

**SENATE COMMITTEE ON**  
**TRANSPORTATION AND ECONOMIC DEVELOPMENT**

April 21, 2003  
8:00 AM

Hearing Room C  
Tapes 94 - 97

**MEMBERS PRESENT:**      **Sen. Rick Metsger, Chair**  
                                     **Sen. Bruce Starr, Vice-Chair**  
                                     **Sen. Ryan Deckert**  
                                     **Sen. David Nelson**

**STAFF PRESENT:**         **Amy Joyce, Committee Administrator**  
                                     **Annastasia Suess, Committee Assistant**

**MEASURE/ISSUES HEARD:** **SB 588 – Work Session**  
                                     **HB 2691A - Work Session**  
                                     **SB 448 – Public Hearing and Work Session**  
                                     **HB 3001 A – Public Hearing and Work Session**  
                                     **SB 869 – Public Hearing**

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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.

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 94, A</b>		
002	Chair Metsger	Calls the committee to order at 8:04 a.m. and opens a work session on SB 588.
<b><u>SB 588 – WORK SESSION</u></b>		
011	Kelly Taylor	Oregon Department of Transportation (ODOT). Introduces the dash one amendments to SB 588 ( <b>EXHIBIT A</b> ).
030	Vice Chair B. Starr	<b>MOTION: Moves to ADOPT SB 588-1 amendments dated 04/15/03.</b> <b>VOTE: 3-0</b> <b>EXCUSED: 1 – Deckert</b>
035	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED.</b>
040	Vice Chair B. Starr	<b>MOTION: Moves SB 588 to the floor with a DO PASS AS AMENDED recommendation.</b> <b>VOTE: 3-0</b> <b>EXCUSED: 1 – Deckert</b>
045	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED.</b> <b>SEN. B. STARR will lead discussion on the floor.</b>
052	Chair Metsger	Closes the work session on SB 588 and opens a work session on HB 2691A.
<b><u>HB 2691 A – WORK SESSION</u></b>		
054	Chris Krane	Legislative Counsel. Provides a summary of the dash eleven and dash twelve amendments to HB 2691 A ( <b>EXHIBITS B, C</b> ).
095	Sen. Nelson	Asks if the amendments allow for local entities to have more authority.
102	Krane	States no and clarifies the limitations defined in HB 2691 A.
130	Sen. Nelson	States that the amount of protection of the agriculture is

damaging the economy.

138 Chair Metsger Refers to another bill that will assist specifically industrial sites.

140 Chair Metsger States a preference for the dash eleven amendments.

142 Vice Chair B. Starr **MOTION: Moves to ADOPT HB 2691A-11 amendments dated 04/18/03.**  
**VOTE: 3-0**  
**EXCUSED: 1 – Deckert**

145 Chair Metsger **Hearing no objection, declares the motion CARRIED.**

150 Vice Chair B. Starr **MOTION: Moves HB 2691A to the floor with a DO PASS AS AMENDED recommendation.**  
**VOTE: 3-0**  
**EXCUSED: 1 – Deckert**

152 Chair Metsger **Hearing no objection, declares the motion CARRIED. SEN. METSGER will lead discussion on the floor.**

155 Chair Metsger Closes the work session on HB 2691 A and opens a public hearing on HB 3001 A.

**HB 3001 A – PUBLIC HEARING**

158 Troy Costales Safety Manager, ODOT. Provides written testimony in support of HB 3001 A (**EXHIBIT D**).

165 Larry Christenson Provides testimony on HB 3001 A.

185 Chair Metsger Closes the public hearing on HB 3001 A and opens a work session on HB 3001 A.

**HB 3001 A – WORK SESSION**

188 Vice Chair B. Starr **MOTION: Moves HB 3001 A to the floor with a DO PASS recommendation.**  
**VOTE: 4-0**

195 Chair Metsger **Hearing no objection, declares the motion CARRIED. SEN. METSGER will lead discussion on the floor.**

200 Chair Metsger Closes the work session on HB 3001 A and opens a public hearing on SB 448.

**SB 448 - PUBLIC HEARING**

206 Sen. Ted Ferrioli District 30. Provides summary of the intent of SB 448.

309 Judge Laura Pryor Gilliam County. Provides a summary of the dash two amendments, which are not yet available from Legislative Counsel.

375 Judge Jean Burch Wheeler County. Provides testimony in support of the dash two amendments to SB 448.

415 Jonathan Hill Superintendent Lane County Education Service District. Provides testimony in support of the dash two amendments.

**TAPE 95, A**

020 Dennis Mills Superintendent of Harney ESD. Provides testimony in support of the dash two amendments.

058 Commissioner Colleen MacLeod Union County. Provides written testimony in support of the dash two amendments to SB 448 (**EXHIBIT E**). Identifies several sections of the amendments that Union County would not support.

120 Chair Metsger Asks for clarification on the sections of the bill that are a concern.

125 MacLeod Elaborates.

130	Anthony Lanni	Superintendent, North Central ESD. Provides testimony in support of SB 488.
135	Chair Metsger	Asks how the passage of SB 448 will affect each district.
140	Lanni	Responds and provides examples of current issues.
145	Mills	States the bill would allow for small communities to challenge specific issues.
150	Sen. Nelson	Comments on the need for local control at the community level.
180	Mark Stauffer	Counselor, City of Elgin. Provides testimony in support of the dash two amendments to SB 448.
240	Judy Laudermilk	Union County Chamber of Commerce. Provides testimony in support of SB 448.
300	Ray Naff	Governor's Office. Provides testimony in support of SB 448.
325	Chair Metsger	Closes the public hearing on SB 448 and opens a public hearing on SB 869.

**SB 869 – PUBLIC HEARING**

340	Chair Metsger	Summarizes the intent of the dash one amendment to SB 869 <b>(EXHIBIT F)</b> .
410	Rep. Tom Butler	District 60. Provides testimony in support of the dash one amendments to SB 869.

**TAPE 94, B**

100	Rep. Butler	Continues testimony.
095	Rep. Jon Mayberry	District 59. Provides testimony in opposition to the dash one amendments to SB 869.
220	Chair Metsger	Comments on the testimony provided.
239	Sen. Nelson	Comments on the testimony provided.
242	Rep. Butler	Mentions the lack of reserves available.
280	Derek Sadowski	Insurance Agent. Provides testimony in opposition to SB 869.
380	Lee Johnson	Oregon Small Business Owner. Provides testimony in opposition to SB 869.

**TAPE 97, A**

020	Johnson	Continues testimony from the prospective of a SAIF client.
055	Chair Metsger	Asks if there is an opinion that SAIF has excellent management.
065	Johnson	States that he feels that SAIF is run very well.
070	Chair Metsger	Asks why there is a belief that if SAIF were not a state agency it would run differently. Asks what the concerns are for the change in program.
085	Johnson	States that private sectors have different costs and dividends. States that there would be a drastic change in organization.
095	Sadowski	States that SAIF's mission statement is vastly different than private sector insurers.
100	Vice Chair B. Starr	Comments on the testimony regarding mutualizing SAIF.
110	Sadowski	Responds and elaborates.
115	Sen. Nelson	Comments on Standard Insurance Company.
120	Johnson	Elaborates on the intent of SAIF.
138	Sen. Deckert	Asks why the state would have an interest in insurance.
155	Johnson	Comments on the advantages to SAIF.
165	Sadowski	Comments on SAIF's program of insuring all companies.
175	Johnson	Comments on SAIF's premium prices.
195	Vice Chair B. Starr	Asks about the deregulated trucking industry and the price of

		insurance.
205	Johnson	Comments on the benefits of regulations.
239	Lee Wood	Human Resource Director, Papi Group, Lane County. Provides written testimony in opposition to SB 869 ( <b>EXHIBIT G</b> ).
308	Chair Metsger	Asks why the state's role is the deciding factor in providing good rates, and benefits for workers.
338	Wood	Responds and elaborates on both California and Washington state insurances.
375	Sadowski	Asks what the argument is in favor of SB 869. Asks where the benefit of changing SAIF is. Comments on the Chair's report submitted into the record in a previous hearing.
385	Chair Metsger	Responds to the testimony.
430	James Brown	Local Business. Provides testimony in opposition to SB 869.
<b>TAPE 96, A</b>		
020	John Ganzer	Monrovia Growers. Provides written testimony in opposition to SB 869 ( <b>EXHIBIT H</b> ).
077	Chair Metsger	Asks if there is a belief that if SAIF were a private company, the service would deteriorate.
085	Ganzer	States he can not say for sure. Comments on two other private insurance carriers in Oregon.
090	Vice Chair B. Starr	Comments on the nursery business' success due to competition.
100	Johnson	Responds.
109	Chair Metsger	Closes the public hearing on SB 869 and opens a work session on SB 448.

#### **SB 448 – WORK SESSION**

115	Sen. Ferrioli	Submits the dash two amendments to SB 448 (EXHIBIT I).
120	Vice Chair B. Starr	<b>MOTION: Moves to ADOPT SB 448-2 amendments dated 04/21/03.</b>
		<b>VOTE: 4-0</b>
122	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED.</b>
125	Vice Chair B. Starr	<b>MOTION: Moves SB 448 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.</b>
		<b>VOTE: 4-0</b>
130	Chair Metsger	<b>Hearing no objection, declares the motion CARRIED. SEN. FERRIOLI AND SEN. NELSON will lead discussion on the floor.</b>
140	Chair Metsger	Closes the work session on SB 448 and adjourns the committee at 10:10 a.m.

#### **EXHIBIT SUMMARY**

**A – SB 588, dash one amendments, Kelly Taylor, 1 p**  
**B – HB 2691 A, dash eleven amendments, Staff, 3 pp**  
**C – HB 2691 A, dash twelve amendments, Staff, 6 pp**  
**D – HB 3001 A, written testimony, Troy Costales, 1 p**  
**E – SB 448, written testimony, Colleen MacLeod, 4 pp**  
**F – SB 869, dash one amendments, Staff, 2 pp**  
**G – SB 869, written testimony, Lee Wood, 2 pp**

**H – SB 869, written testimony, John Ganzer, 1 p**  
**I – SB 448, dash two amendments, Sen. Ferrioli,**  
**J – SB 869, written testimony, Kelly Atwood, 2 pp**  
**K – SB 869, written testimony, Emil Graziani, 1 p**  
**L – SB 869, written testimony, John Murphy, 1 p**  
**M – SB 869, written testimony, Chris Foster, 20 pp**  
**N – SB 869, written testimony, James Geisinger, 3 pp**  
**O – SB 869, written testimony, Diana Burnette, 2 pp**  
**P – SB 869, written testimony, James Carlson, 2 pp**  
**Q – SB 869, written testimony, Jeri Ray, 4 pp**  
**R – SB 869, written testimony, Diana Burnette, 2 pp**