

# HOUSE COMMITTEE ON GOVERNMENT EFFICIENCY

April 3, 2001  
8:30 AM

Hearing Room D  
Tapes 44 - 46

**MEMBERS PRESENT:**     **Rep. Jerry Krummel, Chair**  
                              **Rep. Chris Beck, Vice-Chair**  
                              **Rep. Patti Smith, Vice-Chair**  
                              **Rep. Alan Brown**  
                              **Rep. Bill Garrard**  
                              **Rep. Jim Hill**  
                              **Rep. Deborah Kafoury**  
                              **Rep. Jeff Kruse**  
                              **Rep. Steve March**  
                              **Rep. Carolyn Tomei**  
                              **Rep. Kelley Wirth**

**STAFF PRESENT:**       **Matt Wingard, Committee Administrator**  
                              **Patrick Brennan, Committee Assistant**

**MEASURE/ISSUES HEARD:**     **HB 3111 Public Hearing and Work Session**  
                                  **HB 2720 Public Hearing**  
                                  **HB 3056 Public Hearing and Work Session**  
                                  **HB 3913 Public Hearing**  
                                  **HB 2172 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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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 44, A</b>		
003	Chair Krummel	Calls the meeting to order at 8:42 a.m. Opens a public hearing on HB 3111.
<b><u>HB 3111PUBLIC HEARING</u></b>		
022	Matt Wingard	Committee Administrator. Gives a brief description of the bill. States that the measure creates the interim Volunteer Firefighter Task Force, effective 90 days following the end of the 2001 Legislative Session. Mentions that the -1 amendments <b>(EXHIBIT A)</b> have been submitted for the committee's consideration.
028	Rep. Jeff Kropf	House District 37. Testifies in support of HB 3111.
037	Ken Armstrong	Oregon Fire Chiefs Association (OFCA). Testifies in support of HB 3111 <b>(EXHIBIT B)</b> . States that the most important issue for fire safety is the recruitment and retention of volunteer firefighters. Explains that the bill creates a task force to analyze recruitment and retention issues, both in Oregon and at the national level. Indicates that the task force will review programs that have worked well in other places, consider the best options for Oregon and make recommendation to the 2003 Legislature
058	Bob McLoughlin	Oregon Volunteer Firefighters Association (OVFA). Testifies in support of HB 3111. States there has been a continued decline nationally in the number of volunteer firefighters for some time. Notes that the average length of service for volunteer firefighters has now dropped below five years. Expresses confidence that

		the task force will discover why volunteers are leaving early and why others are not volunteering at all.
078	Rep. Kropf	Comments that the task force will be active for two years, examine how other states deal with this issue, and make recommendations to the legislature in 2003. Remarks that he is especially concerned with how rural Oregon deals with the issue. Assures that his goal is not to displace paid firefighters.
111	Rep. Wirth	Asks how HB 3111 relates to previous legislation regarding tax credits for employers of volunteer firefighters.
114	Rep. Kropf	Explains that the measures both are part of the package to boost recruitment and retention of volunteer firefighters. Says that employers are almost always willing to let employees who are volunteer firefighters go off to fight fires, but are less willing to allow them to miss work for training opportunities. Notes that all volunteer firefighters are required to undergo 60 hours of training.
130	Rep. Wirth	Inquires whether Rep. Kropf would be willing to reconsider the tax credit in the event that the task force finds that the training could be handled differently.
142	Rep. Kropf	Reiterates the need to find and eliminate the barriers to service as a volunteer firefighter. Asserts that employee work time lost to training opportunities has an adverse effect on some businesses.
157	Rep. Smith	Expresses support for the bill and says her district also has had trouble recruiting and retaining volunteer firefighters.
164	Rep. Tomei	Mentions she was on the Clackamas County Fire Oversight Committee. States that fighting fires is more complicated than it used to be. Notes that members of the task force are eligible for compensation for expenses and asks where the money to pay for those expenses will come from.
178	Rep. Kropf	Replies the funds will come out of the state general fund.
183	Armstrong	Adds that the estimated fiscal impact of the bill is \$35,000.
185	Rep. Garrard	States that the bill addresses a serious problem that looms for the future and needs to be addressed promptly.
200	Rep. Brown	Acknowledges that it used to be easier to recruit volunteer firefighters because training requirements and regulation was less onerous. Remarks that the training necessary for responding to medical calls is much greater and that such calls have become a greater part of the job for volunteer firefighters. Says that volunteer firefighters provide a service that many communities could not afford to pay for.
223	Armstrong	Expresses support for the -1 amendments.
234	Burton Weast	Oregon Fire District Directors Association (OFDDA). Testifies in support of HB 3111. States that there are numerous training opportunities for firefighters across Oregon. Agrees that volunteer retention is a critical issue for virtually every fire department in the state. Asserts that some official body needs to investigate these issues and try to address them, which is what the task force is designed to do.
245	Chair Krummel	Closes the public hearing and opens a work session on HB 3111.

**HB 3111 WORK SESSION**

255 Rep. Beck

**MOTION: Moves to ADOPT HB 3111-1 amendments dated 3/26/01.**

258 **VOTE: 11-0**



		the –2 amendments.
116	Armstrong	Reiterates that OFCA does not support the –2 amendments but says that they will support the –1 and –3 amendments.
130	Rep. Smith	Remarks that the measure could result in property owners being billed if a fire is called in by an anonymous third party.
135	Armstrong	Responds that the process is more complicated than that, as cities and districts are required to have a policy in place as to how to address such situations.
153	Rep. Kropf	Clarifies that if a fire begins on property in an unprotected area and no one responds, the landowner faces significant liability. Opines that landowners should appreciate the assistance they get, even with the cost, as it helps prevent greater cost to them in the long run. Indicates that adjoining landowners often sue property owners for fires that spill over to their land, even if the fire was not the landowner's fault. Emphasizes the need to put the fires out and submits that those who do so on unprotected lands should be at least partially compensated for costs incurred. Mentions that when responding to accidents on Interstate 5 those who receive service through response are typically billed, sometimes even tendering payment.
188	Rep. Smith	Asks whether the measure puts fire districts into a position of liability if they fail to respond to a fire on unprotected land, or if they respond to a fire on unprotected land and subsequently are unable to respond to a second fire on protected property.
198	John Buchanan	Fire Chief, Siuslaw Valley Fire Department. States his department's region includes vast tracts of unprotected land that is nevertheless under tacit fire protection. Says the principal responders are volunteers who do not know how difficult it is to recoup costs. Argues that if volunteer firefighters are prohibited fighting a fire on a neighbor's land because it lies outside the protected area it will hurt morale and become another factor in the recruitment and retention problem. Submits that the resources to respond to calls are in place.
228	Rep. Smith	Wonders why the unprotected areas are not annexed into the fire district.
230	Buchanan	Answers that efforts have been made to annex them, but there are many landowners that don't wish to be annexed. Asserts it is not rational to refuse fire protection when the cost to them is less than the benefits they would receive. Indicates that many of these landowners prefer to pay the contractual fee.
244	Chair Krummel	Asks whether fire insurance covers the cost in the event that unprotected landowners are billed for fire response.
250	Buchanan	Responds that fire insurance usually helps cover at least a portion of the cost.
256	Chair Krummel	Asks whether the –1 amendments successfully address the problem as was manifest in the Ashland case.
265	Armstrong	Explains that the Ashland case hinged on an arbitrator's decision whether the land in question was in a protected area.
277	Kristina McNitt	Oregon Small Woodlands Association (OSWA). States that some people live in unprotected areas by choice, adding that even if they did pay for structural fire protection they would not be adequately protected due to their remote locations. Explains that response is often not timely enough to save structures on site, which is why many choose instead to have only forest

		protection.
333	McNitt	Reviews the –1 and –2 amendments. Agrees that landowners should be required to pay for services if they request them.
357	Dave Babits	OSWA. Submits written testimony ( <b>EXHIBIT F</b> ). Explains that time is of the essence in regard to structural fires. States that in cases where property is a long way from fire service landowners usually receives little meaningful assistance in saving onsite structures.
404	Rep. Garrard	Asks whether homeowners who opt into structural fire protection receive a tangible benefit with regard to insurance rates.
408	Babits	Responds that they may, depending on the particular insurance company.
<b>TAPE 44, B</b>		
016	Rep. Garrard	Asks whether homeowners insurance reimburses homeowners for fire service protection that responds to a house fire on unprotected land where the structure is a total loss.
023	Babits	Replies that he is not sure, adding that is one concern OSWA has on the subject. Acknowledges there may be added cost to that of replacing the structure lost in the fire.
028	Rep. Tomei	Agrees that time is of the essence in fire response and that it is difficult to get to some structural fires. Inquires what happens in a situation where there is a grass fire that threatens a home.
034	Babits	Answers that if the home is in a forest protection zone and the district is called in for a mutual aid response the district will not be able to bill for service.
044	Chair Krummel	Inquires about the liability in such a case.
055	McNitt	Recalls a field trip to the Antelope area during the 1997 session. Agrees that most Oregonians do not want to live with the kind of risk that goes with having no fire protection but says there are a few who are fiercely independent and mistrustful of government authority, preferring to provide fire protection through mutual aid.
073	Chair Krummel	Concludes that such property owners would likely not sue one another.
075	McNitt	Says such landowners typically have their own insurance, and may sue one another, but says that is a risk they are willing to assume.
080	Babits	Mentions that many of the people Ms. McNitt is referring to have their own fire fighting equipment and mobilize to help each other. Describes the mobilization that helped fight the recent Antelope fire. Mentions that the Conflagration Act was put into play in the case, which allowed massive mobilization to the fire.
100	McNitt	Says this bill brings up the issue of whether landowners can be involved in a meaningful way other than simply handing them a bill for services rendered.
110	Rep. Tomei	Concludes that some landowners wish to protect their right to refuse service. Wonders if such landowners could turn away firefighters who arrive to fight a blaze on their property.
116	Babits	Replies that if a fire district is called in to fight a fire they are obligated to put out the fire and can even have the property owner removed for interfering.
124	Rep. Tomei	Wonders whether it is ever feasible for the landowner to declare the situation under control.
126	Babits	Answers that the decision to declare a situation to be under

133	McNitt	control is to be made by the district commander on the scene. Notes that was the case in the Antelope incident, as landowners believed they had the tools to fight the fire before the fire services arrived.
139	Babits	Concludes that this is a complex issue.
150	Charlie Stone	Oregon Department of Forestry (ODF). Testifies to a position of neutrality regarding HB 2720. Summarizes the specifics about the Ashland case. Agrees that the bill clarifies the intent of the law. Indicates that ODF put forth the –3 amendments to further clarify the issue.
168	Rep. Smith	Asks whether it is currently the case that firefighters do not bill for the service of fighting a structural fire to save surrounding land.
171	Stone	Answers that is not always the case. Indicates that if the fire department fights only the structure fire they would not be allowed to bill for service, as it will not have technically been protecting grassland.
190	Rep. Smith	Presumes that structural firefighters would not be allowed to respond to a grass fire, as those are covered by ODF.
193	Stone	Corrects that a fire department could respond to such a call, but would have no authority to make billing for the response.
195	Rep. Garrard	Indicates he was under the impression that ODF would not put out a structure fire but would instead let it burn and protect the surrounding lands.
203	Stone	Agrees that is how the process works in theory but says that being a firefighter at the site of a blaze obliges one to act to protect life and wild lands, with structural protection a tertiary priority for ODF.
216	Rep. Garrard	Concedes that property owners may therefore need the protection of two fire departments.
220	Stone	Agrees. Says there are cases in rural areas where fire districts respond to save the structure and ODF saves the wild land.
230	Rep. Smith	Wonders how ODF receives requests for assistance in fighting grass fires.
234	Stone	Indicates that the 9-1-1 service informs ODF where applicable, otherwise it takes a separate call to ODF from someone at the scene.
242	Rep. Smith	Asks whether ODF responds to every call on protected wild lands.
245	Stone	Replies affirmatively.
254	Chair Krummel	Acknowledges there are still some unresolved issues, specifically related to tenants on someone else’s land. Asks OFCA and OSWA to work together on some inclusive amendments that take into consideration the tenant issue. Says the bill may receive another hearing in the future if progress is made. Closes the public hearing on HB 2720 and opens a public hearing on HB 3056.

**HB 3056 PUBLIC HEARING**

275 Matt Wingard

Committee Administrator. Gives a brief description of the bill. States that the measure creates the Governor’s Fire Service Policy Council to advise the Governor on policy and strategies for improvement of fire fighting services. Mentions that the committee has been provided informational materials on the bill **(EXHIBIT G)**.

283	Rep. Randy Leonard	House District 21. Testifies in support of HB 3056. Emphasizes the need to bolster support for fire fighting services in Oregon.
310	Jeff Johnson	Chief, Tualatin Valley Fire and Rescue. Testifies in support of HB 3056. Submits the -2 amendments ( <b>EXHIBIT H</b> ). Describes the -2 amendments.
345	Steve Marks	Governor's Office. Testifies in support of HB 3056. States that the measure enhances the role of the state fire service and provides the Governor with additional information to help further enhance the service. Mentions there is an informal council that will disband if the bill becomes law.
<b>TAPE 45, B</b>		
004	Bob Livingston	Oregon State Fire Fighters Council (OSFFC). Testifies in support of HB 3056 and the -2 amendments.
012	Burton Weast	OFDDA. Testifies in support of HB 3056 and the -2 amendments. Mentions that the fire service has been working on the issue for a year and has compared alternatives. Asserts that the bill was well thought out.
020	Chair Krummel	Notes that AOC is not listed as a party to the bill.
023	Weast	Clarifies that is because counties do not provide fire service
029	Charlie Stone	ODF. Testifies to a position of neutrality on HB 3056. Says he is uncertain as to exactly what sort of information the council will provide to the Governor. Wonders whether forest-fighting procedures will be reviewed and, if so, why ODF was excluded from the bill.
044	Chair Krummel	Presumes ODF would be allowed to attend meetings and provide testimony and information even if they were not included in the membership of the council.
050	Stone	Agrees, but says it would be a good idea to recognize ODF's role in fire fighting.
056	Chair Krummel	Notes that the -2 amendments replace the entire bill, adding that they do not mention ODF either.
065	Stone	Reiterates that ODF should be included if the issues being considered are relevant to the services the department provides.
070	Weast	Mentions that the Governor's office has not indicated a need or desire to include ODF.
087	Lana Butterfield	Safeco Insurance Company. Testifies in support of HB 3056 and the -2 amendments. Expresses willingness to participate on the council in any way desired.
092	Chair Krummel	Closes the public hearing and opens a work session on HB 3056.
<b><u>HB 3056 WORK SESSION</u></b>		
<b>096</b>	<b>Rep. March</b>	<b>MOTION: Moves to ADOPT HB 3056-2 amendments dated 4/3/01.</b>
<b>099</b>		<b>VOTE: 7-0-4</b>
		<b>EXCUSED: 4 - Garrard, Hill, Kafoury, Tomei</b>
	<b>Chair Krummel</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>101</b>	<b>Rep. March</b>	<b>MOTION: Moves HB 3056 to the floor with a DO PASS AS AMENDED recommendation.</b>
106	Rep. Kruse	Says he believes that there could be duplication between this measure's council and HB 3111's task force.
110	Chair Krummel	Clarifies that the task force created by HB 3111 will deal solely with volunteer firefighter recruitment and retention.
114	Rep. Kruse	Asserts that the council created by HB 3056 could study the problem and address it.

116	Rep. Smith	Wonders whether the activities planned for the council could be done without the legislation.
119	Chair Krummel	Replies affirmatively, adding that this measure simply codifies existing practice.
125		<b>VOTE: 8-0-3</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>EXCUSED: 4 - Garrard, Hill, Kafoury</b> <b>The motion CARRIES.</b>
	<b>Chair Krummel</b>	<b>REP. LEONARD will lead discussion on the floor.</b>
135	<b>Rep. Krummel</b>	<b>MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. TOMEI to BE RECORDED as voting AYE on the motion to send HB 3056 to the floor with a DO PASS AS AMENDED recommendation.</b>
138		<b>VOTE: 8-0-3</b> <b>EXCUSED: 3 - Garrard, Hill, Kafoury</b> <b>Hearing no objection, declares the motion CARRIED.</b> <b>The vote total above reflects Rep. Tomei's AYE vote on the motion to send HB 3056 to the floor with a DO PASS AS AMENDED recommendation.</b>
	<b>Chair Krummel</b>	
151	Chair Krummel	Closes the work session on HB 3056 and opens a public hearing on HB 3919.
		<b><u>HB 3913 PUBLIC HEARING</u></b>
155	Matt Wingard	Committee Administrator. Gives a brief description of the bill. States the measure requires approval of the voters of a city or rural fire district before the city or district may transfer fire department services or facilities to a non-governmental entity.
165	Bob Livingston	OSFFC. Testifies in support of HB 3913 ( <b>EXHIBIT I</b> ) and submits informational materials ( <b>EXHIBIT J</b> ). Discusses the process by which a fire department could be privatized. States that proponents of privatizing fire service have two primary reasons for doing so:
		<ul style="list-style-type: none"> <li>• Competition results in the most efficient production of goods and services</li> <li>• Profit is the reward for that efficiency</li> </ul>
205	Livingston	Asserts that the for-profit approach does not work well for essential services that citizens have come to expect from their local governments. Opines that emergency services should not be treated as consumer goods, as they must be equally accessible to all citizens.
242	Chair Krummel	Asks how many fire districts have actually privatized.
245	Livingston	Replies no public fire departments have been privatized in Oregon. Indicates there is one private fire district in the state, but it is more common in other states.
253	Chair Krummel	Inquires if there has been a threat of privatization in some districts.
266	Livingston	Replies affirmatively.
275	Chair Krummel	Asks if contractual obligations a public fire department might have would be transferred to the private entity that buys it out.

288 Livingston Replies that it is likely contractual obligations would be honored until the expiration date, after which different arrangements could be made.

305 Rep. Smith Wonders who will pay for the election to determine whether the citizens support the privatization.

308 Livingston Indicates that the bill has provisions for elections.

317 Rep. Smith Asks whether medical services would be affected.

321 Livingston Replies that that issue has already been dealt with and that the measure would not affect them.

330 Rep. Wirth Mentions that the fire district in her legislative district is experiencing tight budgets and has considered privatization.

343 Livingston Agrees that privatization is usually considered in areas where budgetary constraints are severe. Asserts it would be difficult to sell districts on privatization otherwise.

355 Rep. Wirth Wonders whether boards could choose to privatize without notifying the public and, if so, asks how the public would be notified of the change.

364 Livingston Concedes that such a change could do it at board level without needing to go to the legislature. Acknowledges that the public may not be aware of such a privatization. Says HB 3919 bill requires a vote by the citizenry.

395 Burton Weast OFDDA. Testifies in opposition to HB 3919. Mentions the Special Districts Association (SDA) and League of Oregon Cities (LOC) also oppose the bill. Indicates he is unaware of any efforts to privatize public fire districts during the last 15 years, which indicates the matter is not much of an issue within Oregon.

**TAPE 46, A**

030 Weast Says the cost of the election could be rather high, especially in larger districts. Adds that local groups are barred from campaigning for or against privatization. Asserts it would be exceedingly difficult to discuss privatization without the public being made aware.

063 Rep. March Presumes there would be political fallout from an effort to privatize fire districts without public input

072 Weast Reiterates that privatization of a volunteer department is unlikely, as stiff union opposition would be applied. Says the committee needs to consider whether it is appropriate to deal with this at the state level.

084 Rep. Smith Presumes an election would be required for privatizing a volunteer fire department.

088 Weast Concurs.

098 Chair Krummel Closes the public hearing on HB 3913 and opens a work session on HB 2172.

**HB 2172 WORK SESSION**

100 Rep. Vicki Walker House District 41. Testifies in support of HB 2172. Provides the -2 amendments (**EXHIBIT K**), which change the word "contractor" to "developer."

116 Rep. Smith **MOTION: Moves to ADOPT HB 2172-2 amendments dated 4/2/01.**

123 **VOTE: 6-0-5**  
**EXCUSED: 5 - Beck, Garrard, Hill, Kafoury, Kruse**  
**Chair Krummel Hearing no objection, declares the motion CARRIED.**

125 Rep. Smith **MOTION: Moves HB 2172 to the floor with a DO PASS AS AMENDED recommendation.**

132 **VOTE: 6-0-5**  
**AYE: In a roll call vote, all members present vote Aye.**  
**EXCUSED: 5 - Beck, Garrard, Hill, Kafoury, Kruse**  
Chair Krummel **The motion CARRIES.**

134 Chair Krummel **REP. V. WALKER will lead discussion on the floor.**  
Closes the work session on HB 2172 and adjourns the meeting at 10:43 a.m.

Submitted By,

Reviewed By,

Patrick Brennan,  
Committee Assistant

Matt Wingard,  
Committee Administrator

**EXHIBIT SUMMARY**

- A – HB 3111, -1 amendments, staff, 1 p.**
- B – HB 3111, testimony, Ken Armstrong, 1 p.**
- C – HB 2720, -1 amendments, staff, 1 p.**
- D – HB 2720, -2 amendments, staff, 1 p.**
- E – HB 2720, -3 amendments, staff, 1 p.**
- F – HB 2720, testimony, Dave Babits, 1 p.**
- G – HB 3056, informational materials, staff, 8 pp.**
- H – HB 3056, -2 amendments, Jeff Johnson, 3 pp.**
- I – HB 3913, testimony, Bob Livingston, 2 pp.**
- J – HB 3913, informational materials, Bob Livingston, 6 pp.**
- K – HB 2172, -2 amendments, Rep. Vicki Walker, 4 pp.**