

HOUSE COMMITTEE ON GENERAL GOVERNMENT

May 11, 1999 Hearing Room D

1:15 p.m. Tapes 84 - 85

MEMBERS PRESENT: Rep. Carl Wilson, Chair

Rep. Jason Atkinson, Vice-Chair

Rep. Chris Beck, Vice-Chair

Rep. Jo Ann Bowman

Rep. Ryan Deckert

Rep. Steve Harper

Rep. Bruce Starr

Rep. Ron Sunseri

MEMBERS EXCUSED: Rep. Terry Thompson

STAFF PRESENT: Cara Filsinger, Administrator

Faye D. Trupka, Administrative Support

MEASURE HEARD: SB 430 Public Hearing and Work Session

SB 270 Public Hearing and Work Session

SB 522A Public Hearing and Work Session

SB 586 Public Hearing and Work Session

SB 198A Public Hearing

SB 193 Public Hearing and Work Session

SB 194 Public Hearing

SB 914 Public Hearing and Work Session

TAPE/#	Speaker	Comments
TAPE 84, A		
004	Chair Wilson	Opens the meeting at 1:30 p.m., and opens work session on SB 430.
<u>SB 430 PUBLIC HEARING</u>		
011	Cara Filsinger	Committee Administrator. Summarizes provisions of SB 430.
022	David Stiteler	Chair, Employment Relations Board (ERB). Testifies in support of SB 430. Submits (EXHIBIT A). Explains the background and purpose of the ERB. Indicates this bill would allow board members to engage in a limited number of outside activities.
048	Rep. Bowman	Asks the purpose of the emergency clause.
050	Stiteler	Indicates that ERB did not request the emergency clause.
054	Chair Wilson	Asks for an example of a dispute the ERB might be involved in.
058	Stiteler	Provides examples of disputes. Describes the administrative court process.
069	Rita E. Thomas	Member, ERB. Testifies in support of SB 430. Submits and summarizes written testimony (EXHIBIT B). States the bill encourages labor and employment practitioners to seek appointment to the ERB. Requests an August 1 enactment date.
105	Chair Wilson	Asks if opponents are concerned about potential conflict of interest.
109	Thomas	Indicates there is no opposition to SB 430.
112	Rep. Bowman	Asks if board membership is a full-time activity.
114	Stiteler	Replies affirmatively.
125	Rep. Bowman	Asks if employment outside of the board would be a contract arrangement.
135	Stiteler	Discusses contract teaching and labor arbitration.

148	Chair Wilson	Closes public hearing on SB 430, and opens work session on SB 430.
<u>SB 430 WORK SESSION</u>		
150	Rep. Bowman	MOTION: Moves SB 430A to the floor with a DO PASS recommendation.
		VOTE: 8-0 AYE: 8 - Atkinson, Beck, Bowman, Deckert, Harper, Starr, Sunseri, Wilson EXCUSED: 1 - Thompson
	Chair Wilson	The motion Carries. REP. BOWMAN will lead discussion on the floor.
155	Chair Wilson	Closes work session on SB 430, and opens public hearing on SB 270.
<u>SB 270 PUBLIC HEARING</u>		
158	Filsinger	Summarizes provisions of SB 270.
160	Dan Hartman	Risk Management Division, Department of Administrative Services (DAS). Testifies in support of SB 270. Submits and summarizes written testimony (EXHIBIT C) .
173	Chair Wilson	Closes public hearing on SB 270, and opens work session.
<u>SB 270 WORK SESSION</u>		
185	Rep. Atkinson	MOTION: Moves SB 270 to the floor with a DO PASS recommendation.
		VOTE: 8-0 AYE: 8 - Atkinson, Beck, Bowman, Deckert, Harper, Starr, Sunseri, Wilson

		EXCUSED: 1 - Thompson
	Chair Wilson	The motion Carries. REP. DECKERT will lead discussion on the floor.
221	Chair Wilson	Closes work session on SB 270, and opens public hearing on SB 522A.
<u>SB 522A PUBLIC HEARING</u>		
236	Filsinger	Summarizes provisions of SB 522A.
240	Art Schlack	Association of Oregon Counties. Testifies in support of SB 522A. Submits written testimony from Rob Bovett, Lincoln County Legal Counsel, in support of SB 522 (EXHIBIT D).
246	Burton Weast	Special Districts Association. Testifies in support of SB 522A.
253	Rep. Bowman	Asks if this bill impacts only an individual landowner who requests annexation.
255	Weast	Replies affirmatively.
259	Rep. Beck	Asks if this bill addresses the parcel size eligible for annexation.
262	Weast	Explains that the controlling documents do not address parcel size or land use.
268	Rep. Beck	Comments on annexation occurring without a vote of the people.
270	Weast	Indicates this bill does not effect that type of annexation to a city.
286	Chair Wilson	Closes public hearing on SB 522A, and opens work session on SB 522A.
<u>SB 522A WORK SESSION</u>		
289	Rep. Starr	MOTION: Moves SB 522A to the floor with a DO PASS recommendation.
		VOTE: 8-0

		<p>AYE: 8 - Atkinson, Beck, Bowman, Deckert, Harper, Starr, Sunseri, Wilson</p> <p>EXCUSED: 1 - Thompson</p>
	Chair Wilson	<p>The motion Carries.</p> <p>REP. STARR will lead discussion on the floor.</p>
295	Chair Wilson	Closes work session on SB 522A, and opens public hearing on SB 586.
<u>SB 586 PUBLIC HEARING</u>		
297	Filsinger	Summarizes provisions of SB 586.
300	Jon Chandler	Oregon Building Industry Association (OBIA). Testifies in support of SB 586. Submits and summarizes written testimony (EXHIBIT E). Indicates that this bill allows land adjacent to the urban growth boundary (UGB) to be removed from the UGB. Addresses work group participants and results.
350	Chandler	Comments that under current statute, farmland within an UGB is part of the buildable land inventory. Describes the lower property tax assessment for open space designation.
405	Rep. Starr	Indicates support of SB 586.
414	Chandler	Comments on work group activities. States that SB 586 allows for a balance of interests.
TAPE 85, A		
002	Rep. Bowman	Asks if there is a limit on farmlands that can be removed from the UGB.
011	Chandler	Explains that the local governing body must approve the removal subject to findings.
015	Rep. Bowman	Asks about exclusions.
024	Chandler	Indicates this is farmland inside and adjacent to UGBs.

041	Rep. Beck	Suggests the farmland contained in the Woodburn UGB is more valuable as farmland than for wholesale/retail endeavors.
056	Chandler	Discusses the purpose of land use planning.
068	Rep. Beck	Refers to resale of farmland and asks if the lower tax farm use assessment would continue.
076	Chandler	Answers no.
090	Rep. Beck	Comments that the open space assessment could be "overlaid" on farmland to retain the lower tax assessment.
113	Chandler	Agrees with Rep. Beck. Discusses the conversion of farmland to development.
130	Rep. Beck	Asks for clarification. Comments on higher-use evaluation.
133	Chandler	Explains the open space law. Addresses forgiveness of the tax recapture.
141	Rep. Beck	Asks about tax-deferred open space assessment.
146	Chandler	Replies that if there is a formula, it is not affected by the bill.
154	Rep. Beck	Asks if it deals with the recapture of property taxes on open spaces option.
158	Chandler	Answers no.
161	Rep. Starr	Asks if there is a process in place to appeal expansion of the UGB into farmland.
169	Chandler	Replies that is correct. Explains the Land Use Board of Appeals (LUBA) process.
184	Chair Wilson	Closes public hearing on SB 586, and opens work session on SB 586.
<u>SB 586 WORK SESSION</u>		
186	Rep. Beck	Indicates opposition to SB 586. Expresses concern about eliminating the obligation to pay back taxes.
205	Rep. Bowman	Agrees with Rep. Beck. Believes SB 586 has unlimited potential for moving property out of the UGB.

218	Rep. Sunseri	Expresses concern about tax issues. Indicates opposition to SB 586.
224	Rep. Beck	Clarifies tax issues.
255	Rep. Atkinson	MOTION: Moves SB 586 to the floor with a DO PASS recommendation.
		VOTE: 5-3 AYE: 5 - Atkinson, Deckert, Harper, Starr, Wilson NAY: 3 - Beck, Bowman, Sunseri EXCUSED: 1 - Thompson
	Chair Wilson	The motion Carries. REP. STARR will lead discussion on the floor.
264	Chair Wilson	Closes work session on SB 586, and opens public hearing on SB 198A.
<u>SB 198A PUBLIC HEARING</u>		
270	James Shannon	Chairman, Oregon Municipal Debt Advisory Commission (MDAC). Testifies in support of SB 198 (EXHIBIT F). Addresses SB 198 proposed amendments.
316	Rep. Starr	Refers to Section 4, 3(b). Asks if the definition of "improvement" is in statute.
336	Shannon	Replies that there is no definition in this section. Addresses action taken in the Senate. Discusses current law.
377	Rep. Starr	Refers to Section 5. Asks for clarification of the additional language.
387	Shannon	Answers that it typically involves revenue financing.
410	Rep. Bowman	Asks about the payment of interest on bonds for offstreet motor vehicle parking facilities.
<u>TAPE 84, B</u>		

004	Shannon	Indicates this is specific statutory language, available only to cities.
016	Rep. Bowman	States that most off-street parking in Portland is privately owned.
022	Chair Wilson	Closes public hearing on SB 198A, and opens public hearing on SB 193.
<u>SB 193 PUBLIC HEARING</u>		
025	Filsinger	Summarizes provisions of SB 103.
040	Darren Bond	Oregon State Treasury. Testifies in support of SB 193. Submits and summarizes written testimony (EXHIBIT G). Indicates that this bill clarifies obsolete language.
069	Chair Wilson	Closes public hearing on SB 193, and opens work session on SB 193.
<u>SB 193 WORK SESSION</u>		
075	Rep. Bowman	MOTION: Moves SB 193 to the floor with a DO PASS recommendation.
		VOTE: 5-1 AYE: 5 - Atkinson, Bowman, Harper, Sunseri, Wilson NAY: 1 - Starr EXCUSED: 3 - Beck, Deckert, Thompson
	Chair Wilson	The motion Carries. REP. ATKINSON will lead discussion on the floor.
089	Chair Wilson	Closes work session on SB 193, and opens public hearing on SB 194.
<u>SB 194 PUBLIC HEARING</u>		
095	Filsinger	Summarizes provisions of SB 194.
113	Bond	Testifies in support of SB 194. Submits and summarizes written testimony

		(EXHIBIT H) . Indicates that this bill establishes maximum administrative charges that may be imposed by the State Treasurer for investing specified public funds. Discusses purpose of the Oregon Short Term Fund (OSTF).
128	Bond	Addresses the calculation of administrative charges. Describes possible fiscal impact.
172	Bond	Mentions economic conditions that might cause administrative costs to increase. Addresses section-by-section changes to this bill.
183	Rep. Starr	Refers to Section 2, line 21. Asks for clarification.
192	Bond	Explains that ORS 293.701 (20) is the statutory authority that created the excess funds in the OSTF.
205	Rep. Harper	Asks if the local governments can opt out of the pool.
211	Bond	Replies yes. Explains the limitations.
213	Rep. Harper	Asks how much money was generated at .25 basis points
214	Bond	Replies approximately \$40,000. Discusses the shift in funds.
227	Rep. Harper	Comments that fees are doubled for the OSTF. Asks if this increases costs \$40,000.
231	Bond	Explains that SB 194 doubles the maximum that could be charged in the worst case scenario.
235	Rep. Harper	Asks how much was generated last biennium.
259	Bond	Replies that he does not know. Indicates that the OSTF associated program costs are approximately \$145,000 per month currently.
263	Rep. Harper	Asks if there is a profit.
267	Bond	Indicates there is no profit. Adds that fees are based on recapturing costs, and expenses for managing investments.
274	Rep. Harper	Asks if .25 basis points meets expenses.
278	Bond	Answers yes. Explains reasons for increasing the cap. Addresses discretionary

		moneys and trades.
307	Rep. Harper	Asks how much local government costs will increase.
311	Bond	Responds that local government costs do not change.
328	Rep. Bowman	Indicates that local government is charged .25 basis points per month, regardless of the number of transactions. Asks if .25 basis points is the set rate.
338	Bond	Answers yes.
340	Rep. Bowman	Asks for clarification of fees charged.
342	Bond	Explains that charges will be based on a transaction fee and monthly administrative fee.
348	Rep. Bowman	Asks if the combination will be more than the .25 basis points.
352	Bond	Answers no. Discusses the federal increase of short-term interest rates.
397	Chair Wilson	Closes public hearing on SB 194, and opens public hearing on SB 914.
<u>SB 914 PUBLIC HEARING</u>		
420	Mark Landauer	Government Relations Office, City of Portland. Testifies in support of SB 914.
TAPE 85,B		
010	Ray Kerridge	City of Portland. Testifies in support of SB 914. Submits and summarizes written testimony (EXHIBIT I). Indicates that SB 914 expands the scope of work allowed under the Master Permit program of ORS 455.190. Describes the City of Portland program. Explains efforts of the task force.
054	Kerridge	Explains effects of SB 914-1 amendments (EXHIBIT J).
086	Bill Cross	Building Owners and Managers Association. Speaks in support of SB 914.
109	Joe Brewer	Administrator, Building Codes Division. States neutral position on SB 914. Discusses concerns regarding qualifications for the Master Permit program.
128	Rep. Bowman	Asks how SB 914 impacts small contractors.

133	Brewer	Replies that it will streamline the process.
137	Chair Wilson	Closes public hearing on SB 914, and opens work session on SB 914.
<u>SB 914 WORK SESSION</u>		
138	Rep. Bowman	Explains opposition to SB 914.
141	Rep. Starr	MOTION: Moves to ADOPT SB 914-1 amendments dated 05/11/99.
		VOTE 7-0 AYE: 7 - Atkinson, Beck, Bowman, Deckert, Starr, Sunseri, Wilson NAY: 0 - Bowman EXCUSED: 2 - Harper, Thompson
	Chair Wilson	The motion Carries.
145	Rep. Starr	MOTION: Moves SB 914 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 7-0 AYE: 7 - Atkinson, Beck, Bowman, Deckert, Starr, Sunseri, Wilson EXCUSED: 2 - Harper, Thompson
	Chair Wilson	The motion Carries. REP. STARR will lead discussion on the floor.
149	Chair Wilson	Closes work session on SB 914. Adjourns the meeting at 3:15 p.m.

Transcribed By, Reviewed By,

Susan M. Pettey, Cara Filsinger,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 430, written testimony, David Stiteler, 3 pp.

B ñ SB 430, written testimony, Rita Thomas, 2 pp.

C ñ SB 270, written testimony, Dan Hartman, 1 p.

D ñ SB 522A, written testimony, Burton Weast, 1 p.

E ñ SB 586, written testimony, Jon A. Chandler, 1 p.

F ñ SB 198A, written testimony, James P. Shannon, 14 pp.

G ñ SB 193, written testimony, Darren Bond, 2 pp.

H ñ SB 194, written testimony, Darren Bond, 4 pp.

I ñ SB 914 written testimony, Ray Kerridge, 18 pp.

J ñ SB 914, -1 amendments, Staff, 1 p.