

## HOUSE COMMITTEE ON ADVANCING E-GOVERNMENT

April 26, 2001 Hearing Room 350  
3:30 PM Tapes 43-44

**MEMBERS PRESENT:** Rep. Jim Hill, Chair  
Rep. Kathy Lowe

**MEMBER EXCUSED:** Rep. Rob Patridge, Vice-Chair

**STAFF PRESENT:** Mark Jolley, Committee Administrator  
Alice Morton, Committee Assistant

**MEASURE/ISSUES HEARD:** HB 2768 – Work Session  
HB 2988 – Public Hearing & Work Session  
HB 3739 – Public Hearing  
HB 3371 – Public Hearing & Work Session  
HB 3968 - 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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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 43, A</b>		
005	Chair Hill	Calls meeting to order at 3:40 p.m. and opens work session on HB 3739.
		<b><u>HB 3739 – Public Hearing</u></b>
010	Mark Jolley	Committee Administrator. Explains HB 3739 and - 1, -2, -3 amendments ( <b>EXHIBIT AA</b> ) which directs Public Employees Retirement board and Oregon Investment Council to establish optional, self-directed investment plan for employee accounts of members of PERS.
015	Rep. King	Testifies in support of HB3739 and provides written testimony ( <b>EXHIBIT A</b> ).
055	Rep. Lowe	Asks Rep King if he is aware some PERS funds were unscheduled by the Ways and Means subcommittee.
060	Rep. King	Replies he is aware.
075	Rep. Lowe	Question and answer between Rep. Lowe and Rep. King.
140	Randall Edwards	State Treasurer of Oregon. Testifies regarding the bill. Explains the treasurer's role related to the bill, to PERS retirement funds, and how they manage PERS money. Says the defined benefit plan has worked extremely well, and the real question is how would the plan be managed with the proposed overlay. Reiterates that there are some serious questions about how it would be managed, and that he has talked with Rep. King about his concerns.
210	Mary Botkin	AFSCME. Testifies against the bill.
246	Rich Peppers	Oregon Public Employees Union (OPEU). Testifies against the bill.
282	Tricia Smith	Oregon School Employees Association (OSEA). Testifies in opposition to the bill and its amendments. Say if they were to

		change something about their compensation package, it would not be the way this bill suggests.
320	Chair Hill	Closes public hearing on HB 3739 and opens work session on HB 2768.
<b><u>HB 2768 – Work Session</u></b>		
345	Mark Jolley	Committee Administrator. Explains the bill with its –1, and –2 amendments ( <b>EXHIBIT B</b> ), which allows issuance of revenue bonds by the State of Oregon to finance telecommunications infrastructure.
360	Rep. King	Testifies and explains his position on the bill and supplies written testimony ( <b>EXHIBIT C</b> ).
435	Yvonne Addington	Manager of Finance, Oregon Economic & Community Development Department (OECDD). Says they worked with Rep. King in development of this bill. Says this amendment will bring the need for telecommunications infrastructure in equal nature with sewer, water, etc. Says there are set-asides for none of those categories.
<b>Tape 44, A</b>		
012	Bruce Shaull	Sprint. Clarifies his understanding of the –1 and –2 amendments.
020	Chair Hill	Asks if anyone else wants to speak.
031	Rep. King	Clarifies point regarding that local entities could use the bonding to acquire capacity. Adds they do not have to lease it out, but it would make sense to lease out to a local company.
045	Rep. Lowe	Asks if this bill interfaces with a prior controversial bill regarding municipalities developing telecommunications networks and systems.
050	Rep. King	Responds that it interfaces in that if a private vendor wants to do that, they can do that, and then the local government would not proceed.
055	Rep. Lowe	Asks then, does that allow a private company to preempt a local government’s desire to provide those services on a business basis.
056	Rep. King	Defers to Chair Hill.
060	Chair Hill	Says this is a financing mechanism and does not extend to the issues that was carried in HB 2680, this is not the same issue, but a funding mechanism.
065	Rep. Lowe	Says she knows this is a funding mechanism, but does it cut off, change the status quo, or foul up the process for any municipalities or others.
072	Chair Hill	Answers, no.
073	Rep. Lowe	<b>MOTION: Moves to ADOPT HB 2768-2 amendments dated 4/23/01.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
080	Rep. Lowe	<b>MOTION: Moves to ADOPT HB 2768-1 amendments dated 3/19/01.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
082	Rep. Lowe	<b>MOTION: Moves HB 2768 to the COMMITTEE ON</b>

**SCHOOL FUNDING AND TAX FAIRNESS with a DO  
PASS AS AMENDED recommendation.**

**VOTE: 2-0**

**EXCUSED: 1 - Patridge**

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

085 Chair Hill

Closes work session on HB 2768 and opens a public hearing on HB 3371.

**HB 3371 – Public Hearing**

Mark Jolley

Committee administrator. Explains the bill with –1 amendments (**EXHIBIT D**), which authorizes personal use by public officials of computers provided at public expense under specified condition.

092 Chair Hill

Observes the bill does not give license to inappropriate use of computers.

105 Rich Peppers

Speaks in support in the bill, and says he will reiterate what the Chair Hill said about the bill’s concept and mentions Section 2, which specifically prohibits political transmissions, and that there is also a section requiring DAS to develop rules around that.

110 Chair Hill

Closes public hearing on HB 3371 and opens work session on HB 3371.

**HB 3371 – Work Session**

130 Rep. Lowe

**MOTION: Moves to ADOPT HB 3371-1 amendments dated 3/14/01.**

**VOTE: 2-0**

**EXCUSED: 1 - Patridge**

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

132 Chair Hill

135 Rep. Lowe

**MOTION: Moves HB 3371 to the floor with a DO PASS AS AMENDED recommendation.**

**VOTE: 2-0**

**EXCUSED: 1 - Patridge**

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

138 Chair Hill

140 Rep. Lowe

**MOTION: Moves HB 3371 be placed on the CONSENT CALENDAR.**

**VOTE: 2-0**

**EXCUSED: 1 - Patridge**

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

150 Chair Hill

156 Chair Hill

Closes work session on HB 3371 and opens public hearing on HB 2988.

**HB 2988 – Public Hearing**

170 Mark Jolley

Explains bill HB 2988 and two amendments, -1 and –3 (**EXHIBIT E**).

180 Chair Hill

Asks if anyone wishes to speak to the bill.

183 Chair Hill

Hearing none, closes the public hearing on HB 2988 and opens a work session on HB 2988.

**HB 2988 – Work Session**

185 Rep. Lowe

Asks if the PUC, the utilities, and others involved are ‘ok’ with this bill.

190 Chair Hill

Says he has received no communication from the PUC saying they were not, and that the PUC were on the work group on the – 1 amendments, and that the other amendment just clarifies the

		rule.
194	Rep. Lowe	Asks if the users of the PUC are comfortable with this too. Asks if CUB and the utilities are ok with the bill.
195	Chair Hill	Says he see no one objecting.
196	Rep. Lowe	<b>MOTION: Moves to ADOPT HB 2988-1 amendments dated 4/23/01.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
199	Rep. Lowe	<b>MOTION: Moves to ADOPT HB 2988-3 amendments dated 4/26/01.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
200	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
205	Rep. Lowe	<b>MOTION: Moves HB 2988 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
208	Rep. Lowe	<b>MOTION: Moves HB 2988 be placed on the CONSENT CALENDAR.</b>
		<b>VOTE: 2-0</b>
		<b>EXCUSED: 1 - Patridge</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
210	Chair Hill	Closes work session on HB 2988.
215	Chair Hill	<b>Opens public hearing on HB 3968 and closes public hearing on HB 3968.</b>
217	Chair Hill	Adjourns meeting at 4:40 p.m.

Submitted By,

Reviewed By,

Alice Morton,  
Committee Assistant

Mark Jolley,  
Committee Administrator

**EXHIBIT SUMMARY**

- AA – HB 3739, -1, -2, -3 amendments, staff, 5pp.**
- A – HB 3739, written remarks, Rep. Al King, 1p.**
- B – HB 2768, -1, -2 amendments, staff, 8pp.**
- C – HB 2768, written remarks, Rep. Al King, 1p.**
- D – HB 3371, -1 amendment, staff, 1p.**
- E – HB 2988, -1, -3 amendments, staff 2pp.**

**F – HB 3968, written testimony submitted to staff by Fred Heutte, 2pp.**