

SENATE COMMITTEE ON GENERAL GOVERNMENT

March 19, 2003
3:00 p.m.

Hearing Room B
Tapes 25-26

MEMBERS PRESENT: **Sen. Tony Corcoran, Chair**
 Sen. John Minnis, Vice-Chair
 Sen. Bruce Starr
 Sen. Vicki Walker

STAFF PRESENT: **Mark Ellsworth, Committee Administrator**
 Heather Gravelle, Committee Assistant

MEASURE/ISSUES HEARD: **SB 724 – Public Hearing**
 HB 2004 –Public Hearing
 SB 692 – 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 25, A		
005	Chair Corcoran	Calls meeting to order at 3:00 p.m. Opens public hearing on SB 724.
<u>SB 724 – PUBLIC HEARING</u>		
015	Mark Ellsworth	Committee Administrator provides overview of SB 724.
025	Jon Stubenvoll	Oregon Liquor Control Commission (OLCC). Testifies in support of 724 provides written testimony and history of the bill (EXHIBIT A) .
045	Art Hendricks	Crime Prevention Manager, City of Portland. Testifies in support of SB 724 provides written testimony and explains the need for extending the application process for liquor licenses from thirty to sixty days (EXHIBIT B) .
135	Chair Corcoran	Offers an example of most recent problem with the thirty day limit licensing in a high risk area.
140	Hendricks	Explains the sixty day time period will allow the city enough time to give notification to neighborhoods and for them to respond.
173	Chair Corcoran	States a manager at the time of application was legitimate but his brother became involved in the business and had crime issues asks would the sixty days make a difference.
175	Hendricks	Answers and explains and notes the neighborhoods are holding us accountable.
195	Sen. Starr	Asks what is it that you are supporting.
200	Hendricks	Answers in support of the bill that sixty days would be best that forty-five would not solve the problem.
205	Christy Monson	League of Oregon Cities. Testifies in support of SB 724 and explains the concern of creating a good working relationship and states it takes more than thirty days to investigate a complaint (EXHIBIT C) .
240	Sen. Starr	Notes the verbiage change is not just new license but includes renewals.

255 Chair Corcoran Points out and clarifies intent of bill.
 260 Sen. Morrisette District 6. Testifies in support of SB 724 and explains that thirty days may be alright for the smaller cities but for the larger ones the sixty days is a reasonable request.
 325 Chair Corcoran Closes public hearing on SB 724. Opens public hearing on HB 2004 A.

HB 2004 A – PUBLIC HEARING

335 Gregory Hartman PERS Coalition. Testifies and provides information on actuarial equivalencies contract issues and explains the findings of Judge Lipscomb's in HB 2003 and HB 2004 and states it is too early to know what PERS is going to do (**EXHIBIT D**).

TAPE 26, A

001 Hartman Continues to explain this is a very complex issue.
 030 Chair Corcoran Asks Minnis if he is comfortable with Hartman's explanation.
 040 Sen. Minnis Agrees and states Mr. Hartman encapsulates the difficulty.
 050 Hartman Responds and mentions what can be done while the appeal moves forward.
 070 Sen. Minnis States there are no stays in place currently and asks what does the Legislature contribute to the decision at this time.
 085 Hartman Asks do we want to put something in place and wait until we see what happens with the Lipscomb decision.
 090 Sen. Minnis Notes the Legislature did this when they enacted the existing statute.
 095 Chair Corcoran Notes it raises the issue of what will happen after it gets moved up to the Supreme Court.
 110 Hartman Responds and provides information as to where the case is in the system and states hoping to have it all before the court at the same time.
 125 Sen. Walker Indicates there are too many hands in the pot and states the PERS board has been limited as to what they can do.
 135 Hartman Responds in agreement and notes the legislature was differing what the Board wanted to do.
 145 Chair Corcoran States the board is in transition.
 155 Sen. Minnis Asks do you simply ignore Lipscomb's decision.
 160 Hartman Answers no matter what the legislature does lawsuits will follow.
 170 Sen. Minnis Notes the contract issue but the legal argument is what will be presented.
 175 Hartman Answers not necessarily and describes the multiple segment approach and the accrued benefit approach and states both are consistent with contract rights.
 300 Sen. Minnis Asks if we are not defending what Lipscomb said.
 315 Hartman Responds Lipscomb was not very clear and his opinion is not helpful in giving direction in what is the right thing to do and adds the PERS Board has studied this issue extensively.
 400 Chair Corcoran States PERS has not shared the same opinion as the Attorney General and asks how do we ask the PERS Board for specific information.
 430 Voytko Answers request the information and he will work with Attorney General to convey to the members and notes that the Legislature is part of the governing body of the pension system.
 452 Sen. Corcoran Indicates consider the request made.

TAPE 25, B

030 Sen. Minnis Asks if we have presentation as to what the stock market would do to the fifteen million dollar gap.

045	Voytko	Responds to the financial health of the pension system and to Lipscomb's point of view and states the Legislative action could define the course.
075	Sen. Minnis	Asks to what extent would the management personnel issues in the government and market changes affect the fifteen million dollar problem.
080	Voytko	Notes the willingness to do a presentation on the issues addressed.
081	Sen. Minnis	Asks what is it we are trying to solve and notes the focus should be on identifying the problem.
085	Chair Corcoran	Closes public hearing on HB 2004 and re-opens public hearing on SB 724.

SB 724 – PUBLIC HEARING

090	Bill Perry	Oregon Restaurant Association. Testifies in favor of SB 724 only with the – 1 amendments and explains if needed an extension for application process may be requested that they haven't been approved in a timely manner.
140	Sen. Walker	Asks if OLCC addressed the delay in licensing.
145	Stubenvoll	Responds the thirty day goal has had delays due to budget cuts and employee shortages and states currently it is about 90 days.
160	Sen. Walker	Asks if the -1 amendment were addressed.
165	Subenvboll	Responds the amendment is no problem they state it impacts local government and improves the relationship between local governments and the states in the liquor licensing process.
180	Chair Corcoran	Notes the complexity of a multi state restaurant chain with multiple owners and asks if there could be a different criteria for each.
195	Perry	Responds the issue is getting license in a timely manner and there is nothing showing me the time line will move up.
220	Sen. Walker	Asks about the wording in the amendment changing the licensee to person.
225	Stubenvoll	Answers it is just a clean up of the statute that a licensee is a person.
235	Perry	Clarifies the bills intent.
255	Chair Corcoran	Recommends the two parties discuss and come back before the committee after they have resolved the issues. Closes public hearing on SB 724 and opens public hearing on SB 692.

SB 692 – PUBLIC HEARING

260	Mark Ellsworth	Committee Administrator. Summarizes SB 692.
265	Gerald Kubiak	Washington County Government Affairs. Testifies in support of SB 692 provides written testimony and explains the bill will authorize the governing body of the district to perform treasury functions (EXHIBIT E).
275	Sen. Starr	Asks for an explanation of what the amendments do.
320	Kubiak	Describes the changes clarify the consent of the county treasurer to make the change only if they are an elected treasurer and an officer of the district to assume treasurers responsibilities.
352	Sen. Corcoran	Closes public hearing on SB 692 and opens a work session on SB 692.

SB 692 – WORK SESSION

0353	Sen. Minnis	MOTION: Moves to ADOPT SB 692-1 amendments dated 03/17/03.
354		VOTE: 4-0

354	Chair Corcoran Sen. Minnis	Hearing no objection, declares the motion CARRIED. MOTION: Moves SB 692A to the floor with a DO PASS AS AMENDED recommendation.
355	Chair Corcoran	VOTE: 4-0 Hearing no objection, declares the motion CARRIED. SEN. STARR will lead discussion on the floor.
367	Sen. Walker	Notes not having enough explanation of the bill
368	Chair Corcoran	Closes work session on SB 692 A and adjourns committee meeting at 5:45 p.m.

EXHIBIT SUMMARY

- A – SB 724, written testimony, Jon Stubenvoll, 2 pp**
- B – SB 724, written testimony, Art Hendricks, 3 pp**
- C – SB 724, written testimony, Christy Monson, 2 pp**
- D – HB 2004, written testimony, Gregory A. Hartman, 2 pp**
- E – SB 692, written testimony, Gerald Kubiak, 1 p**