

HOUSE COMMITTEE ON COMMERCE

June 02, 1999 Hearing Room 50

6:00 p.m. Tape 82

MEMBERS PRESENT: Rep. Jim Hill, Chair

Rep. Ryan Deckert, Vice-Chair

Rep. Al King

Rep. Jerry Krummel

Rep. Bob Montgomery

Rep. Anitra Rasmussen

Rep. Diane Rosenbaum

Rep. Mark Simmons

Rep. Bill Witt

STAFF PRESENT: Jason Cody, Administrator

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD: SB 622 ñ 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
TAPE 82, A		
003	Chair Hill	Calls meeting to order at 6:13 p.m. and opens a work session on SB 622.

SB 622 n WORK SESSION

004	Rep. Montgomery	MOTION: Moves to ADOPT SB 622-4 amendments dated 05/25/99 (EXHIBIT A).
008	Jason Cody	Administrator. Explains the n4 amendments.
019		VOTE: 5-4-0 AYE: 5 - Krummel, Montgomery, Simmons, Witt, Hill NAY: 4 - Deckert, King, Rasmussen, Rosenbaum
	Chair Hill	The motion CARRIES.
023	Rep. Montgomery	MOTION: Moves to ADOPT SB 622-10 amendments dated 06/02/99 (EXHIBIT B).
029	Rep. Rasmussen	Advises she has received a note from Oregon Health Sciences University (OHSU) indicating language on page 21, lines 22 and 31, needs to be amended to include OHSU.
035	Chair Hill	Notes that OHSU is included in line 12 on page 21.
046	Chair Hill	Explains that the SB 622-10 amendments include technical changes and incorporate the changes in the SB 622-9 (EXHIBIT C) and the SB 622-6 (EXHIBIT D) amendments which include wireless being able to opt in, rather than opt out.
061	Rep. Rosenbaum	Ask for an explanation of the SB 622-9 amendments (EXHIBIT C).
063	Cody	Explains the SB 622-9 amendments.
072	Rep. Deckert	Asks if the SB 622-9 amendments, requiring that 10 percent of the funds be directed to a private educational institution, are constitutional.
073	Rep. Witt	Responds that the funds are held and directed by the carrier, rather than going into a fund held by a government entity.
076	Rep. Deckert	Asks how the 10 percent was arrived at.

078	Rep. Witt	Responds it is based on the fact that 10 percent of the students K-12 are in private institutions.
080	Rep. Deckert	Asks if there is precedence for this in other telecommunications across the country.
081	Rep. Witt	Responds he is not sure if this approach has been done in other states. It is based upon the premise that both the customers of U S West and the ratepayers, as well as the shareholders of U S West, have an interest in private education as well as public education.
086	Rep. King	Asks if there is a definition of private educational institutions in the bill.
096	Chair Hill	Comments he believes one would go to the plain meaning on the words and does not need definition. Adds that for purposes of K-12, OEDD and the COC board would adopt all necessary rules.
120	Rep. Rosenbaum	Comments she does not understand what is in the amendments but will not be able to support the 10 percent of the fund for private schools. Does not see why we are treating ratepayers different than taxpayers.
135	Rep. Rosenbaum	Declares conflict of interest in SB 622 and all the amendments.
139	Rep. Witt	Comments these are not taxpayer dollars. So when we talk about funding K-12 education through general fund appropriation, those are tax dollars. These are private dollars being made available to help with technology capabilities for education. In view of the fact these are private dollars, it is appropriate we support both public and private education institutions.
154		VOTE: 5-4-0 AYE: 5 - Krummel, Montgomery, Simmons, Witt, Hill NAY: 4 - Deckert, King, Rasmussen, Rosenbaum
	Chair Hill	The motion CARRIES.
160	Rep. Montgomery	MOTION: Moves SB 622 to the floor with a DO PASS AS AMENDED recommendation.
165	Rep. Rasmussen	Comments that she would have preferred to have the committee do more work on the bill because there are some real issues for the entire state. Will not be able to support the bill in its current form for a number of reasons.

177	Rep. Rosenbaum	Comments she has some reservation about the process. Sees the bill as having a significant hike in rates for residential customers, it will cut quality standards, it continues to address the rate case, and it introduces a lot of new and fairly radical concepts that were never discussed in the earlier testimony on the bill.
189	Rep. Witt	Comments the bill is a complex matter, the process has been good and he thinks it is a good bill.
213	Rep. King	Comments he was optimistic that negotiations would have moved farther along and hopes something might still occur.
225		VOTE: 5-4-0 AYE: 5 - Krummel, Montgomery, Simmons, Witt, Hill NAY: 4 - Deckert, King, Rasmussen, Rosenbaum
	Chair Hill	The motion CARRIES. REP. HILL will lead discussion on the floor.
224	Rep. Rasmussen	Serves notice of potential minority report. Joined by Rep. Rosenbaum
226	Chair Hill	Adjourns meeting at 6:31 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jason Cody,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 622, SB 622-4 amendments, Gary Bauer, 3 pp

B ñ SB 622, SB 622-10 amendments, Rep. Hill, 28 pp

C ñ SB 622, SB 622-9 amendments, Rep. Witt, 27 pp

D ñ SB 622, SB 622-6 amendments, Rep. Hill, 27 pp