

# SENATE SPECIAL SESSION COMMITTEE ON BUDGET AND FINANCE

February 8, 2002  
12:30 p.m.

Hearing Room E  
Tapes 1, 2

**MEMBERS PRESENT:** Sen. Lenn Hannon, Chair  
Sen. Roger Beyer  
Sen. Peter Courtney

**MEMBER EXCUSED:** None

**STAFF PRESENT:** Dick Yates, Legislative Revenue Office  
Steve Meyer, Legislative Revenue Office  
Paul Warner, Legislative Revenue Office  
John Britton, Legislative Fiscal Office  
Robin LaMonte, Legislative Fiscal Office  
Dallas Weyand, Legislative Fiscal Office  
Larry Niswender, Legislative Fiscal Office  
Peggy Archer, Legislative Fiscal Office  
Patricia Nielsen, Administrative Support

**MEASURE/ISSUES HEARD:** SB 1005 – Public Hearing and Work Session  
SJR 50 – Public Hearing and Work Session  
SB 1012 – Work Session  
SB 1008 – Public Hearing and Work Session  
SB 1006 – Public Hearing and Work Session  
SB 1009 – Public Hearing and Work Session  
SB 1007 – Public Hearing and Work Session  
SB 1010 – Public Hearing and Work Session  
SB 1013 – Public Hearing and Work Session  
SB 5574 – Public Hearing and Work Session

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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 1, A</b>		
003	Chair Hannon	Calls the meeting to order at 12:53 p.m. Opens organizational meeting.
<b><u>ORGANIZATIONAL MEETING</u></b>		
011	Sen. R. Beyer	<b>Moves adoption of the proposed Committee Rules (EXHIBIT A).</b>
020	Chair Hannon	<b>Without objection, the rules are approved.</b> Opens public hearing and work session on SB 1005.
<b><u>SB 1005 – PUBLIC HEARING</u></b>		
006	Dick Yates	Legislative Revenue Office. Presents overview of SB 1005, which allows OLCC stores to be open on Sundays.
040	Sen. Courtney	Asks how the operating hours are now determined.

045 Yates Responds.  
050 Chair Hannon Seeing no requests for testimony, closes public hearing on SB 1005. Opens work session on SB 1005.

### **SB 1005 – WORK SESSION**

050 Sen. Courtney **Moves SB 1005 to floor with a DO PASS recommendation.**  
055 Chair Hannon Advises that all bills passed by the committee will be held at the front desk briefly, for corrections to be made if needed. **Without objection, the motion is approved.** Sen. Courtney and Sen. Hannon will lead the discussion on the floor. Closes work session on SB 1005. Opens public hearing and work session on SJR 50.

### **SJR 50 – PUBLIC HEARING**

085 Steve Meyer Legislative Revenue Office. Gives overview of SJR 50, which proposes to transfer \$100 million from the Education Endowment Fund on 5-1-03, and make the funds available to the State School Fund for distribution to school districts.  
090 Sen. R. Beyer Asks about what happens to the State School Fund if the measure does not pass.  
025 Paul Warner Legislative Revenue Office. Explains there would be a reduction in the State School Fund of \$100 million dollars.  
105 Sen. R. Beyer Inquires what the reduction will be in the State School Fund now under the proposed legislation.  
110 Warner Responds there is a reduction of \$120 million in the State School Fund, assuming there is a transfer from the Common School Fund. Continues that is part of SB 1012, and the Common School Fund would be used to backfill that State School Fund reduction. States if that bill does not pass, there would be nothing to backfill the State School Fund. Explains that with this bill there is a \$100 million reduction in the State School Fund, and if it does not pass there would be nothing to backfill the School Fund.  
120 Chair Hannon Seeing no requests for testimony, closes public hearing on SJR 50. Opens work session on SJR 50.

### **SJR 50 – WORK SESSION**

125 Sen. Courtney **Moves SJR 50 to the floor with a BE ADOPTED recommendation.**  
130 Chair Hannon **Without objection, the motion is approved.** Sen. Hannon will lead the discussion on the floor.  
135 Chair Hannon Seeing no requests for testimony, closes work session on SJR 50. Opens work session on SB 1012.

### **SB 1012 – WORK SESSION**

145 Chair Hannon **Moves to table SB 1012**, which would borrow \$100 million from the Common School Fund. **Without objection, the**

**motion is approved and the bill is tabled.** Closes work session on SB 1012. Opens public hearing and work session on SB 1008.

**SB 1008 – PUBLIC HEARING**

150	John Britton	Legislative Fiscal Office. Presents overview of bill, which allows the Department of Human Services (DHS) to make a reduction to adult dental services.
180	Chair Hannon	Asks whether the bill goes further than the agreement in the group of five.
185	Britton	Responds no, but it gives DHS discretion to establish adult dental benefits.
190	Sen. Courtney	Expresses concern but not so much that he will vote against the bill at this point.
200	Chair Hannon	Asks whether the Health Services Commission could review the Department's determination.
205	Britton	Responds and suggests direction within a budget report.
210	Chair Hannon	Asks staff to prepare a budget note to accompany the bill, directing DHS to consult with the Health Services Commission when setting the dental services.
220	Britton	Clarifies the note would be with the disappropriations bill and not with SB 1008.
225	Sen. R. Beyer	Asks how the 50% reduction would be applied.
235	Britton	Responds it is increased co-pay and cost sharing, and not a reduction of the number served.
240	Chair Hannon	Describes concerns expressed by dental organizations.
250	Chair Hannon	Seeing no requests for testimony, closes public hearing on SB 1008. Opens work session on SB 1008.

**SB 1008 – WORK SESSION**

255	Sen. R. Beyer	<b>Moves SB 1008 to the floor with a DO PASS recommendation.</b>
260	Chair Hannon	<b>Without objection, the motion is approved.</b> Sen. R. Beyer will lead the discussion on the floor. Closes work session on SB 1008. Opens public hearing and work session on SB 1006.

**SB 1006 – PUBLIC HEARING**

265	Robin LaMonte	Legislative Fiscal Office. Presents overview of SB 1006, which reduces the number of new circuit judge positions from six to three, and limits increases in juror benefits.
270	Chair Hannon	Inquires whether the bill was agreed on by the group of five.
275	LaMonte	Affirms.
285	Chair Hannon	Seeing no requests for testimony, closes public hearing on SB 1006. Opens work session on SB 1006.

**SB 1006 – WORK SESSION**

290 Sen. Courtney **Moves SB 1006 to the floor with a DO PASS recommendation.**

295 Chair Hannon **Without objection, the motion is approved.** Sen. Courtney will lead the discussion on the floor. Closes work session on SB 1006. Opens public hearing and work session on SB 1009.

**SB 1009 – PUBLIC HEARING**

300 LaMonte Presents overview of bill, which transfers money and adjusts allocations out of the Administrative Services Economic Development Fund (lottery funds) and into the State School Fund, to offset general fund.

315 Chair Hannon Seeing no requests for testimony, closes public hearing on SB 1009. Opens work session on SB 1009.

**SB 1009 – WORK SESSION**

320 Sen. Courtney **Moves SB 1009 to the floor with a DO PASS recommendation.**

325 Chair Hannon **Without objection, the motion is approved.** Sen. Hannon and Sen. Courtney will lead the discussion on the floor. Recesses the committee at 1:17 p.m.

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350 Chair Hannon Reconvenes the committee at 1:23 p.m. Opens public hearing and work session on SB 1007.

**SB 1007 – PUBLIC HEARING**

365 Dallas Weyand Legislative Fiscal Office. Presents overview of bill, which makes changes to the statute for the Voters’ Pamphlet. Submits fiscal analysis (**EXHIBIT B**).

395 Sen. R. Beyer Asks what the charge would need to be per argument to reflect the true cost.

405 Weyand Responds the estimate is a quadrupling of fees (the \$500 filing fee for arguments would be raised to \$2000, and the filing fee for candidate statements would go from \$1000 to \$4000).

420 Tim Nesbitt AFL-CIO. Testifies in opposition. Suggests alternative action to require shorter statements without limiting the number of statements included. Suggests readers could be referred to full arguments published on-line.

**TAPE 2, A**

035 Fred Neal Elections Division, Secretary of State. Voters’ Pamphlet supervisor. Testifies about options available to save \$1.25 million in General Funds.

050 Chair Hannon Comments on the options.

055 Sen. Courtney Asks for Secretary of State’s preferred option.

060 Neal Describes the proposal. Continues, responding to Mr. Nesbitt's proposal.

065 Chair Hannon Seeing no additional requests for testimony, closes public hearing on SB 1007. Opens work session on SB 1007.

**SB 1007 – WORK SESSION**

070 Chair Hannon **Moves SB 1007 to the floor with a DO PASS recommendation. Over objection of Sen. Beyer, the motion is approved.** Sen. Hannon will lead the discussion on the floor.

075 Chair Hannon Closes work session on SB 1007. Opens public hearing and work session on SB 1010.

**SB 1010 – PUBLIC HEARING**

077 Weyand Gives overview of bill, which adds guidelines and timelines for processing of SJR 50.

080 Chair Hannon Seeing no requests for testimony, closes public hearing on SB 1010. Opens work session on SB 1010.

**SB 1010 – WORK SESSION**

082 Sen. Courtney **Moves the bill to the floor with a DO PASS recommendation.**

085 Chair Hannon **Without objection, the motion is approved.** Sen. Hannon will lead the discussion on the floor. Closes work session on SB 1010. Reopens work session on SB 1007

**SB 1007 – WORK SESSION**

090 Sen. R. Beyer Changes his vote to AYE in committee, but advises he may change his vote on the floor.

110 Chair Hannon Closes work session on SB 1007. Opens public hearing and work session on SB 1013.

**SB 1013 – PUBLIC HEARING**

115 Larry Niswender Legislative Fiscal Office. Presents overview of SB 1013, which makes revenue transfers and eliminates General Fund support for some expenditures. Introduces dash-1 amendments dated 2-8-02 (**EXHIBIT C**).

125 Chair Hannon Explains how the cuts will be accomplished. Refers to revenue impact statement (**EXHIBIT D**).

155 Niswender Discusses dash-1 amendments dated 2-8-02.

160 Chair Hannon Seeing no requests for testimony, closes public hearing on SB 1013. Opens work session on SB 1013.

**SB 1013 – WORK SESSION**

165 Sen. Courtney **Moves the dash-1 amendments to SB 1013.**

170 Chair Hannon **Without objection, the motion is approved.**

175 Sen. Courtney **Moves SB 1013 to the floor with a DO PASS AS AMENDED recommendation.**

180 Sen. R. Beyer Reserves the right to vote against the bill later.  
 185 Chair Hannon **Without objection, the motion is approved.** Sen. Hannon will lead the discussion on the floor. Closes work session on SB 1013. Opens public hearing and work session on SB 5574.

**SB 5574 – PUBLIC HEARING**

190 Chair Hannon Closes public hearing on SB 5574. Recesses the committee at 1:40 p.m.

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210 Chair Hannon Reconvenes the committee at 3:06 p.m. Reopens public hearing on SB 5574.  
 215 Peggy Archer Legislative Fiscal Office. Presents overview of SB 5574, which is the omnibus disappropriations bill. Describes adjustments, beginning with a restoration to the Student Assistance Commission. Refers to Budget Report (**EXHIBIT E**).  
 225 Chair Hannon Clarifies the money is restored to allow the Commission to fund a report.  
 235 Archer Continues describing amendments and technical corrections.  
 245 Chair Hannon Explains all the adjustments being described are technical corrections so the plan proposed by the group of five is correctly cross-referenced.  
 250 Archer Continues describing adjustments.  
 280 Sen. R. Beyer Asks if any adjustments reflect closure of any fish hatcheries.  
 285 Archer Replies they do not.  
 290 Sen. R. Beyer Asks about the reduction to K-12 education if SJR 50 does not pass.  
 300 Archer Offers to bring back information.  
 305 Sen. R. Beyer Describes additions to K-12 which will offset the reduction described.  
 315 Chair Hannon Clarifies the possible reduction is \$200 million if SJR 50 does not pass.  
 322 Chair Hannon Seeing no requests for testimony, closes public hearing on SB 5574. Opens work session on SB 5574

**SB 5574 – WORK SESSION**

325 Chair Hannon Asks about date of amendments.  
 328 Archer Explains February 8, 2002 is the correct date.  
 330 Sen. R. Beyer **Moves conceptual amendments to SB 5574.**  
 335 Chair Hannon **Without objection, the motion is approved.**

350	Archer	Clarifies the budget note on the dental services bill reduction. Continues discussion of Health Services Commission authority, and changes with this bill.
405	Chair Hannon	<b>Moves SB 5574 to the floor with a DO PASS AS AMENDED recommendation. Without objection, the motion is approved.</b> Sen. Hannon and Sen. Courtney will lead the discussion on the floor.
415	Chair Hannon	Closes the work session on SB 5574. Adjourns the meeting at 3:19 p.m.

Submitted By,

Reviewed By,

Patricia Nielsen,  
Administrative Support

Adrienne Sexton,  
Administrator

### **EXHIBIT SUMMARY**

- A – Proposed Committee Rules**
- B – SB 1007, Fiscal impact statement**
- C – SB 1013, dash-1 amendments dated 2-8-02**
- D – SB 1013, Revenue impact statement**
- E – SB 5574, Budget report and measure summary**