

HOUSE COMMITTEE ON WATER AND ENVIRONMENT

January 27, 1999 Hearing Room D

1:00 pm Tapes 11 - 14

MEMBERS PRESENT: Rep. Jim Welsh, Chair

Rep. Jackie Taylor, Vice-Chair

Rep. Jason Atkinson

Rep. Richard Devlin

Rep. Juley Gianella

Rep. Deborah Kafoury

Rep. Jeff Kruse

Rep. Jeff Merkley

Rep. Susan Morgan

MEMBER EXCUSED:

STAFF PRESENT: Kristina McNitt, Administrator

Gene Newton, Administrative Support

MEASURE/ISSUES HEARD: HB 2158 Public Hearing and Work Session

HB 2159 Public Hearing and Work Session

HB 2161 Public Hearing

HB 2173 Public Hearing

HB 2176 Public Hearing

TAPE/#	Speaker	Comments
TAPE 11, A		
004	Chair Walsh	Calls meeting to order at 1:04 pm.
<u>HB 2158 PUBLIC HEARING</u>		
012	Kristina McNitt	Administrator. Explains HB 2158.
011	Paul Cleary	Director of the Division of State Lands (DSL). Testifies in favor of HB 2158. Distributes written testimony (EXHIBIT A). Describes the bill. Describes the Natural Heritage Advisory Council. States that members are appointed by the Governor. Summarizes the eclectic representation provided by members of the Council.
031	Cleary	States that the bill would add geological expertise to the Council, which will be helpful when making decisions.
035	Rep. Kruse	Asks how active the Council is and what issues or decisions they have recently been involved in.
042	Cleary	Answers that they are an active council. States that DSL has just completed an update of the Natural Heritage Plan. Explains that the council meets quarterly and describes how issues are brought to their attention. Notes the process a site must go through to become designated as a Natural Heritage site.
053	Rep. Atkinson	Asks what the working relationship is between the State Land Board and the Nature Conservancy.
057	Cleary	Explains that the working relationship between the State Land Board and Nature Conservancy is contractual.
060	Rep. Gianella	Asks if there is a person already in line for this appointment.
064	Cleary	States that it would be the State Geologist or one of their designees. States that DSL would be interested in referrals of other persons from interested constituencies.
071	Rep. Gianella	Asks if appointee would be an Oregonian.
072	Cleary	Responds yes.

076	Gary Lynch	Oregon Department of Geology and Mineral Industries (DOGAMI). Testifies in support of HB 2158.
091	James Kagan	Oregon Natural Heritage Program (ONHP). Testifies in favor of HB 2158. Clarifies that currently there are ex-officio members from all of the natural resource agencies with the exception of DOGAMI and this bill would alleviate that oversight.
103	Chair Welsh	Closes Public Hearing on HB 2158.
<u>HB 2158 WORK SESSION</u>		
108	Chair Welsh	Opens Work session on HB 2158.
110	Rep. Taylor	MOTION: Moves HB 2158 to the floor with a DO PASS recommendation.
123		VOTE: 9-0 AYE: In a roll call vote, all members present vote Aye.
	Chair	The motion CARRIES. REP. TAYLOR will lead discussion on the floor.
135	Chair Welsh	Closes Work Session on HB 2158.
<u>HB 2159 PUBLIC HEARING</u>		
132	Chair Welsh	Opens Public Hearing on HB 2159.
135	Kristina McNitt	Administrator. Explains HB 2159.
138	Paul Cleary	Director of Division of State Lands. Testifies in support of HB 2159. Distributes written testimony (EXHIBIT B). Explains the bill and discusses the reasoning behind it. States that the statute repealed by HB 2159 has been inoperative for 10 years. Elaborates on the history of the statute. States that HB 2159 will alleviate the duplication of required permits. Explains that the permit currently required by the Division of Lands will no longer be required.
170	Cleary	Points out that HB 2159 does not affect shipwrecks. Explains that shipwrecks are

		covered by Federal Admiralty Law. States that the salvage of shipwrecks within three miles of shore will continue to be authorized and controlled by the Division of Lands. Explains that searching for treasure trove on upland sites or other submerged or submersible lands will be controlled by the appropriate land managing agency. States that this is a good bill that will clear up some confusion.
195	Cleary	Explains that there are no costs attached to this bill either in revenue or increased administrative staffing.
203	Chair Welsh	Asks what happens to boats that are abandoned in state waterways or in tidewaters and how are they determined to be abandoned.
214	Cleary	Explains that each case of abandonment must be examined on a fact specific basis and this often includes court proceedings.
222	Jim Lockwood	Government Relations Manager for the Oregon Department of Parks and Recreation (DPR). Testifies in favor of HB 2159. Distributes letter from State Historic Preservation Office (EXHIBIT C).
243	Chair Welsh	Closes Public Hearing on HB 2159.
<u>HB 2159 WORK SESSION</u>		
245	Chair Welsh	Opens work session on HB 2159.
252	Rep. Devlin	MOTION: Moves HB 2159 to the floor with a DO PASS recommendation.
260		VOTE: 9-0 AYE: In a roll call vote, all members present vote Aye.
	Chair	The motion CARRIES. REP. DEVLIN will lead discussion on the floor.
270	Chair Welsh	Closes work session on HB 2159.
<u>HB 2161 PUBLIC HEARING</u>		

271	Chair Welsh	Opens Public Hearing on HB 2161.
272	McNitt	Administrator. Explains HB 2161.
274	Paul Cleary	Director, Division of State Lands (DSL). Testifies in support of HB 2161. Distributes written testimony (EXHIBIT D). States that HB 2161 increases permit fees by 30%. Comments that it also adds an exemption for habitat restoration projects. Refers to Table 1 of handout and explains the history of Removal-Fill Permit Fees.
316	Cleary	Discusses differences in the base fee for different applicants. States that a 30% increase seems like a large increase, but the actual dollar increase is \$15 at the low end of the fee scale and \$185 at the high end. States that 15% of the DSL's program costs are covered by the Removal-Fill Permit Fees. Explains that the remainder of the program costs is covered by other waterway related revenues.
345	Cleary	States that DSL is trying to increase the depth and breadth of DSL's revenue support. Describes other revenue sources for DSL. States that there are a number of activities that are exempt from the Removal-Fill Permit Fees. Emphasizes that in 1997 DSL issued 2300 general authorization permits and 375 emergency authorizations, which would be exempt. States that there are approximately 1400 general authorizations that are exempt from permit fees.
379	Cleary	States that the burden falls largely on commercial operators, land development activities, and sand and gravel activities. Explains that DSL has not collected information by "type of applicant" so DSL cannot provide charts and numbers regarding the fee base. States that the proposal is to adjust the fees. Explains the changes in fees.
TAPE 12, A		
005	Cleary	Recognizes DSL's reliance on Land Board Agenda Items, Department Newsletters and Reports to Interim Committees as the primary sources for informing people of their legislative concepts and suggests that this can be seen as impersonal. States that DSL recognizes that there are concerns regarding the fee increase. States that DSL has tried to educate the public.
018	Rep. Taylor	Ask for clarification of permit issuance authority for DSL and Department of Geology and Mining Industry (DOGAMI).
022	Cleary	Explains that in order to receive a Removal-Fill Permit, the activity must be occurring within a state water site. States that DOGAMI would have authority in some upland sites that would be outside the DSL jurisdiction.
028	Rep. Merkley	Asks if HB 2161 applies to individuals seeking to remove or fill on private land.
032	Cleary	States that the Removal-Fill law applies on all land unless it is for an activity that is otherwise exempt.

036	Rep. Merkley	Asks for a description of the review process for permits and whether or not this process includes consideration of the environmental impact of filling or removing.
041	Cleary	Answers yes. Explains the process is stipulated in statute and includes an extensive review. Explains the process for new "general authorizations".
058	Chair Welsh	Asks if DSL has touched base with all of the stakeholders in this issue. Speaks about his concerns regarding fee increases.
081	Cleary	States that DSL will be contacting other concerned parties.
087	Chair Welsh	Closes the Public Hearing on HB 2161.
<u>HB 2173 PUBLIC HEARING</u>		
094	Chair Welsh	Opens Public Hearing on HB 2173
096	McNitt	Administrator. Explains HB 2173.
099	Tom Johnson	Assistant Administrator, Oregon Health Division (OHD). Introduces Ron Hall. Testifies in favor of HB 2173. Summarizes the intent of HB 2173. Distributes testimony (EXHIBIT E). Explains that OHD is proposing these amendments to clarify issues in administering cleanup statutes during the last decade. Explains the functions of ORS 453.855-.912.
136	Johnson	Explains six changes to current statutes proposed by HB 2173: <ul style="list-style-type: none"> • Increases discretion in determining when to declare a site as Unfit for Use and requiring cleanup. • Redefines the property and/or improvements as real estate which expands the cleanup to surrounding grounds and structures. • Reduces the scope of appeal of the initial designation to the question of whether or not it meets the definition of a manufacturing site. • Amends ORS 453.885 to allow OHD more discretion in handling sites that have undergone cleaning or other modifications to obtain a Certificate of Fitness. • Expands OHD's civil penalty authority to address willful violations of the statute and rules governing the cleanup process. • Reduces the fee for late renewal of the biennial license from \$500 to \$100.
176	Rep. Kruse	States concern regarding unauthorized clean up. Asks what the time frame is for allowing an authorized person to clean up the property.
191	Johnson	Explains that the owner has some discretion. States that clean up depends on the

		level of contamination. Describes the usual timeline for the cleanup process.
211	Rep. Kruse	Asks if property can be used for a storage shed.
219	Johnson	States that people are not to be on the property for any reason or use it for any purpose that could be a source of potential contamination.
226	Rep. Kruse	Asks if "unfit for human access" is a more appropriate description for the provision than "human habitation".
229	Johnson	Responds yes.
232	Rep. Merkley	Asks if the owner can appeal the ruling if property is deemed as "not fit for use".
238	Johnson	Responds affirmatively and cites examples. States that many times property has been labeled as a drug manufacturing site, but later was discovered that no drug manufacturing actually took place. Explains that the determination of whether or not a specific site is a drug manufacturing site must be accurate and the appeals process allows for discretion in cases where there is a question of determination.
254	Rep. Merkley	Asks if he is correct in stating that a person can only appeal on the basis of whether or not drug manufacturing has actually taken place.
260	Johnson	Answers yes. States that OHD has gone through several rules changes to streamline the process for situations where there was storage but only moderate contamination. Explains the original statute as being designed for major drug labs. States that the changes being proposed by HB 2173 are intended to allow a process for quick determination of contamination.
280	Rep. Gianella	Asks what the price of an average cleanup is for the home/property owner.
289	Ron Hall	Program Manager, OHD. States that the costs vary depending on the extent of the contamination. States that the average is between \$3,000 - \$5,000.
295	Rep. Gianella	Asks if the person responsible for the lab bears any responsibility for paying the clean up fees.
302	Johnson	States that OHD is responsible only for the property. Explains that the owner would be free to pursue other legal avenues to recoup losses. Notes that most individuals involved with the drug labs are incarcerated and it becomes a legal matter as to whether or not they can be held liable for costs incurred by the owner of the property.
318	Rep. Kruse	Asks if there has been consideration for an agreement with law enforcement regarding compensation.

328	Johnson	States that there have been several discussions regarding the issue of compensation. States that money gained from forfeiture and other available means has not ultimately been used for compensation but discussions have been held regarding this question.
342	Rep. Kruse	Asks if the Attorney General's Office is involved in the discussions on compensation.
350	Hall	States that there is an Asset Forfeiture Committee that has worked on the issue of compensation. Suggests that there is information available from this committee.
360	Rep. Taylor	Asks what causes the contamination.
365	Johnson	Responds that it is primarily the chemicals involved with the process. Explains that cooking activity and surface contamination are the primary problems.
385	Rep. Morgan	Asks what is involved in the clean up process.
388	Johnson	States that it varies depending on the instance. Explains that it can be anything from washing surfaces to removing sub flooring.
397	Rep. Morgan	Asks what determines the extent and the process of the clean up plan.
403	Johnson	Notes that OHD requires an assessment by an OHD licensed contractor. Explains the process of how the contamination is determined by the contractors and the resultant clean up plan.
438	Rep. Morgan	Asks what happens if the cost of the clean up is more than what the owner is able to pay.
TAPE 11, B		
003	Johnson	Explains that a property owner cannot use that property for human habitation, or more accurately, human access, if they cannot pay for the clean up. Explains that the landowner does have the option of selling property if landowner cannot afford the cleanup.
013	Rep. Kruse	Notes that the owner can also destroy the site.
015	Johnson	Answers yes, but emphasizes that destruction is not encouraged. States that the owner may pursue insurance as financial assistance.
021	Rep. Morgan	Asks if there is a process to ensure that the cleanup plan is cost effective.

025	Johnson	States that ensuring a cost effective plan is one of the charges of HB 2173.
028	Rep. Morgan	Asks if there is a competitive bid process for the cleanup.
030	Johnson	States that there is a competitive process. Explains how a contractor is certified and states that certification is open to all interested parties. Notes that currently there are 13 certified contractors within the state. Emphasizes again that certification is open to any contractor interested in going through the certification process.
039	Chair Welsh	Asks how many clean up sites there are annually.
041	Hall	States that last year there were 171 sites and 104 sites the previous year. Notes that over the history of the program there are over 600 files of reported sites of which approximately 350 have gone through the cleanup process.
047	Johnson	Emphasizes that the trend is going up rather than down.
050	Rep. Kruse	Asks why almost one half of the sites are not cleaned up.
055	Johnson	Concedes that there may be many reasons. Suggests that property owners are deliberating as to the cost effectiveness of cleaning up a site, which is causing delays.
064	Rep. Kruse	States that he would be interested in hearing from the Asset Forfeiture Committee.
070	Chair Welsh	States that the committee should also be addressing the civil penalty aspect of HB 2173. Asks if OHD is aware of problems by property owners in obtaining insurance coverage for sites declared contaminated due to drug manufacturing.
083	Johnson	States that one of the purposes of the original statute was to declare the land fit and alleviate further liability by the owner. Emphasizes that the certificate is designed to limit the liability of the homeowner.
092	Chair Welsh	Restates the question and asks if there are problems getting coverage even with a certificate.
097	Johnson	States that he is not aware of any problems.
098	Hall	States that some insurance claims have been litigated.
100	Chair Welsh	Notes the fear that property owners experience regarding liability issues.

108	Rep. Morgan	Asks if all 13 of the contractors are authorized to do cleanup.
111	Johnson	Responds yes.
113	Rep. Morgan	Asks where the contractors are located.
114	Johnson	States contractors are spread throughout the north and south parts of the state. Eastern Oregon does not have a certified contractor.
116	Rep. Gianella	Asks for clarification of the committee that Rep. Prozanski chairs.
119	Hall	Explains that Rep. Prozanski is Chair of the Asset Forfeiture Committee.
122	Rep. Merkley	Asks if the problem is primarily methane labs or if the manufacture of other drugs is also leading to contamination problems.
127	Johnson	States that it is primarily methamphetamine labs but that any drug lab using chemicals in the manufacturing process has the potential of becoming a contaminated site.
131	Rep. Merkley	Asks if competition between contractors is possible when the contractors are doing the plans and carrying out the work.
137	Johnson	Explains that it is a cost benefit situation. States that there is a valid argument concerning competition if the same people doing the assessment are then doing the cleanup. Points out that if OHD were to require different people to do each step the cost of cleanup would rise accordingly. States that there is no evidence to suggest that costs are artificially inflated. Explains that OHD has debated and examined other processes to ensure fairness. States that individual homeowners have the freedom to choose contractors.
160	Chair Welsh	Comments that as soon as there is a government mandate and process for certification, there is the potential for contractors to take advantage of people. Cites example and states that regulating authorities must be aware of and address this problem.
188	Johnson	States that OHD is in agreement regarding these concerns and emphasizes the extensive reviewing process certified contractors must undergo. States that they have no evidence at this point of contractors engaged in these practices.
196	Rep. Morgan	States that the technology of synthesizing drugs is simpler and no longer requires a full blown lab, in fact, an ordinary kitchen will suffice. Asks if the changing technology is changing the scope of the cleanups.
205	Hall	Responds yes. Suggests that the method being referred to is the ephedrine

		method. States that a problem is lack of knowledge regarding all of the drug activities at any specific site. Emphasizes that the history of all drugs manufactured at a site must be taken under consideration. Explains that testing and sampling are standardized in an attempt to discover this history and assess the level of cleanup necessary.
218	Chair Welsh	Asks if HB 2173 applies to moving vehicles as well as hotels and motels.
222	Johnson	States that it does include these. Mentions that one of the changes proposed with HB 2173 is to include these other types of property in the definition of real estate.
226	Chair Welsh	Asks if there is specific language in HB 2173 to include non real estate items.
227	Johnson	Responds that the language is in place.
228	Devlin	Asks if a Health Division Inspector inspects the site after the cleanup is completed.
235	Johnson	States that they do not reinspect each site. Explains that since OHD certifies the contractors, it empowers the agency with recourse, in terms of their certification, in the event of poor work. Explains that OHD visits many sites to ensure the contractors are providing the agency with complete and accurate information. States that OHD is trying to keep costs of the cleanup to a minimum. Explains that OHD relies heavily on the reports of the contractor and on reports from independent laboratories. Stresses that OHD looks very closely at the job the contractors are doing. States that there currently are no problems to warrant more frequent inspections.
258	Chair Welsh	Closes Public Hearing on HB 2173.
<u>HB 2176 PUBLIC HEARING</u>		
262	Chair Welsh	Opens Public Hearing on HB 2176.
264	McNitt	Administrator. Explains HB 2176.
273	Tom Johnson	Assistant Administrator, Oregon Health Division (OHD). Introduces Dave Leland. Testifies in favor of HB 2176. Distributes written testimony (EXHIBIT F).
290	Johnson	Explains that HB 2176 will bring ORS 448 into alignment with the federal requirements of the Safe Drinking Water Act of 1996. Describes three areas: increases administrative penalty authority for large water systems, revises the definition of "public water supply system", and expands the number of water systems required to have a certified operator by deleting exemptions for small systems. Explains that there are two major drinking water issues that are

		dependent on being in compliance with the Safe Drinking Water Act, primacy for drinking water system quality assurance and regulation, and money for the Safe Drinking Water Revolving Loan Fund (EXHIBIT G) (EXHIBIT H).
325	Johnson	Explains that the first two statutory changes included in HB 2176 relate to maintaining the Primacy Agreement with federal regulating agencies. Summarizes the history and intent of the Primacy Agreement. Explains that local control and regulation has worked well. States that in 1996 the Federal Safe Drinking Water Act was extensively amended. Emphasizes that there are many new provisions in the Act intended to improve public drinking water and cites examples. Explains that the administrative penalty provision is necessary to conform with changes made to the Federal Safe Drinking Water Act of 1996.
352	Johnson	States that HB 2176 changes the definition of a water system and charges the Division with scrutinizing irrigation water providers to determine if they are providing public drinking water through their systems and, if so, are meeting standards.
383	Johnson	Explains the requirements for drinking water system operators to be certified in order for Oregon to avoid a 20% reduction in its annual allotment of Safe Drinking Water Revolving Loan Funds. Explains that the changes will require many small water systems to be supervised by a certified operator. Asserts that HB 2176 will improve the quality of drinking water consumed within the state. Explains how OHD will assist in the certification process for operators of small systems.
TAPE 12, B		
005	Rep. Taylor	Asks if HB 2176 will cause a dramatic rise in small water systems that will be in non compliance.
014	Johnson	States that OHD is trying to balance two things. Explains that as the definition is changed there will be additional systems that do not meet standards and that OHD is trying to put into place a variety of tools that will have the end result of improving the drinking water in the state. Explains that the Revolving Loan Fund will total \$100 million over 5 years and is intended to help small systems meet the new standards.
030	Rep. Morgan	Asks if there is any grant money available to help with increased costs of operation for small water systems.
036	Dave Leland	Manager of the Drinking Water Division of Oregon Division of Health. States that the Environmental Protection Agency (EPA) is making money available for training reimbursement.
050	Rep. Morgan	Asks if these moneys will be available for the ongoing costs of staff and increased level of operations.
053	Leland	States that the reimbursement is to help with the initial costs. Points out that all

		of the small systems currently have operators and HB2176 will simply require that these persons be trained and certified.
058	Johnson	States that HB 2176 should not require additional staff. Explains the person looking after the water will need certification. Explains that increased costs will be due to the need for training and maintaining certification.
067	Leland	States that the money figures provided to the committee are based on the current certification process for operators of large water systems. Suggests that the costs will be less as the program develops.
075	Johnson	States that the cost issue has been carefully deliberated before the Drinking Water Advisory Committee. Points out that the data shows that there have been problems in small water system that do not have certified operators.
090	Rep. Morgan	Asks that OHD be mindful of the fact that the expense of running government in rural areas is difficult.
100	Johnson	States that OHD shares this concern. Emphasizes the fact that additional employees will not be required.
107	Rep. Kruse	Asks if the 1996 Safe Drinking Water Act requires the administrative penalty to increase to \$1000.
112	Leland	Responds yes. States that OHD has not had to issue civil penalties to large systems. Explains that it is the minimum penalty in the federal law. States that it is a zero impact item for the state but it is a Primacy Agreement condition to ensure compliance with the federal statute.
127	Johnson	States that he does not anticipate these penalties will need to be levied.
130	Rep. Morgan	Asks for more specific information regarding the irrigation water element of HB 2176.
135	Leland	States that this is in federal law because of a California lawsuit with an irrigation district that supplies untreated canal water as drinking water for migrant farm laborers. States that HB 2176 will require irrigation providers to prove they are not providing drinking water. States that the irrigation constituents are aware of HB 2176. Adds that OHD is aware that people may be drinking irrigation water in the state and OHD has been involved in attempts to educate people as to the danger of drinking this untreated water.
175	Chair Welsh	Asks how many illnesses are attributed to drinking water in the state.
180	Leland	States that disease has reduced since additional treatment systems were put in place in the 1980's. Stresses that primary focus for OHD is copper and lead from tap water.

202	Rep. Taylor	Asks if the water on Sunset Highway has been tested and who is responsible for testing it.
210	Leland	States that the County Health Department has responsibility for testing those waters.
214	Rep. Kruse	Asks if there will be problems for small systems if we eliminate their exemptions.
222	Leland	Explains the differences between small systems and large systems. States that the increased penalty would not apply to small systems. States that the exemptions were put into the statute in the late 1980's as relief for the smaller systems.
242	Rep. Merkley	Asks if OHD can supply the committee with the federal language that forces the state to eliminate the certification exemption for small systems.
246	Leland	Responds yes and that he will provide the specific language.
247	Rep. Merkley	Asks if there is some flexibility in the law that Oregon could take advantage of in order to assist the small water systems.
252	Leland	States that they are looking at the entire language of the federal law. Explains that the flexibility is limited.
268	Rep. Merkley	Asks if well owners are required to have certification if they are sharing the water with other houses in the area.
275	Leland	Explains that the certification requirement will only be for specific types of systems. A water system would not be subject to certification if smaller than specified in law but would have to test water.
281	Rep. Merkley	States that the testing is provided elsewhere in the statute since the exemption is being eliminated.
282	Leland	Concurs with Rep. Merkleys' remark.
284	Chair Welsh	Asks if there will be less flexibility under the new requirements when dealing with difficult systems in small communities or housing developments.
297	Leland	Discusses the Safe Drinking Water Revolving Loan Fund (EXHIBIT I). Alerts the committee to a bill sponsored by the Economic Development Department that is going through the Senate which recommends statutory language that allows OHD to disburse loan funds to entities that are not "public" agencies. Explains that some projects are eligible for the funding but state law interferes with the eligibility.

336	Johnson	States that the 1996 federal amendments to the Safe Drinking Water Act have resulted in an improvement in OHD's ability to work with water systems in the state.
349	Leland	Points out that the Safe Drinking Water Revolving Loan Fund is up and running at this time. Expresses thanks to the Advisory Committee for the hard work.
368	John Brenneman	Representing Manufactured Housing Communities of Oregon (MHCO). Testifies in opposition to HB 2176. Shares concerns that several persons were "ruined" by the legislation that was passed requiring removal of leaking underground tanks. Draws analogy for the committee.
TAPE 13, A		
006	Brenneman	Introduces Wayne Hildebrand.
008	Wayne Hildebrand	Mobile home park operator, member MHCO. Testifies in opposition to HB 2176. States that his park spent \$1356 for water tests. States that he has been operating the park for 22 years and the tests have always been good. States that he attends classes offered by the Health Division and Oregon Association of Water Utilities to maintain compliance.
035	Hildebrand	Emphasizes that there is a large amount of paperwork required by the Oregon Health Division. States that passage of HB 2176 will cause a rent increase for park residents. Emphasizes the rising costs of sampling and certification. Comments that HB 2176 will cause more water systems to be in non compliance. Stresses that certification does not ensure safe water. Remarks that HB 2176 is a tradeoff for federal money. Explains that "out of compliance" does not necessarily mean you are serving bad water. Summarizes that HB 2176 is bad for small business.
074	Rep. Merkley	Asks how much expenditure in time or money it will take to obtain the certification under HB 2176.
080	Hildebrand	States that he does not know the cost. States that the fee is \$100 for the annual certificate. Explains that the classes he now attends are free but that the certification classes have fees attached.
089	Rep. Merkley	Asks if Hildebrand would oppose the bill if certification was free and required only a few hours of time.
094	Hildebrand	States that he would still oppose HB 2176. Explains that the problem is the amount of time it takes to comply with the laws.
101	Rep. Taylor	States that it is her impression that the Oregon Health Division will be helping the small system owners. Emphasizes that the Legislative body is charged with supporting health mandates. States that it might be premature to be pessimistic and suggests that it might be beneficial.

122	Hildebrand	States that completion of the training is not going to help the water system. Emphasizes the fact that he has never had problems with his water system. States that all small systems will have to comply with HB 2176 and it is costly.
139	Chair Welsh	Asks how often he must test his water system.
142	Hildebrand	States that he tests the water monthly for biological contamination and completes several other tests periodically. States that he does not need to be certified to run his system. Explains that if he has a problem he knows who to call to help.
163	Chair Welsh	Asks if there have been any requests from users of the system to be informed of the water quality level.
168	Hildebrand	States that he has had inquiries regarding the water in his system. States that he provides reports for these inquiries. States that manganese is the only problem they have at this time.
180	Rep. Gianella	Expresses empathy for Hildebrand. Comments that Hildebrand speaks on behalf of many small business owners in the state. Explains the frustrations shared by small business owners regarding the large number of hours involved in paperwork and administrative costs.
195	Doug Wise	Chair, Drinking Water Advisory Committee, Oregon Health Division. Testifies in support of HB 2176. States that it enhances the certification program. Explains the history of the certification program. States that water system success results from three things: financial management, managerial skill, and technical expertise. Explains that the certification requirement addresses the technical expertise issue.
240	Wise	States that there is a test involved with the certification process and there is a \$35 fee for the test. States that there is approximately 10 hours of contact training annually to improve the technical skills of the operator. States that certification costs \$40 annually. States that there is strong consensus for HB 2176. States that federal moneys received as a result of certification will help many water systems to upgrade. States that HB 2176 meets the needs of state drinking water, keeps decisions local, and promotes safe water at all levels in the state.
280	Rep. Merkley	Asks if he is correct in stating that the requirements for certification for a small water system operator is 10 hours of training, \$35 for the test and \$40 for certification.
288	Wise	Answers yes. Explains the process for certification. States that a small water system can negotiate an agreement to have access to a certified operator.
305	Rep. Merkley	Asks if a small operator is exempt from the contact training if there is a certified person under contract.
310	Wise	Responds yes.

316	Chair Welsh	States that there is a contract and payment for the service which is an additional cost to the small water system operation.
318	Wise	States that the contract does not necessarily mean that there will be a monetary exchange.
320	Rep. Taylor	Asks if the certification process will replace the continuing education that operators complete at this time.
326	Wise	States that it would not be a favored situation. Explains the contractual service and responsibilities associated with it.
335	Rep. Gianella	Asks if there is any proof or statistics to support the premise that the costs of certification would decrease.
347	Wise	States that he is certain the Drinking Water Advisory Committee would encourage the training to be easily accessible to smaller communities.
368	Rep. Gianella	Asks if the cost could rise.
373	Wise	States that his personal experience is that the costs have not risen. States that a larger customer base should keep the expenses down.
387	Rep. Merkley	What does it cost for the 10 hours of contact training
408	Wise	Explains that there are scholarships available which represent \$130 of tuition credit. States that there is money available for attending training sessions or for discounted tuition.
408	Rep. Merkley	Asks if the training is required for a small operator that does not currently need to be certified and, if so, are the requirements the same as for operators of larger systems.
TAPE 14, A		
002	Wise	Explains that to take the initial examination you must have a high school education or General Equivalency Degree and one year of experience in the field which can be waived. To maintain the certification you need 20 hours of educational experience every two years.
009	Rep. Merkley	Asks if the 10 hours for certification are in addition to the 20 hours of continuing education required every 2 years.
010	Wise	Responds no.

011	Rep. Merkley	Asks if the training requirement, in terms of hours, would increase if the certification exception were eliminated.
012	Wise	Responds no. States that it would be the same.
014	Rep. Gianella	Asks if a person without a high school education would be eligible for the training.
021	Wise	Explains that there are four levels of certification. The lowest level, Class I certification, requires a high school education and some experience. Explains the grading of the levels of certification.
024	Rep. Gianella	Asks for clarification of the high school requirement.
030	Wise	Defers to Dave Leland. States that he believes they would be eligible to take the examination.
033	Leland	Explains that the concerns regarding variances for education requirements are being addressed. States that under the current system there is a high school requirement.
040	Rep. Gianella	Responds as to the enormity of this requirement.
043	Chair Welsh	Closes Public Hearing on HB 2376.
055	Chair Welsh	Adjourns meeting at 3:23 pm.

Submitted By, Reviewed By,

Gene Newton, Kristina McNitt,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2158, written testimony, Paul Cleary, 3 pp

- B - HB 2159, written testimony, Paul Cleary, 5 pp**
- C - HB 2159, written testimony, Jim Lockwood, 1 p**
- D - HB 2161, written testimony, Paul Cleary, 5 pp**
- E - HB 2173, written testimony, Thomas Johnson, 3 pp**
- F - HB 2176, written testimony, Thomas Johnson, 3 pp**
- G - HB 2176, informational material, Thomas Johnson, 1 p**
- H - HB 2176, informational material, Thomas Johnson, 1 p**
- I - HB 2176, informational material, Dave Leland, 2 pp**