this impact.
155	Chair Jenson	Asks how specific standards would be met without enforcement by the Division of Environmental Quality.
160	Leavitt	Comments on the need for enforcement regarding the issue.
175	Chair Jenson	Indicates the Chair's awareness of the importance of the issue.
185	Rep. Kruse	Asks whether it would make sense to keep standards uniform with the other western states.
195	Mark Systma	Portland State University. Offers testimony in support of HB 3620, with comments on the uniformity of the standards.
210	Chair Jenson	Asks whether there is a representative of the DEQ present to testify.
215	Systma	Explains that the DEQ representative is coming shortly with the amendments.
220	Bob Danko	Department of Environmental Quality. Introduces the intent of the proposed amendments, and outlines the changes which those amendments would introduce.
240	Chair Jenson	Clarifies that with the three mentioned changes the fiscal impact

of the bill would be eliminated.

245 Danko Acknowledges, that with those changes the fiscal impact would be mitigated.

250 Rep. Schaufler Asks who would pay for the new standards if the DEQ did not.

255 Danko Comments on the task force's work on the issue, with each party paying for their participation, and staffing provided through federal grants and Portland State University.

260 Rep. Dingfelder Asks whether the Task Force membership would change at all.

265 Danko Recalls that there would be no change in the membership of the task force.

270 Chair Jenson Explains that there will be a work session held on HB 3629 next Thursday. Closes the work session on HB 3620, and opens a work session on HB 3616.

HB 3616 – WORK SESSION

300 Pete Test Committee Administrator. Offers a description of HB 3616, and the proposed -1 amendments (**EXHIBIT D**).

310 Chair Jenson Recognizes the lack of time to consider the -1 amendments to HB 3616. Closes the work session on HB 3616, and opens a work session on HB 3534.

HB 3534 – WORK SESSION

330 Pete Test Committee Administrator. Offers a description of HB 3534.

340 Rep. Wayne Krieger House District 1. Offers testimony in support of HB 3534, and introduces the proposed -3 amendments (**EXHIBIT E**) which affectively rewrite the entire bill.

400 Jim Myron Governor's Office. Indicates his support for the bill with the -3 amendments. Points out that the staffing of the work group would not cause a fiscal impact because the indicated agencies are already involved.

420 Rep. Tomei Asks about a specific provisions in the original bill which would remove the Territorial Sea Plan, and asks whether this provision would still be apart of the bill with the -3 amendments.

425 Rep. Krieger Indicates that this provision has been removed by the -3 amendments, and further discusses the issue.

435 Rep. Tomei Asks whether the administration of the program would still be transferred from the Department of Land, Conservation, and Development (LCDC).

TAPE 62, A

035 Rep. Krieger Comments on the involvement of the LCDC.

040 Rep. Schaufler Asks whether the deletions in the amendments were in the original bill.

045 Rep. Krieger Discusses the deletions in question.

055 Rep. Schaufler Expresses his concern with being rushed on the bill.

060 Chair Jenson Discusses the need for expedience on the bill. Thanks Rep. Krieger for his hard work on the bill.

065 Rep. Krieger Thanks the Chair.

070 Jim Myron Thanks all those who worked on the bill.

075 Chair Jenson Thanks the Governor's office for their work on the bill.

080 Rep. Kruse MOTION: Moves to ADOPT HB 3534-3 amendments dated 04/14/03.

VOTE: 6-0

EXCUSED: 1 - Kropf

Chair Jenson Hearing no objection, declares the motion CARRIED.

085 Rep. Kruse MOTION: Moves HB 3534 to the floor with a DO PASS AS

090

Chair Jenson

AMENDED recommendation.

VOTE: 6-0

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Kropf

The motion CARRIES.

REP. KRIEGER will lead discussion on the floor.

095

Rep. Krieger

Thanks the committee for their time.

100

Chair Jenson

Closes the work session on HB 3534, and opens a work session on HB 3616.

HB 3616 – WORK SESSION

105

Chair Jenson

Asks the witnesses to comment on the bill.

115

Mike Barsotti

Oregon Department of Forestry. Offers a written overview **(EXHIBIT F)** HB 3616, with reference to the Conservation Incentives Work Group: Report to the 72nd Legislative Assembly **(EXHIBIT G)**.

140

Sara Vickerman

Defenders of Wildlife. Offers testimony in support of HB 3616.

170

Ray Jandl

Oregon Department of Agriculture. Offers testimony regarding HB 3616.

200

Jean Wilkinson

Oregon Farm Bureau. Offers testimony regarding HB 3616.

285

Katie Fast

Oregon Cattlemen’s Association. Offers testimony in opposition to HB 3616, expressing concern with the conservation easement.

325

Chair Jenson

Asks Ms. Vickerman to address Ms. Fast’s concerns.

330

Vickerman

Explains that she thinks these concerns are addressed in the amendments.

335

Chair Jenson

Asks whether those concerned could get together and discuss the issue.

340

Fast

Indicates she would be willing to meet with Ms. Vickerman.

345

Rep. Dingfelder

Clarifies that the conservation tools created by the bill would just be for those land owners who want to participate.

350

Jean Wilkinson

Acknowledges, but discusses her groups concerns with allowing any farmland for conservation easement.

395

Rep. Dingfelder

Clarifies that there are currently similar conservation tools available, and clarifies the concerns expressed by Ms. Wilkinson.

400

Wilkinson

Comments on the conservation tools mentioned by Rep. Dingfelder, and points out that easement might take farmland out of production permanently.

TAPE 61, B

010

Vickerman

Points out that conservation easement does not necessarily mean that the land will be taken out of production.

025

Wilkinson

Acknowledges Ms. Vickerman’s point, and points out the need for those concerned to come together and work on the issue.

030

Chair Jenson

Discusses his wish to see cooperation on the measure, and expresses concern for the dissention on the easement issue. Asks that an amendment be drafted which would remove the easement portion of the bill, which could be considered by the committee. Closes the work session on HB 3616, and opens a work session on HB 2253.

HB 2253 – WORK SESSION

065

Pete Test

Committee Administrator. Offers a description of HB 2253, and the proposed -2 amendments **(EXHIBIT H)**.

080

John Lilly

Division of State Lands. Offers testimony in support of HB 2253 and the proposed -2 amendments.

125

Rep. Dingfelder

Asks this would affect the amount of fees which would be

		collected by the Division.
130	Lilly	Comments on the fee collection and indicates the amount collected would be about the same.
145	Tom Quintal	Salem, Oregon. Offers written testimony (EXHIBIT I) in support of HB 2253 with the proposed -2 amendments. Introduces written testimony in support of the bill with the -2 amendments from: Don Hammer (EXHIBIT J), Mary Atkinson (EXHIBIT K), and Gary Schrader (EXHIBIT L).
175	Rep. Dingfelder	MOTION: Moves to ADOPT HB 2253-2 amendments dated 04/15/03.
		VOTE: 5-0
	Chair Jenson	EXCUSED: 2 - Kruse, Kropf
195	Rep. Dingfelder	Hearing no objection, declares the motion CARRIED.
		MOTION: Moves HB 2253 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
200		VOTE: 4-2
		AYE: 4 - Dingfelder, Flores, Schaufler, Tomei
		NAY: 2 - Kruse, Jenson
	Chair Jenson	EXCUSED: 1 - Kropf
		The motion CARRIES.
230	Chair Jenson	Closes the work session on HB 2253, and opens a work session on HB 2431.
<u>HB 2431 – WORK SESSION</u>		
235	Pete Test	Committee Administrator. Offers a description of HB 2431, and introduces the -5 amendments (EXHIBIT M) which effectively replace the original wording and intent of the bill.
265	Mel Stewart	Salem, Oregon. Offers written testimony (EXHIBIT N) in support of HB 2431, and the proposed -5 amendments.
330	John Lilly	Division of State Lands. Offers testimony regarding HB 2431 as amended by the proposed -5 amendments.
375	Stewart	Indicates he would support the proposed amendments as mentioned by Mr. Lilly.
390	Chair Jenson	Asks Mr. Stewart to meet further with Mr. Lilly on this issue.
400	Rep. Tomei	Asks Mr. Lilly to address the legal case mentioned by Mr. Stewart.
405	Lilly	Comments on the legal case in question.
TAPE 62, B		
010	Rep. Schaufler	Clarifies that many of the issues were taken care of during the last session, and asks how many applications the division processes each year, in the last four years, and how many of those applications are still contested.
020	Lilly	Comments on the number of applications and the number of those which are contested.
030	Rep. Schaufler	Asks whether the previously indicated timeline would help avoid some of the contested applications.
035	Lilly	Discusses the timeline in regards to contested applications.
040	Chair Jenson	Points out that Rep. Kropf is the sponsor of the bill, and asks him to comment on the proposed -5 amendments.
055	Rep. Kropf	Comments on the -5 amendments, indicating his support for the policy issues which are addressed by the amendments.
065	Chair Jenson	Closes the work session on HB 2431, and opens a work session

on HB 2364.

HB 2364 – WORK SESSION

075	Pete Test	Committee Administrator. Offers a description of HB 2364.
090	Glen Stonebrink	Oregon Cattleman’s Association. Offers testimony in support of HB 2364.
130	Vice-Chair Kropf	Asks Mr. Stonebrink to address the assumption process on the Senate side.
135	Stonebrink	Comments on the assumption process on the Senate side.
150	Liz Frenkel	League of Women Voters of Oregon. Offers testimony in opposition to HB 2364.
190	Rep. Dingfelder	Expresses her concerns regarding current court cases which deal with this issue.
200	Frenkel	Discusses those relevant court cases.
230	Ann Hanus	Division of State Lands, Director. Offers testimony in opposition to HB 2364.
270	Rep. Kropf	Asks whether Ms. Hanus agrees that the SB 404 Senate process is dead.
275	Hanus	Indicates that she believes the process for that bill is dead.
280	Rep. Kropf	Questions whether the failure of that bill would not affect this bill.
285	Hanus	Comments on the relationship between the two bills.
295	Rep. Kropf	Asks whether Ms. Hanus agrees that the bill would save money.
300	Hanus	Acknowledges, and discusses the possible savings.
325	Rep. Kropf	Points out that this bill would constitute a significant change. Discusses his current indecision regarding the bill.
355	Rep. Kruse	Points out certain aspects of the bill which he likes, but expresses concerns with some aspects of the bill.
390	Rep. Kropf	Expresses his appreciation for many aspects of Oregon’s wetland laws, but points out the burden which these laws can place on business in Oregon.

TAPE 63, A

005	Rep. Schaufler	Acknowledges that the permit process is confusing, and indicates his wish to see the process readdressed. However points out his concern with the bill as written.
010	Rep. Kruse	Clarifies that the bill has a subsequent referral to Ways and Means, and points out that most likely the bill would be sent to the subcommittee that Rep. G. Smith (one of the bills chief sponsors) sits on. Questions whether some of the controversial concerns could not be addressed in that committee.
025	Rep. Flores	Concurs with Rep. Kruse, expressing interest in sending the bill to Ways and Means.
030	Rep. Dingfelder	Points out the large amount of confusion in permitting rests with the federal program and not with the state program. Indicates her intention to vote NO on the bill.
060	Rep. Kropf	Points out that the Ways and Means subcommittee could spend more time on the bill.
065	Chair Jensen	Expresses his inclination to not move the bill forward today. Points out his sympathy for the intent of the bill, and discusses the relationship to the common school fund. Also discusses the issues expressed regarding the permitting process, but points out his concerns for the bill. Expresses his wish to see the issue readdressed during the interim. Enters written testimony (EXHIBIT O) from Scott Duckett, the Wetlands and Open Waterways Manager for the City of Eugene. Closes the work

session on HB 2364, and reopens the work session on HB 2459.

HB 2459 – WORK SESSION

140 Chair Jenson Points out that there are proposed amendments which would eliminate the fiscal impact of the bill.

155 Pete Test Committee Administrator. Offers an explanation of the proposed -1 amendment.

165 Rep. Kruse Points out that the amendment is consistent with the intent of the bill.

170 **Rep. Kruse** **MOTION: Moves to ADOPT HB 2459-1 amendments dated 04/14/03.**

Chair Jenson **VOTE: 7-0**

Rep. Kropf **Hearing no objection, declares the motion CARRIED.**

175 **MOTION: Moves HB 2459 to the floor with a DO PASS AS AMENDED recommendation.**

180 Rep. Dingfelder Expresses her intention to vote NO on the bill.

190 **Chair Jenson** **VOTE: 4-3**

Chair Jenson **AYE: 4 - Flores, Kropf, Kruse, Jenson**

195 Chair Jenson **NAY: 3 - Dingfelder, Schaufler, Tomei**

The motion CARRIES.

KRUSE will lead discussion on the floor.

Closes the work session on HB 2459, and reopens a work session on HB 2515.

HB 2515 – WORK SESSION

200 Pete Test Committee Administrator. Offers a description of HB 2515. Points out the bill's fiscal impact statement.

210 Rep. Kruse Points out the need to send HB 2515 to Ways and Means.

220 **Rep. Kruse** **MOTION: Moves HB 2515 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.**

230 Rep. Dingfelder Points out her past work on the issue, and support for the intent of the bill, but concerns with the funding as outlined in the bill. Expresses her intent to vote NO on the bill.

245 Rep. Schaufler Indicates his support for the intention, but concerns for the funding decision.

250 Rep. Kruse Points out the funding decision should not be decided by this committee, but rather by the Committee on Ways and Means.

255 Rep. Dingfelder Expresses concern for the policy of the funding.

265 Rep. Kropf Indicates his support for the policy and funding mechanism.

270 Rep. Kruse Comments on the relevant federal match program.

275 Rep. Flores Clarifies that Rep. Dingfelder is in opposition to her former colleague; Mr. McDonald.

285 Rep. Dingfelder Comments on hers and Mr. McDonald's dissenting opinions.

305 Chair Jenson Comments on the need for technical assistance which would be provided by HB 2515.

340 **Chair Jenson** **VOTE: 4-3**

Chair Jenson **AYE: 4 - Flores, Kropf, Kruse, Jenson**

Chair Jenson **NAY: 3 - Dingfelder, Schaufler, Tomei**

The motion CARRIES.

350 Chair Jenson Closes the work session on HB 2515, and calls William Hoetscher.

365 William Hoetscher Portland, Oregon. Offers testimony in support of the -5 amendments to HB 2431.

001	Hoetscher	Continues with testimony in support of the proposed -5 amendments to HB 2431.
040	Chair Jenson	Adjourns the meeting at 10:37 a.m.

EXHIBIT SUMMARY

- A – HB 2459, -1 amendments, Staff, 1 p.**
- B – HB 2459, fiscal impact statement, Staff, 2 pp.**
- C – HB 2255, -2 amendments, Staff, 2 pp.**
- D – HB 3616, -1 amendments, Staff, 12 pp.**
- E – HB 3534, -3 amendments, Rep. Krieger, 12 pp.**
- F – HB 3616, written overview, Mike Barsotti, 2 pp.**
- G – HB 3616, Conservation Incentives Work Group: Report to the 72nd Legislative Assembly, Mike Barsotti, 53 pp.**
- H – HB 2253, -2 amendments, Staff, 1 p.**
- I – HB 2253, written testimony, Tom Quintal, 1 p.**
- J – HB 2253, submitted testimony of Don Hammer, Tom Quintal, 1 p.**
- K – HB 2253, submitted testimony of Mary Atkinson, Tom Quintal, 1 p.**
- L – HB 2253, submitted testimony of Gary and Trudy Schrader, Tom Quintal, 1 p.**
- M – HB 2431, -5 amendments, Staff, 25 pp.**
- N – HB 2431, written testimony, Mel Stewart, 2 pp.**
- O – HB 2364, submitted letter, Staff, 1 p.**