

# HOUSE COMMITTEE ON TRANSPORTATION

April 23, 2001  
8:00 A.M.

Hearing Room D  
Tapes 97 - 100

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

**MEMBER EXCUSED:**

**STAFF PRESENT:** John Leon, Committee Administrator  
Kevin Wells, Committee Assistant

**MEASURE/ISSUES HEARD:** HB 3662 Public Hearing and Work Session  
HB 3411 Public Hearing  
HB 3569 Public Hearing  
HB 3548 Public Hearing  
HB 2817 Public Hearing and 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 97, A</b>		
003	Chair Starr	Calls the meeting to order 8:05 a.m. Opens a public hearing on HB 3662.
<b><u>HB 3662 PUBLIC HEARING</u></b>		
009	John Leon	Committee Administrator. Explains HB 3662 and its background ( <b>EXHIBIT A</b> ).
030	Dee Bridges	Executive Director, Oregon Forest Products Transportation Association. Supports HB 3662 ( <b>EXHIBIT B</b> ). Explains implementation of previous legislation that necessitates HB 3662.
070	Bob Russell	Director of Government Affairs, Oregon Trucking Associations (OTA). Supports HB 3662. States there is no known opposition.
076	Rep. Verger	Asks if there is an associated change in fees to truckers.
079	Russell	Explains that fewer truckers will be assessed fees.
090	Chair Starr	Closes the public hearing on HB 3662. Opens a work session on HB 3662.
<b><u>HB 3662 WORK SESSION</u></b>		
<b>092</b>	<b>Rep. Zauner</b>	<b>MOTION: Moves to ADOPT HB 3662-1 amendments dated 03/16/01.</b>
096	Rep. Merkley	Asks if the American Automobile Association and the Oregon Department of Transportation (ODOT) opposed HB 3662.
100	Steve Johnston	ODOT Motor Carrier Division. States that ODOT does not

104 Chair Starr oppose HB 3662.  
 110 Suggests that AAA does not oppose HB 3662.  
**VOTE: 9-0**  
 Chair Starr **Hearing no objection, declares the motion CARRIED.**  
 113 Rep. Zauner **MOTION: Moves HB 3662 to the floor with a DO PASS AS**  
**AMENDED recommendation.**  
 115 **VOTE: 9-0**  
 Chair Starr **AYE: In a roll call vote, all members present vote Aye.**  
**The motion CARRIES.**  
**REP. BROWN will lead discussion on the floor.**  
 125 Chair Starr Closes the work session on HB 3662. Opens a public hearing on  
 HB 3411.

**HB 3411 PUBLIC HEARING**

127 Leon Reviews HB 3411. Explains its provisions and amendments  
**(EXHIBIT C)**. Notes that it simplifies the weight-mile tax.  
 145 Russell Supports HB 3411 **(EXHIBIT D)**. Explains why tax plates  
 should be eliminated.  
 200 Russell Discusses tax reporting in the trucking industry.  
 250 Russell Explains the new carrier education provision of HB 3411.  
 274 Bridges Supports HB 3411.  
 284 Al Elkins OTA. Supports HB 3411. Applauds ODOT's effort on the  
 issue.  
 299 Rep. Brown Asks if ODOT writes off any weight-mile taxes as uncollectable.  
 301 Russell Replies that they do though he does not know the specifics.  
 307 Rep. Nelson Asks what private organizations can issue these permits.  
 310 Russell Clarifies that there are no permits in this measure.  
 314 Chair Starr Asks the panel if they approve of both the -1 and -2  
 amendments.  
 315 Russell Replies that they do.  
 320 Greg Del Ponty Indicates that he will provide the requested information.  
 330 Chair Starr Closes the public hearing on HB 3411. Opens a public hearing  
 on HB 3569.

**HB 3569 PUBLIC HEARING**

349 Leon Reviews HB 3569 **(EXHIBIT E)**.  
**TAPE 98, A**  
 001 Randy Hilderbrand Chief of Staff, Senate District 27. Testifies on behalf of Sen.  
 Clarno in support of HB 3569 **(EXHIBIT F)**. Outlines concern  
 with the operation of the state motor pool. Notes HB 3705  
 (1997) was similar.  
 050 Hilderbrand Comments on efficiencies that can be achieved through selling  
 off the excess inventory in the state motor pool and reducing  
 other capital costs. Discusses a similar project in Portland's  
 motor pool.  
 099 Rep. Devlin Discusses previous legislation on this history.  
 108 Hilderbrand Replies that the private sector can provide efficient services to  
 the state. Stresses that there needs to be better accountability by  
 the state.  
 149 Cam Birnie Administrator, Transportation, Purchasing & Printing Services  
 Division of the Department of Administrative Services (DAS).  
 Opposes HB 3569 **(EXHIBIT G)**. Outlines DAS' concerns with  
 the measure.  
 200 Birnie Discusses the suitability of personal and private vehicles for state  
 use. Reviews potential problems with private contractors

250	Birnie	providing state motor pool services statewide. Indicates that DAS includes all costs of providing state motor pool services in their cost estimates. Highlights potential problems with HB 3569. Notes that the Legislative Fiscal Office concluded that there would be no benefit to contracting out the state motor pool services.
287	Rep. Verger	Asks if DAS compared the operational costs of the state motor pool with the cost of contracting the service in the private sector.
293	Birnie	Replies that LFO off did that analysis.
300	Rep. Verger	Notes that she has a rental car business with many public sector clients.
313	Birnie	Agrees that there are many successes with contracting out services. Adds that it works better at the local level rather than statewide.
329	Rep. Zauner	Asks who pays for parking costs of state vehicles.
336	Birnie	Replies that agencies pay for the parking in question.
343	Margie Lowe	Assistant Administrator, Management Operations for Services to Children and Families (SCF). Explains why SCF parks vehicles near to the office. Indicates that each parking stall costs about \$55 per day.
343	Rep. Zauner	Asks who insures the state motor pool vehicles.
368	Dan Hartman	Chief Risk Officer, DAS. Replies that the state self-insures vehicles. Asserts that is the most efficient method.
389	Rep. Zauner	Asks if the state screens employees before they can drive state vehicles.
392	Hartman	Replies that DAS relies on agencies to screen their own employees for driving risks. Adds that high-risk agencies have additional requirements to control risk and cost to the state.
<b>TAPE 97, B</b>		
013	Rep. Zauner	Asks what logistic problems using private car rental companies pose.
016	Birnie	Replies that the state motor pool supports vehicles throughout the state. Indicates that private providers could provide the same service.
032	Rep. Zauner	Asks what the process is when a state vehicle is in an accident.
035	Hartman	Outlines the process for managing and paying for an accident involving a state vehicle.
045	Rep. Zauner	Asks why it is difficult for the state to coordinate rental cars, as rental cars are available statewide.
049	Birnie	Suggests that rental cars may not be available everywhere that state motor pool services are needed. Agrees that private sector services could be provided if companies decided to do so.
058	Rep. Zauner	Asks if it would be cheaper if the state was a secondary issuer.
060	Hartman	Agrees that it would be cheaper.
064	Rep. Rosenbaum	Asks if there are 59 state motor pool employees and if they are represented by a collective bargaining agreement.
066	Birnie	Indicates that is correct and that they are represented by a union.
070	Rep. Rosenbaum	Asks if the union has been consulted on HB 3569.
071	Birnie	Replies that he is unsure if the union has been consulted.
074	Lowe	Opposes HB 3569 ( <b>EXHIBIT H</b> ). Reviews SCF's concerns with the measure. Notes that SCF employees are at risk if they use personal vehicles on the job. Adds that volunteers frequently drive children for SCF who would not use their own vehicles. Stresses that SCF employees cannot use their own vehicles for

		business purposes. States that SCF does not oppose the use of rental cars if it is cost effective and there is ready access to the vehicles.
156	Rep. Devlin	Clarifies issues in HB 3705 (1997). Agrees with Ms. Lowe that the use of personal vehicles is inappropriate for SCF.
187	Rep. Nelson	Asks if costs of renting cars have been compared with state operations.
194	Lowe	Explains those estimates.
199	Rep. Nelson	Asks what the estimate is.
203	Lowe	States that the rental cost is \$930 per month and the state operated cost is \$444.
209	Dugan Petty	Provides further information on rental agreements with the private sector. Explains the various rates paid by various states for rental cars.
254	Chair Starr	Closes the public hearing on HB 3569. Opens a public hearing on HB 3548.

**HB 3548 PUBLIC HEARING**

263	Leon	Explains HB 3548 and access management issues involved.
272	Lynn Lundquist	Executive Director, Oregon Business Association. Supports HB 3548. States the need to transport people and products in a timely manner. Stresses that access to transportation is essential for a successful business operation.
323	Chair Starr	Closes the public hearing on HB 3548. Opens a public hearing on HB 3569.

**HB 3569 PUBLIC HEARING**

330	Al Elkins	Car Rental Association. Supports HB 3569. Comments on differences between private sector and state costs estimates.
370	Chuck Sellers	General Manager, Budget Rental Cars. Supports HB 3569. Explains their contract with the state and other public clients.

**TAPE 98, B**

005	Sellers	Discusses liability coverage provided as part of these contracts.
010	Rep. Zauner	Asks what is the maximum coverage under their coverage.
011	Sellers	Indicates that they cover up to \$300,000 per occurrence.
013	Rep. Verger	Asks if Budget has its headquarters in Oregon.
014	Sellers	Replies that their corporate headquarters is in Chicago, Illinois.
016	Rep. Verger	Asks if Budget had to bid for their contract.
017	Sellers	States that Budget did go through a bid process in 1999.
020	Hilderbrand	States that Rich Peppers (SEIU Local 503) did not testify against a similar Senate measure. Clarifies that private providers deliver vehicles to employees as needed.
050	Chair Starr	Closes the public hearing on HB 3569. Opens a public hearing on HB 3548.

**HB 3548 PUBLIC HEARING**

060	Jacob Brostoff	1000 Friends of Oregon. Opposes HB 3548 ( <b>EXHIBIT I</b> ). Outlines concerns with changes to state regulation of access to state highways as part of managing to overall efficiency of the highway system.
103	Rep. Verger	Asks if access management prevents economic growth.
107	Brostoff	States that access management is consistent with economic growth.
120	Bruce Warner	Director, ODOT. Opposes HB 3548 ( <b>EXHIBIT J</b> ). Details ODOT's objections. Reviews SB 773 (1999) and ODOT's response.
170	Warner	States that there are safety issues when siting access to state

		highways. Explains that state highways balance mobility with local access. Discusses the definition of “reasonable access” in HB 3548.
220	Warner	States that increased access increases costs of operating and maintaining state highways. Acknowledges that improvements can be made in the area of local access.
240	Chair Starr	Asks if this discussion is moving in the right direction.
248	Warner	Suggests that SB 773 (1999) improved the discussion management.
264	Rep. Brown	Asks if ODOT acquires access rights through deeds.
271	Warner	Explains how ODOT deals with access rights.
286	Rep. Devlin	Asks about access management in Washington County. Asks how to address parcels without alternative access routes.
324	Warner	Agrees that access management at the local level is important. States that difficult cases require innovation and compromise on both sides.
353	Rep. Zauner	Asks which applications have been denied.
355	Warner	Offers to provide that information.
357	Rep. Devlin	Asks to see a list of whose applications were approved.
363	Rep. Kropf	Asks for a historical perspective on approvals and denials of local access applications.
375	Warner	Offers to provide that information.
378	Rep. Kropf	Explains need for the request.
389	Mark Whitlow	Retail Taskforce. Supports HB 3548 ( <b>EXHIBIT K</b> ).
<b>TAPE 99, A</b>		
020	Whitlow	Discusses local access rules.
070	Whitlow	Continues to testify in support of increased local access.
081	Chair Starr	Asks if there are cases where local access applications were not submitted because the way rules are currently applied.
085	Whitlow	Explains that some business owners cannot apply for local access. Suggests that ODOT’s data is not necessarily reliable for this reason.
107	Rep. Zauner	Agrees that there are problems with ODOT’s rule.
116	Rep. Devlin	Asks if HB 3548 is a warning to ODOT.
124	Whitlow	Stresses that the discussion needs to be on reasonable access to roads and highways rather than alternative routes.
148	Rep. Devlin	Expresses concern with the language of HB 3548 as being too broad.
152	Whitlow	Replies that the language needs to be broad to deal with the criteria for issuing local access permits.
166	Rep. Kropf	Notes that there are places where there is limited access to highways. Asks if ODOT is serious about restricting local access in such cases.
179	Whitlow	Replies that ODOT is serious. Adds that reclassifications of roads have consequences for approved development projects.
191	Len Waggoner	Real Estate Consultant. Discusses ODOT’s policy on regulating access to roads and highways.
240	Waggoner	Illustrates the problem with a case in Grants Pass. Stresses that access management can and does halt development projects.
300	Waggoner	Continues to discuss the case in Grants Pass. Suggests that there needs to be development of the highway system for economic development.
347	Dan Chandler	Land Use Attorney. Supports HB 3548. Discuss SB 773 (1999). Explains the need for HB 3548.

**TAPE 100, A**

005	D. Chandler	Stresses the need for a clear definition of “reasonable access.” Elaborates with a case in Klamath Falls.
048	Rep. Nelson	Asks for clarification of the highway in question and its location.
050	D. Chandler	Clarifies which highway he is discussing and where it is located.
054	Rep. Nelson	Asks for Mr. D. Chandler’s testimony in writing.
056	D. Chandler	Offers to provide a copy of his testimony. Continues to discuss the case in Klamath Falls. Notes that the issue will be decided in court.
100	D. Chandler	Suggests that these problems have not improved on the ground.
117	Greg Bess	Supports HB 3548. Indicates that he is the owner of the case that Mr. D. Chandler discussed. Offers further details of his case.
169	Rep. Nelson	Asks how much a stoplight at his location would cost.
171	Bess	Indicates that it will cost \$500,000. Continues to review his case.
220	Bess	Continues to review his case.
270	Bess	Continues to review his case. Stresses that this issue has negative impacts on economic development in Klamath Falls.
320	John Chandler	Oregon Builders Association. Supports HB 3548. Comments on previous and on-going discussion around local access issues. Notes that HB 3548 clarifies several issues for parties involved in planning.
370	J. Chandler	Stresses that contracts and land use plans have to be honored so that landowners know what rules they are operating under. Discusses ODOT’s role in land use planning.

**TAPE 99, B**

007	Chair Starr	Reminds the committee that there is one more bill to be heard. Suggests that SB 773 (1999) is a basis for further discussion.
019	Rep. Kropf	Asks Mr. D. Chandler if new administrative rules have improved the situation.
025	D. Chandler	Replies that they have not changed the situation substantially.
037	Rep. Kropf	Asks who manages the application process and is it a violation of statute to not receive a timely response.
042	D. Chandler	Replies that the circuit court is the appropriate place to decide the case.
052	Rep. Kropf	Asks if ODOT’s hearing panel did not respond to their requests.
054	D. Chandler	Explains how the hearing panel operates.
057	Rep. Kropf	Asks for explanation why Mr. D. Chandler was not responded to in a timely manner by ODOT’s hearing panel.
061	Chair Starr	Closes the public hearing on HB 3548. Opens a public hearing on HB 2817.

**HB 2817 PUBLIC HEARING**

067	Leon	Reviews HB 2817 and the –2 amendment ( <b>EXHIBIT L &amp; M</b> ).
080	Chair Starr	Closes the public hearing on HB 2817. Opens a work session on HB 2817.

**HB 2817 WORK SESSION**

085	Rep. Merkley	<b>MOTION: Moves to ADOPT HB 2817-2 amendments dated 04/20/01.</b>
		<b>VOTE: 8-0</b>
		<b>EXCUSED: 1 - Devlin</b>
	Chair Starr	<b>Hearing no objection, declares the motion CARRIED.</b>
091	Rep. Merkley	<b>MOTION: Moves HB 2817 to the floor with a DO PASS AS AMENDED recommendation.</b>

095	Rep. Merkley	Expresses a concern about the expense of the task force. Notes that he has been assured that the expense will be absorbed by ODOT.
103	Rep. Nelson	Will vote for this bill as a courtesy to the chair. Expresses a concern about ODOT getting involved in telecommunications issues.
110	Chair Starr	Notes that the task force will have a telecommunications representative. Adds that no recommendations have been determined at this point.
115	Rep. Verger	Asks for clarification on what the task force will be considering.
118	Chair Starr	Clarifies the charge of the task force.
124		<b>VOTE: 9-0</b>
	<b>Chair Starr</b>	<b>AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.</b>
		<b>REP. STARR will lead discussion on the floor.</b>
132	Chair Starr	Closes the work session on HB 2817. Adjourns the meeting at 10:55 a.m.

Submitted By,

Reviewed By,

Kevin Wells,  
Committee Assistant

John Leon,  
Committee Administrator

**EXHIBIT SUMMARY**

- A – HB 3662, LC amendment –1 (3/16/01), staff, 5 pp.**
- B – HB 3662, written testimony, Dee Bridges, 1 p.**
- C – HB 3411, LC amendments –1 and –2, staff, 2 pp.**
- D – HB 3411, written testimony, Bob Russell, 2 pp.**
- E – HB 3569, LC amendment –1 (4/20/01), staff, 1 p.**
- F – HB 3569, information packet, Randy Hilderbrand, 3 pp.**
- G – HB 3569, written testimony, Cam Birnie, 1 p.**
- H – HB 3569, written testimony, Margi Lowe, 1 p.**
- I – HB 3548, written testimony, Jacob Brostoff, 1 p.**
- J – HB 3548, written testimony, Bruce Warner, 1 p.**
- K – HB 3548, written testimony, Mark Whitlow, 6 pp.**
- L – HB 2817, LC amendment (4/20/01), staff, 2 pp.**
- M – HB 2817, written testimony, staff 1 p.**