

**HOUSE COMMITTEE ON COMMERCE**  
**SUBCOMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT**

**April 19, 1999 Hearing Room 350**

**1:00 p.m. Tapes 39 - 40**

**MEMBERS PRESENT: Jerry Krummel, Chair**

**Rep. Ryan Deckert**

**Rep. Bob Montgomery**

**Rep. Diane Rosenbaum**

**STAFF PRESENT: Jason Cody, Administrator**

**Annetta Mullins, Administrative Support**

**MEASURE/ISSUES HEARD: HB 3222 ñ Public Hearing**

**HB 3507 ñ Public Hearing**

**HB 3041 ñ Public Hearing**

**HB 3493 ñ Public Hearing**

**HB 3061 ñ Public Hearing and Work Session**

**HB 3096 ñ Public Hearing**

**HB 3518 ñ Public Hearing and Work Session**

**HB 3241 ñ 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
<b>TAPE 39, A</b>		
003	Chair Krummel	Opens meeting at 1:10 p.m. and opens a public hearing on HB 3222.

**HB 3222 n PUBLIC HEARING**

010	Chair Krummel	Notes there are no witnesses signed up to testify on HB 3222 and closes the public hearing on HB 3222.
011	Chair Krummel	Opens a public hearing on HB 3507.

**HB 3507 n PUBLIC HEARING**

023	Chair Krummel	Comments Rep. Butler is proposing amendments to HB 3507. Would like to get the amendments on the record and will hold a hearing when Rep. Butler can attend.
032	Rollie Wisbrock	Chief of Staff, Oregon Treasury. Explains that HB 3507 does not amend or acknowledge any of the conflicting statutes in ORS 461 that direct all lottery moneys to the Department of Administrative Services Account or the Economic Development Fund. The Treasury recommended to Rep. Butler that amendments are needed. Adds that this bill needs to conform to SB 200, to protect the flow of lottery funds into the Lottery Bond Account, ensure that the payment for bonds will be made and that there be no statutory interference placing anything before them or diverting those funds for other purposes.
052	Chair Krummel	Closes the public hearing on HB 3507.
070	Chair Krummel	Passes the gavel to Rep. Montgomery so that he may testify in another committee.
082	Chair Montgomery	Opens a public hearing on HB 3041.

**HB 3041 n PUBLIC HEARING**

090	Jason Cody	Reviews HB 3041.
100	Eric Gellatly	Oregon Electronic Signature Advisory Committee. Submits and paraphrases a prepared statement ( <b>EXHIBIT A</b> ).
129	Tom Rousch	Secretary of State's office. Comments that he would speak on the n1 amendments if the committee had them.
140	Cody	Advises that the committee has been given the HB 3041-1 amendments ( <b>EXHIBIT B</b> ) and that Rep. Hill will be proposing the HB 3042-2 amendments.
146	Chair Montgomery	Closes the public hearing on HB 3041 and opens a public hearing on HB 3493.

**HB 3493 n PUBLIC HEARING**

150	Cody	Explains HB 3493.
150	Scott Taylor	Oregon Real Estate Commissioner. States he is not sure what the bill intends to do and is neutral on the bill.
170	Jessica Harris	For Rep. Lundquist. States that HB 3493 is the result of a phone call from a constituent, Mary Chapman. Submits letter from constituent <b>(EXHIBIT C)</b> . Explains concerns of sales agents that they will be required to pay duplicate fees in order to receive their broker license.
196	Chair Montgomery	Notes that the bill is permissive, allowing the Real Estate Commissioner to prorate the fees.
204	Scott Taylor	Real Estate Commissioner. Explains that SB 182 would have made some changes in the license law but the bill is dead. Explains the effect of SB 182. States that the agency did prorate license fees up until 1987. Staff has reported it was an administrative nightmare. Adds that it would be difficult to estimate the impact of revenue if the agency were to return to prorating fees, but they believe the impact would be significant. Adds that the agency is in the middle of computer upgrading and they would have to do some reprogramming at additional costs. Believes the only area where there would be a problem would be those sales people, who between the activation of their last salesperson's license and the next license as a broker license chose to become a broker of their own accord. Suggest the fiscal impact may be in the range of \$100,000 for the biennium.
262	Chair Montgomery	Closes the public hearing on HB 3493 and opens a public hearing on HB 3061.

**HB 3061 n PUBLIC HEARING**

286	Cody	Explains HB 3061.
301	Glen Ulmer	World Affairs Council of Oregon. Testifies in support of HB 3061 <b>(EXHIBIT D)</b> .
396	Rep. Barbara Ross	Testifies in support of HB 3061 <b>(EXHIBIT E)</b> . Explains that previously the agency has been funded in the Christmas Tree bill.

**TAPE 40, A**

029	Maria Wulff	Deputy Executive Director, The World Affairs Council of Oregon. Presents a prepared statement in support of HB 3061 <b>(EXHIBIT F)</b> .

060	Wulff	Continues presentation <b>(EXHIBIT F)</b> .
116	Rep. Deckert	Asks how many students in the Statewide Education Program attend the workshops.
120	Wulff	Responds she has read that 7,000 attend.
127	Deckert	Asks what percentage of their dollars are leveraged and other sources of funds.
129	Wulff	Explains their total budget is about \$650,000 per year.
1418	Rep. Montgomery	Asks if their budget is audited and whether it is public information.
144	Wulff	Responds affirmatively.
145	Joy Nair	Student, Hillsboro High School. Testifies in support of HB 3061 <b>(EXHIBIT G)</b> .
215	Rep. Rosenbaum	Asks if the amounts in parentheses on the Fiscal Statement would otherwise go to the sources indicated <b>(EXHIBIT H)</b> .
230	Rep. Montgomery	Explains Fiscal Statement <b>(EXHIBIT H)</b> .
247	Chair Krummel	Closes the public hearing and opens a work session on HB 3061.
<b><u>HB 3061 n WORK SESSION</u></b>		
250	Rep. Montgomery	Comments he has no problem moving the bill to the full committee and on to Ways and Means with the same amount of funding as last session but does have a problem with the additional money because it is being taken from gambling addition and school funding.
263	<b>Rep. Montgomery</b>	<b>MOTION: Moves to conceptually AMEND HB 3061 on page 1, in line 18, after "of," delete "\$130,000" and insert "\$90,000".</b>
264	Rep. Deckert	Suggests the subcommittee move the bill to the full committee and Ways and Means without recommendation to allow the funding source be determined there.
300		<b>VOTE: 3-1-0</b>  <b>AYE: 3 - Montgomery, Rosenbaum, Krummel</b>  <b>NAY: 1 - Deckert</b>

	Chair Krummel	The motion CARRIES.
311	Rep. Montgomery	<b>MOTION: Moves HB 3061 to the full committee with a DO PASS AS AMENDED recommendation and be referred to the Committee on Ways and Means in accordance with prior referral.</b>
		<b>VOTE: 3-1-0</b> <b>AYE: 3 - Montgomery, Rosenbaum, Krummel</b> <b>NAY: 1 - Deckert</b>
	Chair Krummel	The motion CARRIES.
		<b>REP. KRUMMEL will lead discussion in full committee.</b>
315	Chair Krummel	Closes the work session on HB 3061 and opens a public hearing on HB 3096
<b><u>HB 3096 ñ PUBLIC HEARING</u></b>		
338	Rep. Roger Beyer	District 28. Introduces Dorothy OiDell and explains her interests in obtaining funding to build a day care center. Advises that his office has spoken with Mark Huston, OEDD, and that technical amendments will be ready by Wednesday.
364	Dorothy OiDell	Guardian Angels Day Care and Learning Center (Proposed). Submits statement and testifies in support of HB 3096 ( <b>EXHIBIT I</b> ) and the amendments referred to by Rep. Beyer. Explains her background and efforts to start a day care center to meet the needs of all children.
<b>TAPE 39, B</b>		
020	OiDell	Continues presentation.
070	OiDell	Continues commenting on efforts to start a day care center.

123	Rep. Montgomery	Asks if this is adding childcare business to economic development criteria.
125	Chair Krummel	Responds affirmatively.
127	Rep. Montgomery	Comments that this committee has nothing to do with the health requirements for operating a day care center.
127	OiDell	Responds that the costs are a result of the requirements. Explains experiences in attempting to obtain financing and zoning restrictions.
180	Chair Krummel	Asks if the system development charges (SDCs) are included in her projected costs <b>(EXHIBIT I, page 3)</b> .
183	OiDell	Responds they are built into the service and fee charges.
218	Mark Huston	Manager, Business Finance, Oregon Economic Development Department. Submits prepared statement and brochure on "Business Finance Programs in Oregon".
233	Rep. Montgomery	Asks if OEDD assists with senior citizen homes.
242	Huston	Responds they do not. Explains that there are three programs involved. The programs have targeted manufacturing and processing and generally those referred to as trade sector businesses. Adds that the policy issue for the committee to consider is whether the program should be opened up to non-traded sector businesses like child care centers.
250	Rep. Montgomery	Suggests if the change is made, decisions would then have to be site specific.
254	Huston	Presents prepared statement and suggest technical changes <b>(EXHIBIT J)</b> .
289	Huston	Continues reading prepared statement <b>(EXHIBIT J, page 2)</b> .
317	Rep. Rosenbaum	Asks if Huston is saying that non-profit childcare facilities may be eligible for funds now and that language in the bill threatens that eligibility.
322	Huston	Responds affirmatively. Suggests that if the bill specifies only "for profit" it may raise the question that the legislature's direction is that only "for profit" childcare centers would be eligible.
340	Chair Krummel	Closes the public hearing on HB 3096 and opens the public hearing on HB 3518.
<b><u>HB 3518 - PUBLIC HEARING</u></b>		

344	Chair Krummel	Explains HB 3518 and functions of the Portland Oregon Sports Authority.
371	Scott Andrews	Chair, Board of Directors, Portland Oregon Sports Authority. Introduces Drew Mahalic and Neil Huson.
384	Andrews	Comments that the Sports Authority did not receive money during the last biennium, but the previous biennium they received \$100,000.
393	Andrews	Presents prepared statement <b>(EXHIBIT K)</b> .
<b>TAPE 40, B</b>		
032	Neil Mahalic	Portland Oregon Sports Foundation. Provides background on the foundation. Explains that they work with the Oregon Schools Activities Association (OSAA) sponsoring workshops, allocating scholarships to high school students who cannot afford to play sports and run a ticket exchange program with the Blazers.
057	Neil Huson	Comments he thinks it is important to realize, based on the events that have been brought to the state, what the future can hold if they can be more successful in their bidding endeavors. They see a continuation of bringing the best that amateur and professional sports have to offer and as a state everyone is benefited economically and culturally.
071	Chair Krummel	Comments on the benefits of sports.
100	Rep. Montgomery	Comments on changing Portland Trailblazers to Oregon Trailblazers.
122	Chair Krummel	Closes the public hearing and opens a work session on HB 3518.
<b><u>HB 3518 n WORK SESSION</u></b>		
133	Chair Krummel	Advises members that HB 3518 has a subsequent referral to Ways and Means.
134	Rep. Rosenbaum	Comments this money was not previously budgeted and notes the fiscal statement <b>(EXHIBIT L)</b> . Adds that she will give the bill a courtesy vote.
144	Chair Krummel	Comments that if the legislature can make an investment of \$200,000 and realize \$84 million back through the economy, it is a pretty good deal. Adds that he would rather not see the funds coming from the State School Fund and Gambling Addiction program.
164	Rep. Montgomery	Asks if the Sports Authority gets any money from the city motel tax.

160	Andrews	Responds negatively. Comments on efforts to get the expansion of the Convention Center completed.
183	Rep. Montgomery	<b>MOTION: Moves HB 3518 to the full committee with a DO PASS recommendation and to Ways and Means with a note attached that the committee would appreciate help from the City of Portland through the hotel/motel tax.</b>
		<b>VOTE: 3-1-0</b>  <b>AYE: 3 - Deckert, Montgomery, Krummel</b>  <b>NAY: 1 - Rosenbaum</b>
	Chair Krummel	<b>The motion CARRIES.</b>
208	Chair Krummel	Closes the work session on HB 3518 and opens a public hearing on HB 3241.
<b><u>HB 3241 ñ PUBLIC HEARING</u></b>		
231	Chair Krummel	Closes the public hearing on HB 3241 and adjourns meeting at 2:45 p.m.

Submitted By, Reviewed By,

Annetta Mullins Jason Cody,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ HB 3041, prepared statement, Erik Gellatly, 4 pp**

**B ñ HB 3041, HB 3041-1 amendments, Rep. Butler, 1 p**

**C ñ HB 3493, letter from Mary Chapman, Jessica Harris, 1 p**

**D ñ HB 3061, prepared statement, Glen Ulmer, 3 pp**



**E ñ HB 3061, prepared statement, Rep. Ross, 2 pp**

**F ñ HB 3061, prepared statement, Maria Wulff, 4 pp**

**G ñ HB 3061, prepared statement, Joy Nair, 4 pp**

**H ñ HB 3061, Legislative Fiscal Statement, staff, 1 p**

**I ñ HB 3096, prepared statement, Dorothy OíDell, 3 pp**

**J ñ HB 3096, prepared statement, Mark Huston, 6 pp**

**K ñ HB 3518, prepared statement and brochures, Scott Andrews, 32 pp**

**L ñ HB 3518, Legislative Fiscal Statement, staff, 1 p**