

**HOUSE COMMITTEE ON WATER AND ENVIRONMENT**

May 24, 1999 Hearing Room D

1:00 P.M. Tapes 181 - 182

**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**

**STAFF PRESENT: Kristina McNitt, Administrator**

**Danielle Hamilton, Administrative Support**

**MEASURE/ISSUES HEARD: SB 1058-A ñ Work Session**

**SB 774 - Work Session**

**SB 1113-A ñ Work Session**

**SB 335 ñA ñ Public Hearing and Work Session**

**SB 628 - A ñ Public Hearing and 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 181, A		

004	Chair Welsh	Calls meeting to order and opens a work session on SB 1058-A.
<b><u>SB 1058 ñ A - WORK SESSION</u></b>		
007	Sen. Ted Ferrioli	District 28. Testifies in support of SB 1058-A. Explains that testing is being done on new cars. Points out that new cars have clean air control systems that are designed to meet or exceed the air pollution standards. Feels the Department of Environmental Quality (DEQ) should focus on cars that are creating the pollution.
045	Rep. Kruse	Asks if cars made in 1995 would need to be certified in 2000.
046	Sen. Ferrioli	Responds affirmatively.
047	Rep. Merkley	Asks if new cars currently must be run through the emission test when sold.
048	Sen. Ferrioli	Responds affirmatively.
053	Rep. Merkley	Asks what percentage of cars in the four-year old category fail the test.
055	Sen. Ferrioli	Responds that very few of the new cars failed to pass because they are tuned up prior to delivery to the customers.
069	Rep. Merkley	Asks if changing the requirement would affect the pollution control credits received for the Portland Metro airshed.
074	Sen. Ferrioli	Answers that pollution control tax credits were not discussed on the Senate side. Understands that the credits come from the overall pollution reduction.
080	Rep. Merkley	Clarifies his question. Asks if SB 1058-A would affect the agreement with the federal government on the airshed.
087	Sen. Ferrioli	Comments on the status of agreement with the Environmental Protection Agency (EPA) because of airshed management in Portland. Believes the single most effective tool for air quality management will be the eventual reformulation of gasoline.
110	Rep. Taylor	Asks if there has been discussion of sport utility vehicles (SUVs). Asks if the SUVs are held to the same standards as other vehicles.
119	Sen. Ferrioli	Responds the Senate did not discuss SUVs specifically. Points out that SUVs are considered to be trucks. Adds that there is a significant movement nationally to make SUVs subject to the same standards as station wagons.

146	Greg Green	Air Quality Administrator, Department of Environmental Quality (DEQ). Testifies in opposition to SB 1058-A ( <b>EXHIBIT A</b> ).
219	Rep. Kruse	Asks how many of the cars made in 1996 were out of compliance.
222	Green	Responds that around two percent failed the test badly.
226	Rep. Kruse	Asks if computer failure can be discovered when the diagnostic test is run.
232	Green	Replies that he is not sure they test for equipment failure.
234	Rep. Kruse	Asks what percentage of older cars are out of compliance.
238	Green	Responds it is about 20 percent.
240	Rep. Taylor	Asks for clarification of which vehicles are required to be tested.
243	Green	Explains that cars newer than two years are not required to be tested.
254	Rep. Merkley	Asks if this legislation would make sense if the draft report referred to in Green's testimony were finalized.
259	Green	Responds affirmatively.
267	Rep. Merkley	Asks how many federal credits would be lost if this legislation were to pass.
280	Green	Explains effects of passage of the bill.
286	Rep. Kruse	Asks if the impact is based on an EPA assumption.
291	Green	Responds affirmatively.
	Chris Hagerbaumer	Air & Transportation Program Director, Oregon Environmental Council. Submits but does not present a prepared statement in opposition to SB 1058-A ( <b>EXHIBIT B</b> ).
<b>318</b>	<b>Rep. Gianella</b>	<b>MOTION: Moves SB 1058-A to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b>

		<p><b>VOTE: 5-4</b></p> <p><b>AYE: 5 - Atkinson, Kruse, Gianella, Morgan, Welsh</b></p> <p><b>NAY: 4 n Devlin, Kafoury, Merkley, Taylor</b></p>
	<b>Chair Welsh</b>	<b>The motion CARRIES.</b>
335	Chair Welsh	Closes the work session on SB 1058-A and opens a work session on SB 774.
<b><u>SB 774 WORK SESSION</u></b>		
335	Kristina McNitt	Administrator. Explains SB 774.
340	John Ledger	Associated Oregon Industries (AOI). Testifies in support of SB 774. Explains history of legislation. Believes this is a good program and is supported by many groups.
375	Rep. Morgan	Asks if any permits have been issued.
378	Ledger	Responds that a couple of permits are being used as pilots and that the proposed rules are out for comment.
382	Kathryn Van Natta	Governmental Affairs Manger, Northwest Pulp and Paper Association (NWPPA). Testifies in support of SB 774. States NWPPA was a party to the sponsorship of the 1997 legislation. Adds they have run into time constraints and are requesting the extension of three more years. Comments on the status of the proposed rules.
408	Lauri Aunan	Department of Environmental Quality (DEQ). Testifies that DEQ does support SB 774. States there have been four pilot programs prior to development of the rules.
440	Chair Welsh	Requests that Aunan provide copies of the proposed rules to the committee members.
451	<b>Rep. Kruse</b>	<b>MOTION: Moves SB 774 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b>
		<b>VOTE: 9-0</b>

		<b>AYE: In a roll call vote, all members present vote Aye.</b>
	<b>Chair Welsh</b>	<b>The motion CARRIES.</b>
481	Chair Welsh	Closes the work session on SB 774.
<b>TAPE 182, A</b>		
021	Chair Welsh	Opens a work session on SB 1113-A.
<b><u>SB 1113-A n WORK SESSION</u></b>		
022	McNitt	Explains SB 1113-A.
039	Lauri Aunan	DEQ. Testifies in support of SB 1113-A ( <b>EXHIBIT C</b> ).
046	Rep. Morgan	Asks for explanation of the Orphan Site Fund.
051	Aunan	Explains sources and uses of funds.
058	Jenifer Robison	Special Assistant to the Director, Division of State Lands (DSL). Testifies in support of SB 1113-A ( <b>EXHIBIT D</b> ).
068	Jim Craven	American Electronics Association. Comments that business entities pay to the fund. States that the bill changes the language in the 1989 legislation that said that the fund would not be used to clean up state-owned sites. Asks that the record of DEQ testimony be corrected. There was no oversight in 1989 and this is not a housekeeping measure. Explains the effect of their amendments to the bill that were adopted by the Senate.
<b>168</b>	<b>Rep. Kruse</b>	<b>MOTION: Moves SB 1113-A to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.</b>
171	Chair Welsh	Suggests that staff check to see if SB 1113-A needs to be referred to the Committee on Ways and Means.
173	Rep. Kruse	<b>Withdraws his motion.</b>

175	Chair Welsh	Closes the work session on SB 1113-A and opens a public hearing on SB-335-A.
<b><u>SB 335-A n PUBLIC HEARING</u></b>		
179	McNitt	Explains SB 335-A.
188	Stephanie Hallock	Administrator of the Eastern Region of the Department of Environmental Quality (DEQ) and administrator of the statewide septic tank program. Introduces Dennis Illingworth, Technical Manager. Presents a section-by-section review of and testifies in support of SB 335 A ( <b>EXHIBIT E</b> ). Advises members that the letters attached to her testimony are from people who could not be at the meeting today.
265	Rep. Atkinson	Refers to a letter attached to Hallock's testimony ( <b>EXHIBIT E, page 4</b> ) and asks for an explanation of "Recirculating Sand Filter."
274	Illingworth	Responds the section relates to an old provision when there were no alternative systems in Oregon. Adds that there are many alternative systems now.
281	Rep. Atkinson	Asks what kind of rules will be deleted.
285	Illingworth	Responds that no rules would be removed. Only the reference in the statute would be removed.
290	Hallock	Adds that an advisory committee worked with the department in developing the legislation.
297	Rep. Gianella	Refers to the letter from Deschutes County ( <b>EXHIBIT E, page 8</b> ) and asks if there is a limit on how much the fees can be raised.
305	Hallock	Explains that the counties cannot set their fees higher than the fees set by DEQ or the Environmental Quality Commission (EQC).
331	Rep. Gianella	Asks if there is a limit on how high the fees can be raised.
335	Hallock	Responds negatively.
340	Rep. Gianella	Refers to letter from the Oregon Onsite Wastewater Association ( <b>EXHIBIT E, page 6</b> ) and asks if the statement in paragraph 1 on refunding of fees applies to homeowners with septic systems.
353	Illingworth	Responds affirmatively. Adds that approximately one million people in Oregon have on-site systems.

357	Rep. Gianella	Asks how this affects the older septic systems.
359	Illingworth	States that the only change they are asking for relates to the pre-1974 systems (when the department became involved with on-site systems). The department is asking for the provisions to allow them to do operations and maintenance of the pre-1974 systems if it is necessary.
375	Rep. Gianella	Asks how someone would know if maintenance is necessary.
381	Illingworth	Comments on practices in communities around the county that require that the system be looked at if the property is sold. Adds that DEQ has no intent of going out to look for older systems that might have problems.
425	Toby Harris	Conference of Local Health Officials (CLHO). Testifies in support of SB 335-A <b>(EXHIBIT E, pages 4 and 5).</b>
<b>TAPE 181, B</b>		
019	Art Schlack	Association of Oregon Counties (AOC). Testifies in support of SB 335-A. Believes that the "decoupling" of counties from the DEQ fee schedule is an efficiency measure and is good.
035	Chair Welsh	Closes the public hearing and opens a work session SB 335-A.
<b><u>SB 335-A n WORK SESSION</u></b>		
<b>040</b>	<b>Rep. Kafoury</b>	<b>MOTION: Moves SB 335-A to the floor with a DO PASS recommendation.</b>
<b>049</b>		<b>VOTE: 7-0</b> <b>AYE: 7 - Atkinson, Devlin, Kafoury, Kruse, Merkley, Morgan, Welsh</b> <b>EXCUSED: 2 n Gianella, Taylor</b>
	<b>Chair Welsh</b>	<b>The motion CARRIES.</b>  <b>REP. KAFOURY will lead discussion on the floor.</b>
051	Chair Welsh	Closes the work session on SB 335-A and opens a work session on SB 1113-A.

**SB 1113-A ñ WORK SESSION**

062	Rep. Kruse	<b>MOTION: Moves to RESCIND THE SUBSEQUENT REFERRAL OF SB 1113-A TO WAYS AND MEANS.</b>
062		<b>VOTE: 6-0</b> <b>EXCUSED: 3 - Reps. Atkinson, Gianella, Taylor</b>
	Chair Welsh	<b>Hearing no objection, declares the motion CARRIED.</b>
063	Rep. Kruse	<b>MOTION: Moves SB 1113-A to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on WAYS AND MEANS BE RESCINDED.</b>

<b>VOTE: 6-0</b> <b>AYE: 6 ñ Devlin, Kafoury, Kruse, Merkley, Morgan, Welsh</b> <b>EXCUSED: 3 - Atkinson, Gianella, Taylor</b>
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Chair Welsh	<b>The motion CARRIES.</b>  <b>REP. DEVLIN will lead discussion on the floor.</b>
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072	Chair Welsh	Opens a public hearing on SB 628-A.
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**SB 628-A ñ PUBLIC HEARING**

074	McNitt	Explains SB 628-A.
083	Art Schlack	AOC. Testifies in support of SB 628 A. Explains that the parties did not reach a consensus during the interim and that they are requesting that the sunset clause be removed. Adds that SB 440 was added into SB 628 on the Senate side to make sure things work efficiently. Submits the SB 628-A3 amendments



		<b>(EXHIBIT F)</b> to add the emergency clause because provisions in the original bill would sunset on June 30, 1999.
117	Rep. Morgan	Asks for clarification on Section 4 of SB 628-A.
127	Schlack	Explains purpose of Section 4.
130	Chair Welsh	Closes the public hearing and opens a work session on SB 628-A.
<b><u>SB 628-A n WORK SESSION</u></b>		
137	Rep. Kruse	<b>MOTION: Moves to ADOPT SB 628-A3 amendments dated 05/07/99.</b>
		<b>VOTE: 6-0</b> <b>EXCUSED: 3 - Atkinson, Gianella, Taylor</b>
	Chair Welsh	<b>Hearing no objection, declares the motion CARRIED.</b>
146	Rep. Kruse	<b>MOTION: Moves SB 628-A to the floor with a DO PASS AS AMENDED recommendation.</b>
148		<b>VOTE: 6-0</b> <b>AYE: 6 n Devlin, Kafoury, Kruse, Merkley, Morgan, Welsh</b> <b>EXCUSED: 3 - Atkinson, Gianella, Taylor</b>
	Chair Welsh	<b>The motion CARRIES.</b>  <b>REP. MERKLEY will lead discussion on the floor.</b>
162	Chair Welsh	Closes the work session on SB 628-A and adjourns meeting at 2:30 p.m.

Transcribed By, Reviewed By,

Annetta Mullins, Jennifer Peck

Administrative Support Committee Coordinator

**EXHIBIT SUMMARY**

**A ñ SB 1058, prepared statement, Greg Green, 4 pp**

**B ñ SB 1058, prepared statement, Chris Hagerbaumer, 2 pp**

**C ñ SB 1113, prepared statement, Lauri Aunan, 4 pp**

**D ñ SB 1113, prepared statement, Jenifer Robison, 1 p**

**E ñ SB 335, prepared statement and letters, Stephanie Hallock, 10 pp**

**F ñ SB 628, SB 628-A3 amendments, Art Schlack, 1 p**