

HOUSE COMMITTEE ON ADVANACING E-GOVERNMENT

May 17, 2001
3:30 PM

Hearing Room E
Tape 50-51-52A

MEMBERS PRESENT: Rep. Jim Hill, Chair
Rep. Rob Patridge, Vice-Chair
Rep. Kathy Lowe

MEMBER EXCUSED:

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

MEASURE/ISSUES HEARD: Public Hearing - SJR 17, SB 440A, SB 401, SB 273, SB 755A, SB 765A,
SB 846A
HB 3633 – 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 50, A		
010	Chair Hill	Calls the meeting to order at 4:15 p.m. and opens public hearing on SB 755A.
<u>SB 755A – Public Hearing</u>		
015	Mark Jolley	Committee administrator. Explains SB 755A, which prohibits use of credit card checks or electronic funds transfers in collection of debts from unlawful gambling using Internet.
020	Sen. Metsger	Testifies in support of the bill and submits written comments (EXHIBIT A) .
O57	Pamela Leavitt	VP, Governmental Affairs & Public Relations, Credit Union Association of Oregon. Testifies in support of SB 755A and supplies written comments (EXHIBIT B) .
108	Hal Scoggins	Counsel, Credit Union Association of Oregon. Testifies in support of the bill and explains the –6 amendments (EXHIBIT C) .
180	Chair Hill	Closes public hearing on SB 755A and opens a joint public hearing on SJR 17 and SB 273.
<u>SJR 17 and SB 273 – Public Hearing</u>		
182	Jolley	Explains the bills which creates the Oregon Council for Knowledge and Economic Development, (SB 723) which proposes amendment to Oregon constitution to allow state to hold and dispose of stock received in exchange for technology created by public institution or received as state asset invested in technology resources.
194	Randall Edwards	State Treasurer of Oregon. Testifies in support of the two bills.
250	Bill Scott	Director, Oregon Economic and Community Development Department (OECD). Testifies in support and explains the five proposals by the Economic Development Joint Boards Working Group. (EXHIBIT D) , page 3.
325	Rep. Patridge	Asks why the Chancellors' office and OECD cannot do this

		rather than develop a separate commission.
330	Scott	Says it was considered, but that to have it structured in statute would make it more likely to happen.
357	Chair Hill	Asks for an example of the practical effect of this proposed commission.
360	Scott	Says it puts people with authority in the room. Continues to describe the composition of the board.
390	Chair Hill	Asks again about the worth of the bill, as it does not say what the group will do, just that a group will be formed.
398	Mardi Saathoff	Attorney. Says she wrote the bill and the group would be an advisory group.
440	Chair Hill	Asks again, what will they do. Asks how this group will assist technology transfer. Echoes Rep. Patridge's observation that the composition of the group is just educators, and therefore the group is stacked. Adds, however he does not know what it is stacked to do.
460	Scott	Explains and attempts to answer the question.
Tape 51, A		
045	Rep. Patridge	Says he still is not convinced
065	Carl Talton	Portland General Electric and Economic Development Commissioner. Says there is a lot to be done and this commission will facilitate it.
100	Rep. Patridge	Continues with his objections.
172	Diane Vines	Vice Chancellor, Oregon University System. Explains the concept relating to the Representative's questions and objections about the composition of the advisory board. Says they are private sector folks representing education. Says they will provide policy suggestions.
241	Rep. Patridge	Says he still does not see why it should be in statute.
318	William Newman	Oregon Resource & Technology Development Account. Testifies in support of the bill.
365	Gordon Hoffman	Co-director, Oregon Resource & Technology Development Account. Speaks in support of the bill.
430	Mardi Saathoff	Speaks for the record regarding SJR 17. Walks the committee through the constitutional amendment that allows universities to hold stock if it is in exchange for developments by research at the University.
Tape 50, B		
050	Saathoff	Says it is a result of many interested parties weighing in on this issue. That investments are of a controlled nature.
100	Chair Hill	Closes public hearing on SJR 17 and SB 273 and opens public hearing on SB 400A and SB 401.
<u>SB 400A and SB 401 – Public Hearing</u>		
125	Graham Slater	Oregon Employment Department. Speaks in support of the bill and supplies written materials.
160	Slater	Speaks also to SB 401 and provides written materials, (EXHIBIT E) .
183	Chair Hill	Closes public hearing on SB 400A and SB 401 and opens public hearing on SB 846A.
<u>SB 846A – Public Hearing</u>		
200	Paul Cosgrove	Lobbyist representing Oregon Financial Services Association. Speaks in support of the bill.
245	Cheryl Pellegrini	Attorney, Oregon Department of Justice. Says the DOJ has a

		neutral position on the amendment and explains. Says they need amendments to delete section 1.
287	Chair Hill	Closes public hearing on SB 846A and opens public hearing on SB 765A.
<u>SB 765A – Public Hearing</u>		
300	Jolley	Explains SB 765 that creates an interim task force to be called Oregon Telecommunication Coordinating Council.
310	Bill Penhallow	Association of Oregon Counties. Speaks in support of the bill and provides written materials (EXHIBIT F).
442	Rep. Patridge	Asks why the governor gets to appoint everyone.
Tape 51, B		
020	Penhallow	Says they looked at other ways, but Legislative Council said they could not do one of the alternatives, so they decided on this one.
046	Rep. Partridge	Asks if they would not do their jobs anyway without statute.
048	Rick Hanson	Department of Administrative Services (DAS). Responds with support for the bill.
055	Doris Penwell	Oregon Economic and Community Development Department (OECDD). Indicates support for the bill.
115	Chair Hill	Closes public hearing on SB 755 and opens public hearing on HB 3633
<u>HB 3633 – Public Hearing</u>		
120	Chair Hill	Notes that the 24-hour notice for hearings has been fulfilled for HB 3633. Explains that the –9 amendments (EXHIBIT G) are a small correction to a date in the –8 amendments.
125	Rep. Patridge	Clarifies some components of the amendments.
183	Rep. Close	Speaks in support of the bill that she requested on behalf of the Albany Chamber of Commerce. The bill requests a delay in the restructuring of electric power industry until October 2003.
Committee members leave for a House floor vote.		
233	Rep. Lowe	Observes there are no public purpose funds
245	Chair Hill	Explains certain components related to the question.
286	Rep. Lowe	Asks Rep. Close if they could ameliorate the loss of the public purpose funds.
295	Rep. Close	Says she would not, for the money should come from private funds.
300	Rep. Lowe	Says she is aware they have philosophical differences, and would truly like to see a way to save the money. Adds that planning its use pulled together many people. Says it will hurt the partnership that has been so carefully crafted. Asks if Rep. Close would consider 1 1/2 % of public purpose funds and then include more later.
335	Rep. Close	Said she would consider it, but that she thinks it can be done privately.
400	Chair Hill	Notes that Dave Hendryxx is here to answer additional questions.
405	Dave Hendryxx	Legislative Counsel.
425	Rep. Lowe	Says she wants to offer a conceptual amendment and want to know if he understands what she wants.
435	Hendryxx	Repeats in summary what she is requesting.
Tape 52, A		
034	Chair Hill	Says he has some amendments that will help.
040	Rep. Lowe	Says she would like to have language to reduce the negative fiscal impact.
075	Gary Conkling	Lobbyist. Says they support the public purpose funds at point of access.

185	Rep. Lowe	Reiterates her view of the maintaining the collaborations between consumer groups and others, and would he agree that it would keep the partnership healthy.
200	Conkling	Says their view is that there should be no delay. Says that the public purpose moneys are more important now than before.
220	Rep. Lowe	Asks more about this.
245	Conkling	Says he believes that the act should be implemented now, and that he knows this not the majority view. Says there are more risks than those discussed tonight.
265	Chair Hill	Asks what are some of the risks.
270	Conkling	Says one is that there is no certainty for companies to invest in additional generation and; 2 nd , that there is not a pool of knowledge for energy conservation.
300	Cindy Finlayson	General Electric. Acknowledges that much has changed since the bill was originated.
331	Rep. Patridge	Closes public hearing on HB 3633. The committee stands at ease at 6:45 p.m. and reconvenes at 7:58 p.m.
337	Chair Hill	Opens work session on HB 3633.
HB 3633 – Work Session		
340	Rep. Lowe	MOTION: Moves to AMEND HB 3633 with "a conceptual amendment that implements 1 1/2% of the public purpose funds on the October 1, 2001 startup date of SB 1149, to go to conservation efforts, and moves that the other 1 1/2% of the public purpose funds be added when direct access occurs, March 31, 2003."
389	Rep. :Lowe	Further states her argument supporting the conceptual amendment.
397	Chair Hill	Says he will oppose her amendment, and gives his reasons. VOTE: 1-2 AYE: 1 - Lowe NAY: 2 - Patridge, Hill The motion FAILS.
	Chair Hill	
412	Rep. Patridge	MOTION: Moves to ADOPT SB 3633--9 amendments dated 5/17/01.
427	Rep. Patridge	Explains his rationale.
435	Rep. Lowe	Suggests taking out section 7. VOTE: 3-0
449	Chair Hill	Hearing no objection, declares the motion CARRIED.
465	Rep. Patridge	MOTION: Moves SB 3633 to the floor with a DO PASS AS AMENDED recommendation.
494	Chair Hill	VOTE: 2-1 AYE: 2 - Lowe, Patridge NAY: 1 - Hill The motion CARRIES. REP. PATRIDGE will lead discussion on the floor.
	Chair Hill	
493	Chair Hill	Closes work session on HB 3633 and adjourns meeting at 7:00 p.m.

Submitted By,

Reviewed By,

Alice Morton,
Committee Assistant

Mark Jolley,
Administrator

EXHIBIT SUMMARY

- A – SB 755A, written comments, Sen. Metsger, 1p.**
- B – SB 755A, written comments, Pamela Leavitt, 4pp.**
- C – SB 755A, -6 amendments, Hal Scoggins, 2pp.**
- D – SB 273, PowerPoint presentation, Bill Scott, OECDD, 17pp.**
- E – SB 401A, printed materials, Graham Slater, OED, 12pp.**
- F – SB 765A, Bill Penhollow, 4pp.**
- G – HB 3633, -9 amendments, staff, 5pp.**
- H – SB 755 and SB 755A, written testimony, Dan Meek, 2pp.**