

SENATE COMMITTEE ON GENERAL GOVERNMENT

June 9, 2003
3:00 PM

Hearing Room B
Tapes 60 - 61

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: HB 3476 – Public Hearing and Work Session
HB 2148A – Public Hearing
HB 3136A – Public Hearing and Work Session
SB 790 – Public Hearing and Work Session
SB 494 – Work Session
SB 50 – Work Session
HB 2167A – Public Hearing and Work Session
HB 2246A – Public Hearing and Work Session
HB 3120A – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 60, A		
003	Chair Corcoran	Calls the meeting to order at 3:05 p.m., and opens a public hearing on HB 3476.
<u>HB 3476 – PUBLIC HEARING</u>		
005	Mark Ellsworth	Committee Administrator. Provides an overview of HB 3476.
015	Jeff Merkley	House District 47. Testifies in support of HB 3476, explaining the value of the bill.
025	Mike Grainey	Director, Oregon Office of Energy. Testifies in support of HB 3476. Discusses energy and cost savings that would result from the bill.
025	Larry Hamburg	Abacus Engineer Systems. Testifies in support of HB 3476. Provides an example of a success stories in Washington for energy savings of \$36 million. States it's an excellent way to bring Oregon buildings up to energy code. Submits written testimony (EXHIBIT A).
045	Sen. Walker	Comments on the size of the savings created by the bill.
050	Chair Corcoran	Closes the public hearing on HB 3476 and opens a work session on HB 3476.
<u>HB 3476 – WORK SESSION</u>		
055	Sen. Minnis	MOTION: Moves HB 3476 to the floor with a DO PASS recommendation.
060		VOTE: 4-0
	Chair Corcoran	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.

SEN. WALKER will lead discussion on the floor.

065 Chair Corcoran Closes the work session on HB 3476 and opens a public hearing on HB 2148A.

HB 2148A – PUBLIC HEARING

070 Rep. Jerry Krummel Oregon State Representative, District 26. Offers written testimony (**EXHIBIT B**) in support of HB 2148A.

090 Chair Corcoran Clarifies the effects of the bill.

095 Rep. Krummel Explains the function of the bill, indicating HB 2148A is a budget reform bill.

104 Chair Corcoran Asks whether this bill would allow the Joint Ways and Means Committee to move adult correction to private entity.

115 Rep. Krummel Comments on the privatization of adult corrections possibility, pointing out the process which would ensure full debate on the bill. Claims the bill is not suggesting all state functions should be privatized.

125 Chair Corcoran Asks Rep. Krummel if he is aware of Oregon's experience with privatized prisons.

128 Rep. Krummel Offers his understanding of Oregon's history with privatized prisons, recalling that the venture was terminated.

130 Chair Corcoran Clarifies that Rep. Krummel is referring to a situation in the state of Texas.

133 Rep. Krummel States that he is unaware of the example offered by Chair Corcoran.

135 Mary Botkin American Federation of State and County Municipal Employees. Testifies in opposition to HB 2148A.

170 David Williams Oregon School Employees Association. Testifies in opposition of HB 2148A. Points that the bill would further complicate the budgeting process.

200 Sen. Walker Expresses concern with the privatization provisions in the bill, but questions Mr. Williams' assertion that the bill would create further inflexibilities in the budgeting process.

205 Williams Comments on the possible inflexibilities created by the bill.

220 Sen. Walker Points out the importance of savings for individuals as well as for the state, questioning whether Oregon would be faced with the current funding crisis had the state created 'rainy day' funds.

230 Williams Acknowledges that, had the state saved during the good economic times, those monies could be utilized now to offset the recent budgeting short falls.

240 Sen. Minnis Comments on the flexibility issue.

245 Chair Corcoran Closes the public hearing on HB 2148A and opens a public hearing on HB 3136A.

HB 3136A – PUBLIC HEARING

255 Mark Ellsworth Committee Administrator. Provides an overview of HB 3136A.

265 Rep. Cliff Zauner House District 22. Offers written testimony (**EXHIBIT C**) in support of HB 3136A. Enters into the record written testimony (**EXHIBIT D**) from Art Dore of the American Boxing and Athletic Association.

290 Chair Corcoran Asks what benefit the winners of the competition get.

300 Rep. Zauner Outlines the benefits of participating in these events.

305 Chair Corcoran Asks if there is an economic benefit to the winners.

306 Rep. Zauner Responds no, just prestige.

310 Sen. Minnis Points out that gate receipts could benefit Oregon. Speaks on a bill the Judiciary Committee heard earlier regarding this issue.

330 Rep. Zauner Discusses the equipment used to fight, and comments on the

340	Sen. Walker	diversity of those who participate in these events. Refers to a news article about a profitable roller coaster in Seattle. Comments on the violence associated with HB 3136A.
342	Rep. Zauner	Comments on the quick implementation of the bill.
345	Sen. B. Starr	Discusses the original intent of the bill. Asks what the need for a boxing and wrestling commission in the state.
350	Rep. Zauner	Comments on the function of the Oregon State Boxing and Wrestling Commission, observing the commissions need to become more active in promoting events.
360	Chair Corcoran	Closes the public hearing on HB 3136A and opens a work session on HB 3136A.

HB 3136A – WORK SESSION

365	Sen. Minnis	MOTION: Moves HB 3136A to the floor with a DO PASS recommendation.
375	Chair Corcoran	VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. The motion CARRIES. SEN. CORCORAN & SEN. MINNIS will lead discussion on the floor.
390	Chair Corcoran	Closes the work session on HB 3136A and opens a public hearing on SB 790.

SB 790 – PUBLIC HEARING

405	Mark Ellsworth	Committee Administrator. Provides an overview of SB 790 with the -4 amendments (EXHIBIT E).
413	David Nelson	Magna Entertainment Corporation. Testifies in support of SB 790 and the -4 amendments. Points out that the -4 amendments effectively eliminate the wording and intent of the bill as originally written.

TAPE 61, A

025	John McCalley	Oregon Fair’s Association. Testifies in support of SB 790 with the -4 amendments.
040	Chair Corcoran	Asks whether SB 790 as amended with the -4 amendments would increase certain revenues or fees.
042	Nelson	Responds no.
045	Dave Benson	President, Oregon Horsemen’s Benevolence and Protection Association (HBPA). Testifies in support of SB 790 as amended by the proposed -4 amendments.
045	Chair Corcoran	Closes the public hearing on SB 790 and opens a work session on SB 790.

SB 790 – WORK SESSION

055	Sen. Minnis	MOTION: Moves to ADOPT SB 790-4 amendments dated 06/09/03.
060	Chair Corcoran	VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
065	Chair Corcoran	Closes the work session on SB 790 and opens a work session on SB 494.

SB 494 – WORK SESSION

075	Mark Ellsworth	Committee Administrator. Provides an overview of SB 494.
080	Lynn Marie Crider	Oregon AFL-CIO. Introduces and discusses the -6 amendments (EXHIBIT F). Explains the purpose of the bill is to conserve state resources and keep the state neutral with respect to union organizing.

115	Shawn Miller	Associated Builders and Contractors and Independent Electrical Contractors of Oregon. Expresses concern for the breadth in whom the bill would apply to.
135	Crider	Acknowledges that the bill would include public improvement contracts. Points out the bill would cover private employers when over 50% of their business is with the state.
140	Sen. B. Starr	Provides an example of a private company contracting for the state. Asks what the outcome would be in reference to the 50% clause.
145	Crider	States that the prior year's income would be examined to determine whether the company met the 50% requirement. Claims it would total all of the contracts receiving income from the state.
150	Chair Corcoran	Clarifies that only income received from the state would count to the 50% requirement.
155	Crider	Acknowledges.
160	Sen. B. Starr	Further clarifies that this would only apply to state funds.
165	Miller	Points out the laws and statute which already apply to contractors working for the state.
170	Sen. Minnis	Asks Ms. Crider how the contracting companies would produce records to verify their state income.
175	Crider	Outlines the ways in which state income would be verified.
180	Sen. Minnis	Clarifies it is a review of a contractors current status, for whether or not this bill would apply.
185	Crider	Assumes that would be part of the contract writing process.
190	Sen. Minnis	Clarifies language in the bill and amendments. Asks about the contractual procedures involved.
192	Crider	Comments on enforcement.
195	Sen. Minnis	Clarifies that this would apply to either an audit or a complaint.
200	Crider	Acknowledges.
203	Sen. Minnis	Clarifies that the contracts are already being audited.
205	Crider	Recalls that in most cases these contracts are audited.
210	Mary Botkin	AFSCME. Points out as long as Mr. Miller's clients do not run an anti-union campaign there is no problem.
215	Sen. Minnis	Comments that if they were accused of running an anti-union campaign there would be a complaint. Further clarifies the complaint process.
220	Crider	Further comments on the complaint and the audit process. Points out it may be difficult to verify a complaint.
225	Sen. Minnis	Points out that if there was a complaint, there would have to be facts which would give basis to believe the company is in violation.
230	Crider	Acknowledges, but points out there would need to be a credible reason to perform an audit.
235	Jessica Harris	Associated General Contractors. Testifies regarding SB 494 and the proposed -4 amendments.
270	Sen. B. Starr	Clarifies that state funds which are used to initiate local projects would count to the 50% figure in the bill.
285	Crider	Acknowledges, and points out that the definition of state funds includes monies appropriated by the state and transferred to other public bodies.
290	Sen. B. Starr	Clarifies that SB 494 would apply to every road construction contractor in Oregon.
300	Sen. Minnis	MOTION: Moves to ADOPT SB 494-6 amendments dated

06/09/03.

305 Sen. B. Starr Indicates his opposition to the motion and the bill.
320 Sen. Minnis Thanks those who worked on the bill. Indicates his support for the bill and the neutrality of the issue.

335 Sen. Walker Agrees with Senator Minnis, indicating her support for the bill.
340 **VOTE: 3-1**
AYE: 3 - Sen. Walker, Sen. Minnis, Chair Corcoran
NAY: 1 - Sen. Starr
Chair Corcoran The motion Carries.

345 **Sen. Minnis MOTION: Moves SB 494 to the floor with a DO PASS AS AMENDED recommendation.**

350 **VOTE: 3-1**
AYE: 3 - Sen. Walker, Sen. Minnis, Chair Corcoran
NAY: 1 - Sen. Starr
Chair Corcoran The motion Carries.
SEN. CORCORAN will lead discussion on the floor.

355 Chair Corcoran Closes the work session on SB 494 and opens a work session on SB 50.

SB 50 – WORK SESSION

360 Mark Ellsworth Committee Administrator. Provides an overview of SB 50.
365 **Sen. Minnis MOTION: Moves SB 50 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means by prior reference.**

370 **VOTE: 4-0**
AYE: In a roll call vote, all members present vote Aye.
Chair Corcoran The motion CARRIES.

375 Chair Corcoran Closes the work session on SB 50 and opens a public hearing on HB 2167A.

HB 2167A – PUBLIC HEARING

380 Mark Ellsworth Committee Administrator. Provides an overview of HB 2167A and the proposed -A2 amendments (**EXHIBIT G**).

TAPE 60, B

005 Jack Kenny Deputy Director, Housing and Community Services. Offers written testimony (**EXHIBIT H**) in support of HB 2167A and the proposed -A2 amendments.

025 Oscar Lopez Chair, The Oregon Commission for Voluntary Action and Service. Testifies in support of HB 2167A with the -A2 amendments.

030 Chair Corcoran Closes the public hearing on HB 2167A and opens a work session on HB 2167A.

HB 2167A – WORK SESSION

035 **Sen. Minnis MOTION: Moves to ADOPT HB 2167A-A2 amendments dated 05/30/03.**

040 **VOTE: 4-0**
Hearing no objection, declares the motion CARRIED.

045 **Chair Corcoran MOTION: Moves HB 2167 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**
Sen. Minnis

050 **VOTE: 4-0**
AYE: In a roll call vote, all members present vote Aye.
Chair Corcoran The motion CARRIES.

055 Chair Corcoran Closes the work session on HB 2167A and opens a public hearing on HB 2246A.

HB 2246A – PUBLIC HEARING

060 Mark Ellsworth Committee Administrator. Provides an overview of HB 2246A with the -A2 amendments (**EXHIBIT I**).

065 Bill Carpenter Administrator, Information Services Division of the Oregon Housing and Community Services Department. Offers written testimony (**EXHIBIT J**) in support of HB 2246A.

070 Phil Donovan Association of Housing Authorities. Offers written testimony (**EXHIBIT K**) in support of HB 2246A.

075 Chair Corcoran Closes the public hearing on HB 2246A and opens a work session on HB 2246A.

HB 2246A – WORK SESSION

080 Sen. Minnis **MOTION: Moves to ADOPT HB 2246A-A2 amendments dated 05/23/03.**

085 **VOTE: 4-0**

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

090 Sen. Minnis **MOTION: Moves HB 2246A to the floor with a DO PASS AS AMENDED recommendation.**

095 **VOTE: 4-0**

Chair Corcoran **AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.**

100 Chair Corcoran **SEN. MINNIS will lead discussion on the floor.**

Closes the work session on HB 2246A and opens a public hearing on HB 3120A.

The following prepared testimony is submitted for the record without public testimony for HB 2246A:
Susan Wilson Executive Director, Housing Authority of Washington County. Submits written testimony (**EXHIBIT L**).

HB 3120A – PUBLIC HEARING

105 Mark Ellsworth Committee Administrator. Provides an overview of HB 3120A, the -A5 amendments (**EXHIBIT M**) and -A6 amendments (**EXHIBIT N**).

110 Patrick Allen Manager, Office of Regulatory Streamlining. Testifies in support of HB 3120A and the proposed -A6 amendments.

145 Sen. Minnis Points out prior legislation on this issue.

150 Allen Acknowledges and further discusses the issue of streamlining.

160 Debra Bucannon Oregon Department of Revenue. Testifies in support of HB 3120A.

175 Chair Corcoran Clarifies the intent of specific language in the bill referring to the state generated common identification number.

200 Buchanan Responds that a sole proprietor would not have an identification number issued although a new number would be issued for businesses registered.

205 Allen Comments on the function and issuance of the state generated common identification number.

210 Christine Chute Assistant Attorney General, Oregon Department Of Justice. Offers written testimony (**EXHIBIT O**) in support of HB 3120A as amended by the -A5 amendments.

215 Sen. B. Starr Asks whether the original bill SB 893, which became the -A5 amendments to HB 3120A, came out of the Judiciary Committee.

225 Sen. Minnis Notes it came from the Senate Rules Committee.

230 Sen. Walker Notes SB 893 is tied up in the House Business and Labor Committee currently.

235	Chair Corcoran	Closes the public hearing on HB 3120A and opens a work session on HB 3120A.
<u>HB 3120A – WORK SESSION</u>		
240	Sen. Minnis	MOTION: Moves to ADOPT HB 3120A-A5 amendments dated 06/05/2003.
245		VOTE: 4-0
	Chair Corcoran	Hearing no objection, declares the motion CARRIED.
250	Sen. Minnis	MOTION: Moves to ADOPT 3120A-A6 amendments dated 06/09/2003.
255		VOTE: 4-0
	Chair Corcoran	Hearing no objection, declares the motion CARRIED.
260	Sen. Minnis	MOTION: Moves HB 3120A to the floor with a DO PASS AS AMENDED recommendation.
265		VOTE: 4-0
	Chair Corcoran	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
		SEN. MINNIS will lead discussion on the floor.
270	Chair Corcoran	Closes the work session on HB 3120A. Adjourns the meeting at 5:00 PM.

EXHIBIT SUMMARY

- A – HB 3476, written testimony, Larry Hamburg, 5 pp.
- B – HB 2148A, written testimony, Rep. Krummel, 1 p.
- C – HB 3136A, written testimony, Rep. Zauner, 1 p.
- D – HB 3136A, submitted written testimony from Art Dore, Rep. Zauner, 1 p.
- E – SB 790, -4 amendments, staff, 3 pp.
- F – SB 494, -6 amendments, staff, 2 pp.
- G – HB 2167A, -A2 amendments, staff, 2 pp.
- H – HB 2167A, written testimony, Jack Kenny, 1 p.
- I – HB 2246A, -A2 amendments, staff, 1 p.
- J – HB 2246A, written testimony, Bill Carpenter, 2 pp.
- K – HB 2246A, written testimony, Phil Donovan, 1 p.
- L – HB 2246A, submitted written testimony, Susan Wilson, 1 p.
- M – HB 3120A, -A5 amendments, staff, 4 pp.
- N – HB 3120A, -A6 amendments, staff, 14 pp.
- O – HB 3120A, written testimony, Christine Chute, 3 pp.