

HOUSE COMMITTEE ON TRANSPORTATION

April 26, 1999 Hearing Room D

8:30 a.m. Tapes 82 - 83

MEMBERS PRESENT: Rep. Bob Montgomery, Chair

Rep. Mike Lehman, Vice-Chair

Rep. Richard Devlin

Rep. Jim Hill

Rep. Jeff Kropf

Rep. Jerry Krummel

Rep. Jane Lokan

Rep. Jackie Taylor

Rep. Vicki Walker

Rep. Larry Wells

STAFF PRESENT: Janet Adkins, Administrator

Brad Daniels, Administrative Support

MEASURE/ISSUES HEARD: HB 2472 Work Session

HB 2199 Public Hearing

HB 2081 Public Hearing and Work Session

SB 108A 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

TAPE 82, A

004	Rep. Kropf	Opens the meeting at 8:35 a.m. Opens the work session on HB 2472.
<u>HB 2472 WORK SESSION</u>		
007	Janet Adkins	Explains HB 2472, which would prohibit (with exceptions) carrying an animal in the external portion of a vehicle. Reviews the testimony presented during the last hearing.
023	Rep. Devlin	MOTION: Moves to ADOPT HB 2472-1 amendments dated 02/23/99.
		VOTE: 8-1 AYE: 8 - Devlin, Kropf, Lehman, Lokan, Taylor, Walker, Wells, Montgomery NAY: 1 - Hill EXCUSED: 1 - Krummel
	Rep. Kropf	The motion CARRIES.
040	Rep. Devlin	MOTION: Moves HB 2472 to the floor with a DO PASS AS AMENDED recommendation.
042	Rep. Wells	Questions the use of the term "freeway" in the ñl amendments. States that the agriculture community generally supports the ñl amendments.
055	Rep. Taylor	Asks if a conceptual amendment changing the term "freeway" to "interstate highway" would be appropriate.
064	Rep. Lokan	Asks if the conceptual amendment will allow untethered dogs to be carried on all other highways except interstates.
073	Adkins	Explains that the amendment applies only to owners of agricultural operations.
081	Rep. Lokan	Asks about the definition of freeway.
083	Adkins	Lists possible roads that would be included in this definition.

084	Rep. Lokan	Notes constituent support for the unamended bill. States that she would oppose the bill with such a broad exception.
095	Rep. Wells	Supports the conceptual amendment.
108	Rep. Lokan	Asks if, given the amendments, a dog could ride untethered on Highway 22.
114	Rep. Wells	Replies yes, if the person is a farmer. States that the ñ1 amendments do not change the intent of the bill, but clarify its scope. Supports the ñ1 amendments.
142	Rep. Ross	Concurs with Rep. Wells and Rep. Taylor that interstate is more appropriate than freeway. Supports the ñ1 amendments and the conceptual amendment.
160	Rep. Hill	Asks if River Grove has a population over 5000.
165	Rep. Devlin	Responds no, its population is 320.
166	Rep. Hill	Asks if it would be appropriate to drive around in River Grove with an untethered dog in the back of a truck.
170	Rep. Devlin	Comments that this would only be appropriate if the person was a farmer.
181	Rep. Devlin	Indicates that interstate highway would be more appropriate terminology, but the distinction is not important.
196	Rep. Taylor	MOTION: Moves to AMEND HB 2472 ñ1 amendments on page 1, in line 2, after "not" delete "a" and insert "an" and delete "freeway" and insert "interstate highway".
		VOTE: 9-1 AYE: 9 - Devlin, Kropf, Krummel, Lehman, Lokan, Taylor, Walker, Wells, Montgomery NAY: 1 - Hill
	Rep. Kropf	The motion CARRIES.
230	Rep. Devlin	MOTION: Moves HB 2472 to the floor with a DO PASS AS AMENDED recommendation.

232	Rep. Lehman	Opposes the bill as unnecessary. Cites statutes about unsecured loads and animal abuse or neglect as a means for enforcement in these situations.
260	Rep. Walker	Opposes the exemption for farmers off of their property. Supports the bill.
273	Rep. Lokan	Shares the concerns of Rep. Walker about the farm exemptions.
		VOTE: 6-4 AYE: 6 - Devlin, Krummel, Lokan, Taylor, Walker, Montgomery NAY: 4 - Hill, Kropf, Lehman, Wells
	Rep. Kropf	The motion CARRIES. REP. ROSS will lead discussion on the floor.
300	Rep. Kropf	Closes the work session on HB 2472. Opens the public hearing on HB 2199.
<u>HB 2199 PUBLIC HEARING</u>		
303	Adkins	Explains HB 2199, which would increase aviation and jet fuel taxes.
336	Jerry Dale	Sportsman Airpark. States that he is not opposed to a tax hike in principle, but he is opposed to the allocation of the tax revenue. Notes that privately-owned public use airports, not just publicly-owned airports, should be eligible to receive funds.
365	Rep. Lehman	Asks if he currently receives aviation gas tax revenues.
368	Dale	Replies no. States that he is part of a statewide program that is available for pavement maintenance evaluation.
377	Rep. Lehman	Asks if HB 2199 changes the allocation of the aviation fuel tax.
379	Dale	Replies no.
382	Chair Montgomery	Asks if the Oregon Department of Transportation (ODOT) is going to speak to the bill.

385	Ann Crook	<p>ODOT, Aeronautics Division. Supports HB 2199. Describes the involvement of various groups in formulating the bill. States that the bill would raise approximately \$1 million a year, with \$800,00 coming from jet fuel taxes and the remaining \$200,000 coming from aviation gas (avgas) taxes. Stresses that none of the money would go to general administration; all would go to pavement maintenance. Reviews the history of past tax increases (EXHIBIT A).</p>
TAPE 83, A		
005	Rep. Kropf	Asks where Oregon's avgas taxes rank in comparison to other states.
006	Crook	Replies that Oregon's rates (1/2 cent for jet fuel and 3 cents for avgas) are well below other western states (EXHIBIT B).
010	Rep. Kropf	Asks if Oregon currently sells more gasoline from airports near state lines because of cheaper prices.
014	Crook	Replies that the majority of fuel probably is sold by border airports solely because Portland airport is one of these. Notes the wide support for the bill from Oregon aviation groups.
033	Rep. Walker	Asks Crook to address Dale's concern about privately-owned airports.
034	Crook	Answers that there was concern about the appropriateness of giving money to privately-owned public use airports.
042	Rep. Hill	Asks how the revenue has been prioritized.
043	Crook	Replies that the information is not available yet.
047	Rep. Hill	Cites language in the bill relating to pavement condition. Asks for an estimate of how many years will be needed to restore all runways to good or better condition.
055	Crook	Replies that, currently, \$15 million would be needed to improve only the pavement that is below fair condition.
061	Rep. Hill	Asks about the distribution of sold fuel.
068	Crook	Answers that, due to the method of collection, distribution statistics are unavailable.
073	Chair Montgomery	Refers to a mass-mailed letter. Asks if the permit used to mail the letters was a

		state permit.
077	Crook	Replies yes.
078	Chair Montgomery	Strongly objects to the use of state money to lobby for particular measure. Asks if anyone at ODOT was consulted before the letter was distributed.
092	Crook	Replies that they may have had implicit approval.
094	Chair Montgomery	Reiterates that state departments should not be lobbying in this manner.
110	Rep. Krummel	Asks if the any of the gas tax increase will go to private land consultants.
120	Crook	Replies that this issue will not be addressed by HB 2199.
124	Rep. Krummel	Asks if agencies usually have consultants look at land leases.
129	Crook	Replies that it is a very common practice. Cites the policies of other airports.
136	Rep. Lokan	Mentions constituent concern over the lobbying campaign referred to by Chair Montgomery.
147	Rep. Kropf	Asks if the Aeronautics Division has done any mass lobbying campaigns before.
150	Crook	Replies that they have not. Apologizes for her actions and accepts full responsibility for the decision.
158	Rep. Taylor	Refers to wide support from constituents. Stresses the presence of real need for airport maintenance. Supports the bill.
178	Ron Larson	Chairman, Aviation Advisory Committee. States that HB 2199 will not solve all maintenance problems. Emphasizes the need for further money for pavement maintenance. Stresses the merits of the bill
204	Rep. Hill	Asks if any other user fee could be increased or applied to generate revenue.
206	Larson	Replies that some fees are available, but general aviation is usually not charged. Adds that money collected at particular airports must stay at those airports.
225	Carrie Novick	Manager, Redmond Airport. Mentions the economic benefits of the bill. Notes that collecting fees would not be feasible for smaller airports. Indicates that she

		disagreed with the proposal because she thought the increase should be more. Urges support for HB 2199.
265	Rep. Taylor	Observes that \$800,000 is generated from the 1/2 cent increase while only \$200,000 is generated from the avgas tax.
271	Novick	Responds that large airlines pay much less for gas than general aviators because they buy large amounts and pay to store it.
286	Roger Martin	Alaska Airlines/Air Transportation Association. States that the tax comparisons need to be made with major states, such as Texas, which has no tax. Cites the debate over cost responsibility for truckers and applying the same concept to airlines. Indicates that the Port of Portland does not need an increase in the jet fuel tax, but can collect money for development through landing fees and other charges.
353	Martin	Cites the relatively low cost of jet fuel at SeaTac, noting that Washington applies the tax only to the fuel burned in the state. Acknowledges that airlines are capable of "tankering" their gas, or only buying fuel in relatively low-cost states. Stresses the context of the issue, including transportation costs.
TAPE 82, B		
009	Rep. Walker	Asks if Martin is opposed to the bill.
011	Martin	Replies that he is neutral, but tentatively. Emphasizes that private pilots will be the primary beneficiaries of the bill.
024	Rep. Taylor	Asks if Portland airport should have some interest in what happens in the smaller service districts.
030	Martin	Replies that it is difficult to maintain commercial service in smaller places within 100 miles of a larger commercial airport.
043	Rep. Taylor	Asks about service outside of the 100 mile radius.
044	Martin	Concedes that these services do feed into Portland airport
049	Rep. Krummel	Asks if the Port of Portland collects enough money to improve Troutdale and Hillsboro airports.
054	Martin	Expresses uncertainty. Notes that there has been discussion about collecting fees at these airports.

065	Keith Leavitt	Port of Portland. Supports HB 2199. Notes that the other airports beyond Portland would be eligible to receive maintenance funds.
073	Rep. Lokan	Asks how much the Port of Portland and smaller airports would benefit from the increase.
076	Leavitt	Replies that a prioritization plan is not available.
082	Rep. Hill	Asks about the pavement conditions in Hillsboro and Troutdale.
083	Leavitt	Replies that he does not know.
085	Rep. Wells	Asks if the prioritization issue been settled.
090	Leavitt	Responds that the issue will be settled in the future. Expresses concern that they will see a return from the tax paid.
105	Rep. Kropf	Closes the public hearing on HB 2199. Opens the public hearing on HB 2081.
<u>HB 2081 PUBLIC HEARING</u>		
108A	Adkins	Explains the ñ3 amendments, which would increase vehicle registration fees by \$10 for high-growth counties and establish a Safety Net Account for Eastern Oregon communities (EXHIBIT C).
143	Bill Penhollow	Association of Oregon Counties (AOC). Supports HB 2081 (EXHIBIT D).
165	Judge Laura Pryor	AOC. Stresses the three aspects of the ñ3 amendments: attention to Eastern Oregon counties, to small counties and cities, and to the congested, western portion of the state. Discusses the wide disparity of population of various counties and the problems the disparity creates (EXHIBIT D).
202	Rep. Lehman	Asks about counties with road reserves and the distribution of funds on the basis of need.
215	Pryor	Replies that HB 2081 attempts to address the problem of timber revenue reserves.
231	Penhollow	Adds that counties with large road reserves are on the west side, but their revenues will drop after the spotted owl guarantee ends.
246	David Barenberg	League of Oregon Cities. Stresses the funding problems of smaller communities (EXHIBIT E).

282	Chair Montgomery	Supports moving the bill to the Revenue committee, but expresses disapproval of the emphasis on the Willamette River in Multnomah County.
300	Bob McKellar	Oregon Forest Products Transportation Association. Expresses neutrality toward the bill. States his preference for consideration of the impact on the trucking industry.
318	Adkins	Asks if the \$10 registration fee increase will only apply to passenger vehicles.
333	Rep. Hill	Asks why the \$10 registration fee would not be applied to all vehicles.
347	Pryor	Replies that HB 2081 is a base amount, the minimum needed to address the direst needs.
357	Rep. Hill	Asks if one city essentially has veto power over the distribution proposal.
366	Penhollow	Replies that a city could preclude the distribution of funds, but generally issues are resolved before this happens. Adds that the funds go to county areas, and the county is responsible for fund distribution.
384	Rep. Hill	Asks why subsection 3, concerning the Willamette River, is included.
391	Penhollow	Responds that the priority was brought by Multnomah County because they did not want these bridges to be overlooked.
413	Rep. Hill	Asks if other individual priorities can also be listed in the bill.
420	Pryor	Replies that HB 2081 represents the counties' collective proposal.
TAPE 83, B		
003	Rep. Wells	Asks how the rise in registration fees will affect the trucking industry and the weight-mile tax.
007	Penhollow	Answers that his understanding is for no adjustment to occur to the weight-mile tax.
015	Rep. Lokan	Asks if the fee increases of HB 2081 are separate from HB 2082.
019	Penhollow	Replies yes.
020	Rep. Kropf	Closes the public hearing on HB 2081. Opens the work session on HB 2081.

HB 2081 WORK SESSION

023	Rep. Hill	MOTION: Moves to ADOPT HB 2081-3 amendments dated 04/23/99.
		VOTE: 10-0
	Rep. Kropf	Hearing no objection, declares the motion CARRIED.
027	Rep. Hill	MOTION: Moves HB 2081 WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways & Means.
029	Rep. Devlin	Asks if Rep. Hill clearly wants to move the bill without recommendation.
033	Rep. Hill	Responds that, without a chance to mull the bill over further, he would prefer not to make a recommendation as to passage.
037	Rep. Lehman	Agrees with Rep. Hill.
040	Rep. Lokan	Supports moving the bill to Revenue with a do pass recommendation.
050		VOTE: 10-0 AYE: In a roll call vote, all members present vote Aye.
	Rep. Kropf	The motion CARRIES.
055	Rep. Kropf	Closes the work session on HB 2081. Opens the public hearing on SB 108A.
<u>SB 108A PUBLIC HEARING</u>		
058	Pryor	Discusses the issue of multi-modal transportation and the need to focus on establishing a multi-modal system. States that, if SB 108A furthers this consideration, she supports the bill.

093	Chuck Bennett	Oregon Aviation Coalition. Supports SB 108A. Describes the functions of the new department and the money saving aspects of the bill. Supports the 2 amendments (EXHIBIT F).
120	Paul Meyerhoff	Supports SB 108A (EXHIBIT G).
141	Rep. Kropf	Closes the public hearing on SB 108A. Adjourns the meeting at 10:15 a.m.

Submitted By, Reviewed By,

Brad Daniels, Janet Adkins,

Administrative Support Administrator

EXHIBIT SUMMARY

A HB 2199, written testimony, Ann Crook, 2 pp.

B HB 2199, written testimony, Ann Crook, 1 pp.

C HB 2081, -3 amendments, staff, 4 pp.

D HB 2081, written testimony, Association of Oregon Counties, 15 pp.

E HB 2081, city statistics, David Barenberg, 7 pp.

F SB 108A, written testimony, Chuck Bennett, 5 pp.

G SB 108A, written testimony, Paul Meyerhoff, 3 pp.