

SENATE COMMITTEE ON
AGRICULTURE AND NATURAL RESOURCES

April 07, 2003
8:30 a.m.

Hearing Room B
Tapes 62 - 63

MEMBERS PRESENT: **Sen. Frank Shields, Chair**
 Sen. Roger Beyer, Vice-Chair
 Sen. Tony Corcoran
 Sen. Bill Fisher

STAFF PRESENT: **Judith Callens, Committee Administrator**
 Patricia Nielsen, Committee Assistant

MEASURE/ISSUES HEARD: **HB 2226A – Public Hearing and Work Session**
 SM 3 – Public Hearing and Work Session
 HB 2799 – Public Hearing and 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.

TAPE/#	Speaker	Comments
TAPE 62, A		
005	Chair Shields	Calls meeting to order at 8:33 a.m. Opens public hearing on HB 2226A.
<u>HB 2226A - PUBLIC HEARING</u>		
010	Judith Callens	Committee Administrator. Presents overview of HB 2226A, which eliminates exemption from utility regulation for water utilities that serve fewer than 300 customers.
020	Lee Beyer	Commissioner, Oregon Public Utility Commission (PUC). Testifies in support of HB 2226A. Submits written testimony (EXHIBIT A). Discusses need for streamlining regulation of small water utilities.
065	Sen. Fisher	Asks how many utilities are affected.
070	Rebecca Hathhorn	Manager, PUC Water Program. Responds annually there are fewer than a dozen.
080	Sen. Fisher	Asks about problems with those systems under PUC jurisdiction.
085	Hathhorn	Advises there are few problems.
090	Sen. Beyer	Asks about regulations covering the water utilities.
095	Hathhorn	Advises there are also Health Division rules.
100	Sen. Beyer	Inquires whether small utilities are subject to Health Division rules but not PUC rules, and whether this bill will change that.
105	Hathhorn	Responds all water companies are subject to Health Division rules.
110	Lee Beyer	Explains Health Division rules cover the safety of the water, and PUC rules also cover the water service, lines, and pressure. Adds that PUC is the enforcement arm of the Health Division for those regulated.
115	Sen. Beyer	Asks how this would affect small water districts which cannot afford full-time staff to follow Health Division rules.
120	Lee Beyer	Describes new standards in Clean Water Act affecting all water utilities. Discusses PUC efforts to assist in pricing.

145	Sen. Beyer	Comments on difficulty in meeting training requirements under Health Division rules. Asks if this will assist.
155	Lee Beyer	Answers this will neither help nor hurt those companies. Discusses federal water standards and regulation.
170	Sen. Fisher	Asks whether federal standards govern water companies with over 300 customers.
175	Lee Beyer	Responds they apply to any company which sells water.
180	Hathhorn	Explains the Health Division applies federal rules to water companies with over 15 connections. Clarifies HB 2226 would not apply to those outside PUC jurisdiction, but Health Division rules still apply.
195	Sen. Fisher	Relates anecdote on local water situation.
200	Lee Beyer	Responds HB 2226 should not affect those issues.
230	Lee Beyer	Explains the bill came from customers and small owners, to help streamline water supply in rural areas.
245	Chair Shields	Closes public hearing on HB 2226A. Opens work session on HB 2226A

HB 2226A – WORK SESSION

250	Sen. Beyer	MOTION: Moves HB 2226A to the floor with a DO PASS recommendation.
260	Sen. Beyer	Comments he will check with small water utilities in his area to make sure there are no objections.
275		VOTE: 4-0
277	Chair Shields	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
	Chair Shields	SEN. BEYER will lead discussion on the floor.
		Closes work session on HB 2226A. Opens public hearing on SM 3.

SM 3 – PUBLIC HEARING

280	Judith Callens	Committee Administrator. Presents overview of SM 3, which urges the President and Congress to support the continued success of the Bonneville Power Administration (BPA) as a federal power marketing agency.
300	Tom O'Connor	Oregon Municipal Electric Utilities (OMEU). Testifies in support of SM 3. Provides written testimony of Cindy Finlayson (EXHIBIT B). Explains that principal and interest for financing of the BPA and the Bonneville power system are being repaid by the ratepayers.
345	Robert VanNatta	Director, West Oregon Electric Cooperative (ORECA). Testifies in support of SM 3. Describes inappropriateness of proposal to charge market-based rates, because BPA owns all the power in the entire northwest. Describes congressional support from northwest delegation.
400	Chair Shields	Closes public hearing on SM 3. Opens work session on SM 3.

TAPE 63, A

SM 3 – WORK SESSION

014	Sen. Beyer	MOTION: Moves SM 3 be sent to the floor with a BE ADOPTED recommendation.
020		VOTE: 4-0
023	Chair Shields	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
025	Chair Shields	SEN. CORCORAN will lead discussion on the floor.
		Closes work session on SM 3. Opens public hearing on HB 2799.

HB 2799 – PUBLIC HEARING

030	Judith Callens	Committee Administrator. Presents overview HB 2799, which increases the amount of damages the State Fish and Wildlife Commission may obtain for the unlawful taking or killing of wildlife.
040	Al Elkins	Oregon Hunters Association. Testifies in support of HB 2799. Submits written testimony (EXHIBIT E). Describes activity of work group to update schedule of damages available.
060	Lindsay Ball	Director, Oregon Department of Fish and Wildlife. Testifies in support of HB 2799. Submits written testimony (EXHIBIT F). Discusses how fees and penalties have been assessed. Describes how current proposed values were reached, using inflationary factors.
090	Sen. Beyer	Asks about valuation of fish.
095	Ball	Describes.
100	Sen. Beyer	Asks where the money collected for fees goes.
105	Ball	Explains that values assigned to wildlife go into the ODFW operating budget.
125	Sen. Beyer	Suggests the assessment should go back to the species.
135	Ball	Responds the money is split evenly because it takes too much administrative time and cost to track.
140	Sen. Beyer	Asks about shellfish.
145	Ball	Explains they are not game fish.
150	Sen. Beyer	Asks whether shellfish become game fish if a license is required.
155	Ball	Answers no.
160	Phil Donovan	Oregon Guides and Packers Association; NW Steelheaders Association. Testifies in support and advises both association Boards support the measure.
180	Chair Shields	Closes public hearing on HB 2799. Opens work session on HB 2799.

HB 2799 – WORK SESSION

185	Sen. Beyer	MOTION: Moves HB 2799 to the floor with a DO PASS recommendation.
190		VOTE: 4-0
195	Chair Shields	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
200	Chair Shields	SEN. FISHER will lead discussion on the floor. Closes work session on HB 2799. Adjourns the committee at 9:18 a.m.

EXHIBIT SUMMARY

- A – HB 2226A – written testimony, Lee Beyer, 2 pp**
- B – SM 3, written testimony, Cindy Finlayson, 1 p**
- C – SM 3, letter to President Bush, Tom O’Connor, 3 pp**
- D – SM 3, written testimony, Robin Freeman, 3 pp**
- E – HB 2799, written testimony, Al Elkins, 1 p**
- F – HB 2799, written testimony, Lindsay Ball, 4 pp**