

SENATE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

March 24, 1999 Hearing Room 50

4:30 P.M. Tapes 79 - 80

MEMBERS PRESENT: Sen. Gary George, Chair

Sen. Joan Dukes

Sen. Bill Fisher

Sen. Tony Corcoran

MEMBER EXCUSED: Sen. Thomas Wilde, Vice-Chair

Sen. Ted Ferrioli

STAFF PRESENT: Brad Harper, Administrator

Kristal Hatton-Nease, Administrative Support

MEASURES HEARD: SB 235 Public Hearing and Work Session

SB 238 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 79, A		
003	Chair George	Convenes meeting at 4:37 p.m. Opens public hearing SB 235.
<u>SB 235 PUBLIC HEARING</u>		
010	Rep. Roger Beyer	House District 28. Testifies in support of SB 235. Comments on the amendments to SB 235. Says the amendments place a sunset on the civil penalty authority.

042	Julie Hoffman	Member, Advisory Committee to the Oregon Department of Agriculture (ODA). Says the association is in support of SB 235 and the n1 amendments.
055	Chuck Craig	Assistant Director, ODA. Says SB 235 is supported by the nursery and Christmas tree industry as well. Introduces Dan Hilburn.
080	Dan Hilburn	Administrator, Plant Division, ODA. Submits [EXHIBIT A] and testifies in support of SB 235. Comments on Oregon statutes that direct the ODA to carry out programs which protect the state from plant pests and diseases.
101	Chair George	Asks how many violations occur per year.
103	Hilburn	Replies there are two or three quarantine violations per year and several hundred violations per year of unlicensed nursery activity.
107	Chair George	Asks if the violators refuse to get a license, even after they are told they need one by ODA.
108	Hilburn	Replies some of the people do. Gives examples of serious quarantine and control area order violations that occurred in 1997 and 1998. Explains Oregon has quarantine against European brown garden snails, against retail sales of filbert trees and unlicensed Christmas tree growers. Says the amendments are good and that they clear up language and add a sunset clause.
158	Chair George	Comments on the cost of failing to comply.
170	Terry Lamers	State Issues Coordinator, Oregon Small Woodlands Association (OSWA). Submits [EXHIBIT B] and testifies that OSWA has not taken a position on SB 235. States OSWA has studies the imported wood situation and believe the current laws and rules regulating untreated imported wood certainly open the door to numerous potential concerns. Explains current the Animal and Plant Health Inspection Service (APHIS) rules that regulate the importation of wood products are not sufficient to protect the North American resources involved in forestry, agriculture, fish and wildlife, recreation, watersheds, horticulture and tourism. Urges the requirements of more stringent mitigation measures as soon as possible.
217	Chair George	Comments on beetle infestation in the Chicago area. Asks about the tree fungus.
223	Lamers	Replies the fungus is untreated. Says APHIS believes it is safe to allow untreated wood to enter the United States have a period of up to 60 days before final processing is required.
234	Chair George	Comments on the problem of Eastern Filbert Blight.
245	Ray Wilkeson	Oregon Forest Industries Council. Agrees with OSWA. Says Oregon can not put its forest in the risk of having imported pests take over. Comments on the

		imported wood inspection fee implemented several years ago.
270	Chair George	Asks what the imported wood inspection fee paid for.
272	Wilkeson	Says the inspection fee was to defray costs. Says the forest industry has have experience with civil penalty mechanism because of the Forest Practices Act.
302	Chair George	Closes public hearing on SB 235. Opens public hearing on SB 238.
<u>SB 238 PUBLIC HEARING</u>		
310	Brad Harper	Explains SB 238 and ñ1 amendments. Says SB 238 had a public hearing on February 4, 1999.
330	Bob Miller	Director, Oregon State Police Gaming Enforcement Division. Submits [EXHIBIT C] and testifies in support of SB 238. Explains what has transpired since the February 4, 1999 hearing. Explains changes to Sections 5 (1) and 7 (9). Says in Section 5 the word "consecutive" has been inserted. Adds that Section 7, which concerns the definition of "gross purse," means the amount of money that each boxer will receive for his or her participation in a contest.
400	Miller	Comments on the relative lack of boxing in Oregon over the past several years. Reads excerpts from <u>Punch Lines</u> article in the PDXS, January 8-21, 1999 issue.
TAPE 80, A		
020		Questions and answers between Sen. Fisher and Miller on how a person can receive 66 2/3 percent of the gross purse. Miller responds this is a confusing item and introduces Dr. Rios who explains it varies with each event.
047	Loren Glover	Interim Director, Boxing and Wrestling Commission. States each boxer signs a contract with a manager or promoter about how much money he will receive for participating in the event. Says the boxer would get 66 2/3 percent of that contract.
074	Sen. Fisher	Asks if it is the gross income of the event.
077	Glover	Responds it is 66 2/3 percent of the total contract between the promoter and the participant and not of the gross income of the event.
080	Sen. Fisher	Asks how does a boxer know he will get paid. Comments a boxer could be paid very little.
081	Glover	Replies this happens in the boxing industry. Explains the contracts are reviewed

		by director and the participant to make sure the participant knows what the contract entails.
090	Miller	Says the confusion about this part of SB 238 may be eliminated if, on line 3 of the bill, there is a period after "interest of the contestant and the public" and exclude the next three lines. Says this would get rid of the 66 2/3 percent.
105	Chair George	Asks if the Boxing and Wrestling Commission would then determine if the 66 2/3 percent were an adequate amount of money.
110	Miller	Responds yes.
115	Sen. Corcoran	Suggests having the Commission provide committee members with copies of certain contracts so the committee could see the way contracts are written. Suggests leaving the language in SB 238.
122	Miller	Responds part of the commission's responsibility is to make sure the participants are not taken advantage of.
125	Sen. Fisher	Asks how many boxing matches occur in Oregon each year.
128	Rios	Replies not many and says most of the boxing matches occur at the casinos run by sovereign nations around Oregon.
131	Sen. Fisher	Comments on a boxing match at Seven Feathers Casino in Canyonville, Oregon.
133	Rios	Responds the sovereign nations adopted the commission rules but they are sovereign nations.
137	Chair George	Asks if these types of events are taking place in California, Washington and Idaho.
144	Miller	Responds no. Comments on the news articles in his testimony. Says there is a show at Seven Feathers this weekend and adds that other casinos have expressed interest in boxing events. States that the majority of professional boxing matches in the U.S. occur in casinos. Explains the reason is that boxing matches bring in customers to the casinos.
179	Sen. George	Asks why witnesses who testified at the February 4, 1999 meeting are not testifying at this meeting.
182	Miller	Says there is probably less interest in SB 238 since the changing of the director of the commission. Adds most people are excited and anticipate the industry to take off in Oregon.

205	Sen. Dukes	Comments that last session there was talk about there not being enough interest in boxing. Says there were discussions about the commission getting involved in the schools to renew interest. Asks if anything been done on this.
241	Rios	Responds he was not involved in that discussion last session. Explains there is no really good professional wrestling and that it is hard to get involved in schools.
255	Sen. Dukes	Asks if the commission can be involved in the high school wrestling arena.
259	Rios	Says the schools would need a professional wrestling role model and that there is no one to fulfill that role.
268	Sen. Fisher	Comments wrestling is not an active sport. Says wrestling matches are actually entertaining shows.
292	Chair George	Calls attention to the ñ3 amendments. Asks what the commission thinks of the amendments.
297	Miller	Says the commission has a neutral position on ñ3 amendments. Says the commission is very good and that it could not function as an independent agency.
308	Chair George	Asks where the commission will be conducted.
311	Miller	Responds the office moved last Friday to Salem for a number of reasons. Explains the commission created by the 1987 Legislature was an independent entity. Says that the 1993 Legislature moved it under OSP. Explains there have been positive things about having it under OSP.
377	Sen. Dukes	Asks how much revenue boxing and wrestling generated in the last biennium.
390	Miller	Replies he does not have those figures. Says most of the commission's revenue comes from the six percent of the pay-per-view tax of each event. Adds the commissions budget is approximately \$175,000 plus \$75,000 that was turned over the to the Children's Trust Fund. Says there are no State Police revenues going to the commission.
411	Sen. Dukes	Asks if the \$75,000 comes in each year or each biennium.
TAPE 79, B		
009	Miller	Replies per biennium.
013	Sen. Fisher	Asks why the commission receives money from pay-per-view events.

017	Miller	Replies he is not sure how it functions. Explains the money comes from the pay-per-view bought in the state. Says the shows are viewed in Oregon and the events occur somewhere else.
030	Sen. Corcoran	Comments Blazers have pay-per-view.
034	Chair George	Closes public hearing on SB 238. Opens work session on SB 235.
<u>SB 235 WORK SESSION</u>		
040	Sen. Corcoran	MOTION: Moves to ADOPT SB 235-1 amendments dated 03/24/99.
		VOTE: 4-0 EXCUSED: 2 - Ferrioli, Wilde
	Chair George	Hearing no objection, declares the motion CARRIED.
045	Sen. Corcoran	MOTION: Moves SB 235 to the floor with a DO PASS AS AMENDED recommendation.
053	Chair George	Asks if there is any further discussion on SB 235.
051	Sen. Fisher	Asks if the \$10,000 penalty is a new part of SB 235.
053	Chair George	Explains it is an expansion. Says the penalties that are in place currently have been inadequate to deter abuse or to encourage compliance of the requirement to have a license. Summarizes testimony heard by the committee.
070	Sen. Dukes	Comments on the amount of the penalty. Wonders if someone growing medicinal marijuana without their doctors consent would be accountable.
089	Harper	Explains the penalty only applies to specific people, such as a dealer or agent for a plant nursery.
093	Sen. Fisher	Comments he would think this would be a criminal penalty.
104	Sen. Corcoran	Says it may not hurt to do a referral to judiciary to look at the civil penalty aspect of SB 235.
120		VOTE: 4-0

		EXCUSED: 2 - Ferrioli, Wilde
	Chair George	Hearing no objection, declares the motion CARRIED. SEN. FERRIOLI will lead discussion on the floor.
130	Chair George	Closes work session on SB 235. Re-opens public hearing on SB 238.
<u>SB 238 PUBIC HEARING</u>		
136	Gary Conkling	Oregon Arena Corporation. Testifies in support of SB 238. Introduces Jay Issac.
147	Jay Issac	Director, Oregon Arena Corporation. Submits [EXHIBIT D] and testifies in support of SB 238 and the ñ2 amendments. Explains the difficulty in bringing boxing and wrestling matches to Oregon Arenas. Says promoters feel that the existing requirements are onerous and have decided to not bring programs to Oregon. Points out other states do not have these requirements.
194	Sen. Fisher	Asks which amendment is Issac talking about.
196	Chair George	Replies the ñ2 amendments.
198	Sen. Dukes	Asks if the arena corporation will offer any money to the commission.
202	Conkling	Replies he is trying to find a way to not wind up with having the requirementís for events in the city of Portland. Comments on the commissionís duties.
218	Sen. Dukes	Asks whose rules would the arena go by if the commission is deleted.
222	Issac	Responds there are not any rules other than the rules of the particular corporation or promoter.
232	Sen. Fisher	Asks if other forms of entertainment are regulated
238	Conkling	Replies no, in many cases. Says the arena corporation has tried to be sensitive to the commission in the ñ2 amendments. Says the decision to have or nor have a commission is up to the committee.
261	Sen. Corcoran	Says his view is that professional wrestling is not a sport. Comments on the regulatory structure of the commission. Says the only dispute between the OSP and the arenas are the drug testing requirements.
278	Sen. Fisher	Expresses concern about the financing of the commission.

301	Issac	Says that if Oregon were able to attract big name matches then Portland would be beneficiary of some of the money. Comments a lesser percentage would go towards covering costs of the commission.
319	Chair George	Asks if other states have regulatory authority.
324	Issac	Responds it is clear some states are de-regulated. Adds the level of regulation is the problem in Oregon.
332	Chair George	Asks if there is a mechanism to compile a fee structure, under current law.
337	Miller	Says he does not believe that current law gives the commission that flexibility.
345	Sen. Corcoran	Comments arena representatives are not worried about the fee structure. Says the fundamental difference has to do with the amount of regulation that OSP and the commission want to hold over the wrestling groups. Says that, in this case, OSP is focussing on this as a sport. Says OSP does regulate what NBA players do. Adds Oregon should not be regulating a farce.
400	Sen. Fisher	Points out arenas have security in case players rile up the crowd. Asks if extreme wrestling is included in SB 238.
<u>TAPE 80, B</u>		
005	Issac	Responds the arenas do have security and that it also utilizes Portland police officers. Comments the wrestlers in these shows are traveling wrestlers and that injuries are avoided at all costs.
018	Sen. Fisher	Wonders why people are worried about drugs at wrestling and boxing shows. Says many concerts and other entertainment shows in Portland have drugs at them or outside the arena.
023	Issac	Says that even a loosening of the regulations would get the job done.
029	Chair George	Asks what would happen if the commission was eliminated.
044	Chair George	Asks if Miller could parallel federal requirements and research the number of events from Idaho, Washington, and California.
053	Sen. Dukes	Comments she is uncomfortable with certain parts of ñ2 amendments. Expresses concern about the way the commission is operating. Says she is ready to give up on the commission.
075	Chair George	Asks that everyone work on SB 238 and look at the ñ1, -2, and ñ3 amendments.

		Adjourns meeting at 6:37 p.m.
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Submitted By, Reviewed By,

Kristal Hatton-Nease, Brad Harper,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 235, written testimony, Dan Hilburn, 1 p.

B ñ SB 235, written testimony, Terry Lamers, 2 pp.

C ñ SB 238, written testimony, Bob Miller, 4 pp.

D ñ SB 238, written testimony, Jay Issac, 1 p.