

HOUSE COMMITTEE ON RULES, REDISTRICTING, AND PUBLIC AFFAIRS

January 29, 2001
1:30 p.m.

Hearing Room D
Tapes 10 - 11

MEMBERS PRESENT: Rep. Carl Wilson, Chair
Rep. Richard Devlin, Vice-Chair
Rep. Dan Doyle, Vice-Chair
Rep. Dan Gardner
Rep. Bill Garrard
Rep. Steve March
Rep. Bruce Starr
Rep. Joanne Verger
Rep. Cheryl Walker

STAFF PRESENT: Cara Filsinger, Administrator
Jennifer Goodman, Administrative Support

MEASURE/ISSUES HEARD: HB 2093 – Public Hearing
HB 2458 – Public Hearing

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.

TAPE/#	Speaker	Comments
TAPE 10, A		
004	Chair Wilson	Calls committee to order at 1:31 p.m.
<u>HB 2093 – Public Hearing</u>		
012	Representative Close	District 36. Submits (EXHIBIT A.) and testifies in support of HB 2093. Explains that a county commissioner bought foreclosed land through an intermediary. States concern that although it is legal it does not reflect well on the county.
030	Chair Wilson	Asks about the technical language of the bill.
032	Rep. Close	Responds that there is a Linn County commissioner in attendance who would answer those questions.
034	Rep. Gardner	Asks why the bill includes all county employees, not just elected or appointed employees.
036	Rep. Close	Replies that drafters agreed that if this bill were to apply to commissioners it should also apply to any employee who has power or authority over foreclosures.
042	Rep. Devlin	Asks question regarding section 3, line 15. Wonders if this indicates that an employee who is not directly concerned with foreclosures would still fall under the restrictions of this bill.
052	Rep. Close	Responds that Legislative Counsel should be asked that question. Adds that personally she would be willing to draw that line in an amendment.
057	Chair Wilson	Asks about section 3. Refers to conflict of interest and expresses a desire to speak to legislative counsel.
063	Rep. Garrard	Asks if Mr. Johnson, referred to in (EXHIBIT A.) expressed a conflict of interest before he purchased the foreclosed land.
064	Rep. Close	Believes that it was largely unknown until he ran for reelection.

069	Chair Wilson	Refers to line 14, and asks how it would be proved that land was purchased through an intermediary and whether there is a time period in which this would be acceptable.
075	Rep. Close	Responds that she is not comfortable with intermediaries at all. States that the purchase would be easy to prove through the public documents.
081	Chair Wilson	Wonders if there will be a period a time that this purchase by an intermediary would be acceptable.
082	Rep. Verger	Asks about the process of notifying of sales. Enquires whether county employees would have an advantage of knowledge before the general public.
098	Rep. Close	Responds that is also a concern to her.
112	Roger Nyquist	Linn County commissioner. Submits written material from John Lindsey (EXHIBIT B.) Supports HB 2093 because it would deter employees from benefiting from insider information and to ensure that the commissioners worked to get top dollar for the foreclosures.
136	Rep. Garrard	Asks if Mr. Nyquist is talking about two different issues, that of disclosure and that of the ability of a commissioner to purchase a foreclosure.
141	Nyquist	Responds that he is talking about anyone who has inside information. Adds that it depends on how the information is disclosed.
149	Rep. Walker	Inquires about (EXHIBIT B) , whether the previous owner has first claim to foreclosed property.
158	Nyquist	Responds that the normal process did allow previous owner first option to buy. Reports that John Lindsey, a Linn County commissioner, is requesting an amendment that would allow an elected official to purchase the property if they were the last previous owner.
165	Rep. Walker	Asks why they would want to make this a state process if it is now at the county level.
169	Nyquist	Responds that the amendment would simply allow a county employee to purchase property through foreclosure that they had previously owned.
178	Bob Cantine	Oregon Association of Counties. Claims neutrality on this bill but believes that it may be too severe by not allowing county employees to participate.
210	Chair Wilson	Recesses the committee at 1:52 p.m.
224	Rep. Gardner	Quotes from HB 2093. Asks how involved the employee has to be in the foreclosure process to be excluded from participating in the purchasing.
231	Harrison Conley	Deputy Legislative Counsel. Believes that the intention of HB 2093 is to distinguish ministerial actions from discretionary actions of judgement. Guesses that would include the secretary. Adds that the sheriff who is conducting the auction is exercising judgement
247	Rep. Gardner	Asks if a deputy who is an employee but not involved in the foreclosure would be eligible to bid.
250	Conley	Believes that the deputy could participate.
255	Rep. Gardner	Asks how broad the deputy's role would need to be to exclude him from the auction.
259	Conely	Responds that he can give no final answer as to which employees are excluded from bidding.

268	Chair Wilson	Asks Mr. Conely to explain the quote, “or decision of the county employee,” on line 18.
279	Conely	Explains that the intention was that ‘ministerial’ modifies the word ‘action’ or ‘decision.’
299	Rep. March	Asks how this bill would affect the ability of the planner to bid.
311	Conely	Explains that this bill is intended to catch the type of employee who would use insider information. Adds that he is not certain whether the planner would be considered to have insider information.
338	Rep. Devlin	Asks to what extent foreclosures on the county level are discretionary or prescribed.
345	Conely	Responds that there are detailed descriptions that the sheriff follows regarding foreclosures.
349	Rep. Devlin	Asks how much discretion the sheriff has in the foreclosure process.
357	Conely	Responds that the sheriff does not make the decision to foreclose.
371	Rep. Devlin	Asks who makes the decision to foreclose.
378	Conely	Answers that the Assessor makes the decision.
392	Chair Wilson	Asks Representative Close if she would work with Legislative Counsel.

Closes HB 2093. Opens Public Hearing on HB 2458

HB 2458 – Public Hearing

405	Rep. Kurt Shrader	District 23. Explains the bill. Describes the interim work group in which he participated.
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TAPE 11, A

002	Rep. Schrader	Continues to explain that this is a newly written bill, different from the one the Governor vetoed last session. Explains that the basic idea is for the citizens to do an economic feasibility study and yet protect existing city rights to have a significant influence in the process. Reviews HB 2458.
065	Rep. Devlin	Refers to the proposed amendment relating to the veto within the urban growth boundaries; asks if this is for incorporation also totally within the urban growth boundaries.
073	Rep. Devlin	Refers to section 3 page 2, regarding requirements. Asks how clearly the work group looked at these definitions.
078	Rep. Schrader	Responds that that is the old wording and that his work group did not review that information.
079	Rep. Devlin	Asks how many of the rural communities might qualify for incorporation.
084	Rep. Schrader	Responds that he does not have that information.
095	Dick Jones	Clackamas County resident. Supports HB 2458. Submits and testifies from (EXHIBIT C.)
162	Eugene Schoenheit	Clackamas county resident. Explains Oak Grove’s location in relation to other areas. Stresses that he would like to see Oak Grove considered for cityhood. States that this may not be possible because of the objections of surrounding cities.
188	Dan Cooper	General counsel for Metro. Submits and testifies from (EXHIBIT D.)
228	Chair Wilson	Asks for an executive summary.
229	Cooper	Replies that it reinstates the three (3) mile rule within urban growth boundaries.
232	Rep. Devlin	Refers to the amendment, asks if the city within an urban growth boundary could reject an incorporation within 3 miles. Asks

		Mr. Cooper if the area that was incorporating was outside the urban growth boundary but within the 3 miles if they could not veto.
243	Cooper	Replies that if the land was entirely outside an urban growth boundary then the bill would apply and that city would be involved but could not object.
262	Rep. Devlin	Asks if the land is adjacent to the urban growth boundary would they still have the veto.
268	Cooper	Responds that the answer is no.
277	Rep. Devlin	Asks who makes boundary decisions regarding a city inside the urban growth boundary if it is annexing outside the urban growth boundary, and the area is adjacent to another city how would that be handled.
282	Cooper	Replies that right now, the annexation cannot happen until the urban growth boundary is moved first.
299	Rep. Devlin	Asks who makes the boundary decisions inside and out of the metro area.
307	Cooper	Responds that except for Linn County, cities make the decisions regarding annexations and the counties make the decisions regarding the formation of new cities. Expands that within the metro area there is a separate appeal process for governmental challenges regarding annexations and boundary changes which leads to an independent appeal board which has been appointed by Metro. Continues to state that citizens take problems to land use board of appeals and then to the court of appeals.
333	Bob Rindy	Department of Land Conservation and Development. States that the department is neutral on this bill. Expresses concern regarding an area that is incorporated simply to keep it free from urban development. Points out a glitch on page 2 line 9. Expresses concern also in Section 3C. Thinks it should be deleted.
TAPE 10, B		
002	Rindy	Continues that he does not want it to be difficult for a newly incorporated city just outside the metro boundary to come into that boundary.
012	Rep. Devlin	Asks about page 2, section 3B; how clearly are these terms defined. Asks if it is possible to identify those who would choose to utilize this law by these definitions.
019	Rindy	Responds that those definitions originated in 1992 by the land conservation and land development commission rules.
039	Rep. Devlin	Asks if the area has to be identified as one of the many defined terms under the Land Conservation and Development Commission in the community plans.
041	Rindy	Responds that that is true or it has to be listed on the survey that includes approximately 500 areas.
048	Rep. Devlin	Requests a copy of the survey.
056	Linda Ludwig	League of Oregon Cities. Submits and reads from (EXHIBIT E.) Requests to work on the language of the bill.
109	Martha Bennett	City of Milwaukee. Outlines the goals of the city of Milwaukee. <ul style="list-style-type: none"> • New cities should be full-service. • Does not want the incorporation of a new city to jeopardize that of an existing city.

		<ul style="list-style-type: none"> • New cities should have the same rules and standards of existing cities. • Does not want to create more layers of government.
133	Burton Weast	Special Districts Association of Oregon. States that the association has no particular objection. Refers to Page 3, line 2A; and states that some legislative history should be considered in this section because almost all cities receive services from special districts. Points out that it would be very difficult to incorporate as a city, as the bill now stands.
189	Chair Wilson	Asks Mr. Schrader if he has anything to add.
190	Rep. Schrader	Discusses the intent of HB 2458.
209	Rep. Devlin	Looks forward to discussing this again with Representative Schrader.
215	Chair Wilson	Closes HB 2458 – Public Hearing
217	Chair Wilson	Adjourns the meeting at 2:50 p.m.

Submitted By,

Reviewed By,

Jennifer Goodman,
Committee Assistant

Cara Filsinger,
Committee Administrator

EXHIBIT SUMMARY

- A – HB 2093, Editorial, Rep. Betsy Close, 1 p.**
- B – HB 2093, written testimony, Roger Nyquist, 1 p.**
- C – HB 2458, written testimony, Dick Jones, 3 pp.**
- D – HB 2458, written testimony, Dan Cooper, 7 pp.**
- E – HB 2458, written testimony, Linda Ludwig, 2 pp.**