

HOUSE COMMITTEE ON TRANSPORTATION

March 26, 2001
9:00 AM

Hearing Room D
Tapes 70-73

MEMBERS PRESENT: **Rep. Bruce Starr, Chair**
 Rep. Alan Brown, Vice-Chair
 Rep. Jeff Merkley, Vice-Chair
 Rep. Richard Devlin
 Rep. Jeff Knopf
 Rep. Donna Nelson
 Rep. Diane Rosenbaum
 Rep. Joanne Verger
 Rep. Cliff Zauner

MEMBER EXCUSED:

STAFF PRESENT: **John Leon, Committee Administrator**
 Kate Campeau, Committee Assistant

MEASURE/ISSUES HEARD: **HB 2440 (1999) – Informational Meeting**
 HB 2817 – Public Hearing
 HJM 10 - 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.

| TAPE/# | Speaker | Comments |
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| TAPE 71, A | | |
| 004 | Vice-Chair Brown | Calls meeting to order at 9:05 a.m. |
| INFORMATIONAL HEARING ON HB 2440 | | |
| 008 | Richard Ubell | Professional Driving School. Testifies on HB 2440 and submits written testimony (EXHIBIT A) . |
| 120 | Rep. Nelson | Asks what was required of trainers prior to this bill. |
| 140 | Ubell | Answers that a written test based on a current text book given by the Department of Motor Vehicles. States that there was a fee for a school license and an instructor license. |
| 150 | Rep. Nelson | Calculates that approximately \$1,700.00 per year is spent in business expenses. |
| 185 | Ubell | Confirms this to be correct. |
| 190 | Chair Starr | Asks witness what is the primary concern with the program. |
| 195 | Ubell | Answers that the time frame is about three weeks for the training and the cost would be about \$3,000.00 in lost income. |
| 201 | Chair Starr | Asks if Oregon Department of Transportation contacted their colleagues and asked for feedback on this program. |
| 205 | Ubell | Answers that contact was very minimal. |
| 209 | Kate Thompson | General Manager, Oregon Driver Training Institute. Reads letter from Driving School Association of America stating opposition to this bill. Submits written testimony (EXHIBIT B) . |
| 257 | Tom Wittforth | Traffic Safety Teacher, Portland Public Schools. Testifies in opposition to this bill and submits written testimony (EXHIBIT C) . |

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| 292 | Troy Costales | Safety Manager, Oregon Department of Transportation, (ODOT). Testifies on this bill and submits written testimony (EXHIBIT D) . States that HB 2440 passed into law during the 1999 Legislative Session and became effective March 1, 2000. Discusses four task forces working on various aspects of the driver education program. <ul style="list-style-type: none"> • Curricula Standards and Practices • Instructor Standards • Operational and Financial Standards and Practices • Media and Information Distribution |
| TAPE 70, B | | |
| 050 | Chair Starr | Asks about legislative language that talked about this extensive program. |
| 060 | Costales | Answers that the task force was created to determine what was needed and states that some of the witnesses that previously testified were involved in that task force. |
| 080 | Chair Starr | Discusses Oregon Transportation Safety Committee (OTSC) which evaluated the curriculum. Asks if grandfathering will not be implemented at this time. |
| 090 | Costales | Answers not at this time. |
| 100 | Chair Starr | Questions the lack of public comments regarding grandfathering. |
| 110 | Costales | Answers that ODOT would be willing to go back and have that dialogue in order to complete this process fairly and properly. |
| 130 | Rep. Merkley | Asks if draft rule was initiated in order to collect comments. |
| 140 | Costales | Answers that during the task force, rule language was being worked on. States that when formal rule process was in place, copies of rules were mailed out in order to collect comments and feedback. |
| 144 | Ubel | States that specifics were not clear. |
| 150 | Rep. Kropf | Suggests initiating a task force. |
| 160 | Chair Starr | Concurs with Rep. Kropf's comments and states that a task force will be initiated. |
| 170 | Rep. Verger | Comments on process. States that this is a long, lengthy and formal process - debates, public input - in which legislators have given a great deal of time and thought to this process. Comments further that this is a safety issue and thus demands a higher benchmark. |
| 200 | Chair Starr | Concurs with Rep. Verger's comments and states that there are certain details that have fallen through the cracks. States that he simply wants to take another look via a task force. |
| 230 | Costales | States appreciation for interest and comments from the committee. Contributes that 250 teenagers were killed and 22,000 injured due to driving accidents. Suggests that if these figures were gang violence related there would be a public outcry. |
| 250 | Chair Starr | Asks about the drafting of rules in comparison to other states. |
| 260 | Costales | States that Oregon has a very hands-on approach and is the least restrictive of all states. Continues with comments that other states give strict rules and guidelines regarding the driving education curriculum. |
| 280 | Rep. Nelson | Asks if 250 death rate is in one year. |
| 288 | Costales | Answers that statistic is inclusive of the last five years and the |

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| | | 15-19 of age group. |
| 290 | Rep. Nelson | Asks if driver training was inadequate. |
| 300 | Costales | Answers those statistics were not tracked. |
| TAPE 71, B | | |
| 050 | Rep. Nelson | Asks if data could be compiled to find out why deaths occurred. |
| 060 | Costales | States that data was compiled. |
| 070 | Rep. Nelson | Asks how many instructors were removed from their positions because of these traffic deaths. |
| 077 | Costales | Answers that he does not have this information. |
| 090 | Rep. Kropf | Compliments Troy Costales on his diligence and hard work. |
| 100 | Chair Starr | Closes informational meeting on HB 2440. Opens public hearing on HJM 10. |

HJM 10 – PUBLIC HEARING

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| 104 | Leon | Reads brief synopsis of HJM 10, which urges Congress to adopt Railroad Retirement and Survivors Improvement Act. Submits – 1 amendments (EXHIBIT E). States that there is no fiscal or revenue impact. |
| 110 | Delmer Hanson | United Transportation Union. Testifies in favor of HJM 10 and submits written testimony (EXHIBIT F). |
| 150 | Rep. Kropf | Asks why there is opposition to this in Congress. |
| 157 | Hanson | Answers that the way this bill was scored it was viewed as unfavorable. |
| 166 | Rep. Kropf | Asks is surviving spouses have not been receiving 100 percent of spouses pension fund. |
| 170 | Hanson | Concurs that this is true and that this is very important legislation. |
| 173 | Everett Cutter | Oregon Railroad Association. Testifies in favor of HJM 10. |
| 200 | Rep. Devlin | Asks if this would be retroactive. |
| 204 | Cutter | Answers that this will go back seven or eight years and brings spouses up to the level of the paycheck of their spouse one month prior to spouse's death. Contributes that if the spouse has been deceased longer than six or seven years, COLA has already brought the spouse up to that level. |
| 210 | Rep. Kropf | Asks where the portion of the money that the spouse does not receive goes. |
| 220 | Cutter | States that the money is held in limbo. States that this method was a precursor to Social Security - 1935 was when the railroad retirement system was initiated. |
| 230 | Rep. Kropf | Clarifies that Tier 2 is what is being discussed. |
| 235 | Cutter | States that is correct. |
| 240 | Rep. Nelson | Asks if this program is more military based. |
| 244 | Cutter | States that is correct. |
| 251 | Rep. Nelson | Talks about various issues connected to the military model that the railroad retirement plan is based on. |
| 255 | Cutter | Answers that the issue of divorce and benefits due spouses after a divorce are indeed problematic but that he feels it is very much out in the open and that the bill has been scrutinized. |
| 266 | Chair Starr | Asks if there is any oppositon to this bill in the House and Senate. |
| 267 | Cutter | Answers that there is no opposition. |
| 268 | Rep. Nelson | Asks if everyone in the railroads, including shortlines, are federal employees. |
| 270 | Cutter | States that the railroads are privately investor owned and that shortlines vary with ownerships - some are municipally owned. |

States that all of the class 1 railroads and many of the shortline and regional railroads are under the Railroad Retirement System and this is intended by Congress to be a long-term fix to enable the system to perpetuate on a sound actuarial basis for many years to come.

276 Rep. Nelson
280 Cutter

Asks if there is a comparison of benefits between railroads. States that railroad retirement benefits generally exceed Social Security benefits.

285 Chair Starr

Closes public hearing on HJM 10. Opens work session on HJM 10.

HJM 10 – WORK SESSION

290 Rep. Merkley
291 Rep. Merkley

MOTION: Moves –1 amendments to HJM 10.

MOTION: Moves HJM 10 as amended to the floor with a DO PASS recommendation.

293

VOTE: 9-0

Chair Starr

The motion CARRIES.

300 Chair Starr

Rep. Kropf will carry the bill to the floor.

Closes the work session on HJM 10 and opens a public hearing on HB 2817.

HB 2817 – PUBLIC HEARING

302 Leon

Reads brief synopsis of bill which provides that circuit court upon petition of Department of Transportation may order that telecommunications utility refuse or terminate telecommunications service, change or terminate telephone number or deny or cancel call forwarding services. Submits –1 amendments (**EXHIBIT G**). States that there is a minimal fiscal impact and no revenue impact.

TAPE 72, A

030 Bob Russell

Director, Government Affairs, Oregon Trucking Association. Introduces William Stewart for direct testimony on HB 2817.

035 William Stewart

Oregon Draymen and Warehousemen’s Association. Submits written testimony (**EXHIBIT H**). Testifies in favor of this bill. States that this legislation is critical to insure that Oregon’s citizens receive safe, legal and efficient transportation of household goods in residential service. Details the illegal activities of some providers who refuse to pay for damaged goods and, in worst case scenarios, have extorted unfair fees from customers or even stolen customer’s goods. States that these problems are not prevalent in Oregon but they do exist. Details the characteristics of this bill which will provide ODOT an effective tool to stop repeat violators by providing mechanism for a last resort, court ordered disconnection of the commercial phone number.

080 Russell

States that amendments delete some language, referencing page 2, line 5, which was requested by a member of the committee. Also references –2 amendment which gives ODOT more authority and was requested by ODOT.

100 Rep. Kropf

Asks if page 2, line 5, which talks about entering premises, is a court ordered entry.

110 Russell

States that to date ODOT has the right to enter the premises of anyone who is suspected of providing illegal transportation services. Discusses that attorney generals and hearing officers are unaware of the precedent. States that this amendment is

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| | | clarifying language. |
| 117 | Rep. Kropf | Asks for clarification. |
| 125 | Russell | Answers that ODOT has the authority to enter business premises for illegal transportation activities. States that this is a business regulation. |
| 130 | Rep. Merkley | States that often this is a small business operating out of their residence. Asks if the phone lines are commercial lines only. |
| 138 | Russell | Answers that the residential phone number is often being used to conduct business. States that this legislation does not preclude getting a new phone number but precludes using phone number that has been used to solicit business illegally. |
| 147 | Chair Starr | States that a major problem targeted by this bill is the use of The Yellow Pages ads that are difficult to curtail and shut down, and if that number is pulled the opportunity is greatly impaired to continue illegal activities. |
| 155 | Rep. Nelson | Suggests that this method of redistricting or controlling illegal practices through telecommunications has dangerous repercussions. Suggests other methods which include licensing restrictions, etc. |
| 160 | Russell | States that this is a last resort activity. |
| 177 | Rep. Rosenbaum | Asks if this mechanism of enforcement is used by other governmental entities when business is operating illegally. |
| 194 | Chair Starr | States that members of the telecommunication industry are going to testify and would be more able to answer that question. |
| 200 | Stewart | States that the phone service would still be available but the number that they have been using for advertising, business, etc., would be pulled. |
| 210 | Rep. Zauner | Asks if these businesses are truly doing illegal activities. |
| 216 | Russell | States that the activities outlined in the previous testimony have been illegal since 1933 in Oregon. States that there are a number of administrative actions but there are instances of continual violation. |
| 218 | Stewart | Answers that the attorney general's office is not enthusiastic about spending a lot of resources in this part of the regulatory structure, and this bill will help get some more effective regulation. |
| 226 | Rep. Verger | States sympathy for trying to protect consumers but that this looks like the heavy hand of government. |
| 229 | Stewart | States that the phone number is being curtailed not the phone line. |
| 236 | Rep. Verger | Asks what is to keep a scofflaw business from doing this again. |
| 240 | Stewart | Answers that phone books are on a yearly cycle. |
| 245 | Merkley | Asks if the attorney general's office has been invited to look at this language in the amendments. |
| 250 | Russell | Answers no. States that there were extensive conversations between ODOT and Legislative Counsel which resulted in the wording of the amendments. |
| 255 | Merkley | States preference for the original bill language rather than the language of the amendments. |
| 260 | Jenny Lang | Qwest. Discusses various reasons why this bill is not supported by the telecommunications industry. States that there is an issue of safety. |
| 266 | Chair Starr | Asks how difficult is it to reprogram a new number to a location. |
| 270 | Lang | Answers that an order would need to be placed and the process is |

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| 280 | Shelly Jensen | usually a two-day order. States that the lack of provisions of service is governed by the Public Utility Commission and they are the only entity that is allowed to promelgate rules. Regulatory and Governmental Affairs Manager, Horizon. States concern of setting a precedent for an enforcement mechanism when various other enforcements have failed. States that this is putting the telecommunications industry in the middle of an opportunity to strengthen enforcement mechanism of whatever agency is the enforcer. |
| 288 | Rep. Kropf | Reiterates for clarification that the number is being eliminated not the telephone service. |
| 300 | Lang | Concurs and counters that any business could take the troublesome number and move it to another telecommunications carrier. |
| 310 | Rep. Kropf | Asks if language should be expanded to encompass the provider. |
| 312 | Lang | States that all providers would have to be included. |
| 316 | Vice-Chair Merkley | Meeting adjourned at 10:45 a.m. |

Submitted By,

Reviewed By,

Kate Campeau,
Committee Assistant

John Leon,
Committee Administrator

EXHIBIT SUMMARY

A – HB 2440, written testimony, Richard Ubell, Professional Driving School, 4 pp.

B – HB 2440, written testimony, Oregon Driver Training Institute, 3 pp.

C – HB 2440, written testimony, Tom Wittforth, 1p.

D – HB 2440, Oregon Department of Transportation, Troy Costales, written testimony, 3 pp.

E – HJM 10, -1 amendments, 1 p.

F – HJM 10, United Transportation Union, Delmar Hanson, written testimony, 2 pp.

G – HB 2817, -1 amendments, 1 p.

H – HB 2817, Oregon Draymen & Warehousemen’s Assoc., William Stewart, written testimony, 2 pp.

I – HB 2440, written material, James Lavrinc, submitted by staff, 3 pp.

J – HJM 10, Dan Gardner, State Representative, District 13, written testimony submitted by staff, 1p.