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**SENATE COMMITTEE ON BUSINESS & CONSUMER AFFAIRS**

**February 3, 1999 Hearing Room C**

**1:00 p.m. Tape 19 - 21**

**MEMBERS PRESENT: Sen. David Nelson, Chair**

**Sen. Lee Beyer, Vice-Chair**

**Sen. Rick Metsger**

**Sen. Randy Miller**

**Sen. Charles Starr**

**MEMBER EXCUSED:**

**STAFF PRESENT: Anne Tweedt, Administrator**

**Nancy Masee, Administrative Support**

**MEASURE/ISSUES HEARD:**

**INTRODUCTION OF LC 2267**

**SB 3 ñ INFORMATIONAL MEETING**

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
<b>TAPE 19, A</b>		
004	Chair Nelson	Opens meeting at 1:00 p.m. Asks committee to introduce LC 2267.
<b><u>INTRODUCTION OF LC 2267</u></b>		
005	Sen. Nelson	<b>MOTION: Moves LC 2267 BE INTRODUCED as a</b>

		<b>committee bill.</b>
<b>005</b>		<b>VOTE: 4-0</b> <b>EXCUSED: 1 ñ Beyer</b>
<b>006</b>	<b>Chair Nelson</b>	<b>Hearing no objection, declares the motion CARRIED.</b> <b>LC 2267 was introduced as SB 577.</b>
021	Chair Nelson	Opens informational meeting on SB 3. Presents Senate Special Committee on Prison Siting Report ( <b>EXHIBIT A</b> ).
<b><u>SB 3 ñ INFORMATIONAL MEETING</u></b>		
037	Senator Eileen Qutub	Senate District 4. Gives background on the senate interim committee report on prison siting. Says the Governor called for a study. Presents ( <b>EXHIBIT B</b> ). Discusses siting of prisons and subsequent informational meetings in the community. President Adams appointed the special committee on siting a womenís facility and intake center. Sen. Qutub chaired committee. Says eight communities responded to wanting a prison in their community. Three public meetings were held. Cost, legal hurdles, and community opposition were considered. Says the committee recommended siting in Umatilla on the Department of Correctionis (DOC) land. Shows a picture of the site at Two Rivers Facility.
098	Sen. Qutub	Describes the Umatilla site. Says the primary considerations were costs of locating and constructing facilities and the communityís support. Presents reasons for the committeeís choice: <ul style="list-style-type: none"> <li>• 288 acres of flat land</li> <li>• Not bordered by homes or schools</li> <li>• City of Umatilla supports construction of the prison</li> <li>• Original siting was supported by Governor</li> <li>• 500 jobs will result from construction of the prison</li> <li>• Cost savings will be \$34.2 million to taxpayers</li> </ul> States that the savings to taxpayers by locating in the Umatilla site will be great.
180	Sen. Qutub	Explains how the handling of women prisoners is done presently, and that moving them to Umatilla would not make much difference. Believes the wishes of the law-abiding citizens near the Wilsonville site and Dayville site should be considered. Says construction at Umatilla could be started immediately, as part of the original plan. Describes Umatilla as economically disadvantaged and explains how 500 new jobs at the prison would aid the community. Says siting in Umatilla makes (good) sense.
220	Sen. Beyer	Asks what the purpose of the original siting was.

229	Sen. Qutub	Says it was originally for men's quarters. States there may not be a necessity in the future for a prison as the inmate population forecast is for fewer prisoners.
245	Sen. Beyer	Asks about siting a prison in Salem.
255	Sen. Qutub	Says there would not be community support in Salem.
260	Sen. Beyer	Asks what happens if the Governor vetoes the bill.
265	Sen. Qutub	Responds that it is hoped the bill will not be vetoed. Suggests referral to the public, if it is vetoed. Describes how some communities came forward requesting prison siting.
307	Sen. Miller	Commends the committee for its work. Asks if the legislative fiscal statement has been challenged.
320	Sen. Metsger	Says the time spent by the committee is very commendable. Asks about economic development in Umatilla.
327	Sen. Qutub	Says she will get the information.
336	Sen. Metsger	Asks if the community's positive attitude is the most important criteria.
340	Sen. Qutub	Says cost is very important.
361	Sen. Miller	Senate District 13. Testifies in support of SB 3. Emphasizes Umatilla wants a prison. Describes the Wilsonville area, where the siting is not wanted by the community. Says people there are concerned about having a prison next to a school and that the prison would depress the market values of property. Explains that last session SB 541 and SB 397 gave bipartisan support for not building a prison at Dammasch and both bills were vetoed.
<b>TAPE 20, A</b>		
042	Sen. Miller	Asks if anyone has refuted the amount of savings that will occur by siting the prison at Umatilla. Describes how the citizens of Wilsonville have been up in arms against the prison siting there. Says the reality of having felons near their children is not positive. States that it is possibly better for the prisoners' children to be away from them, since felons are not good role models.
093	Chair Nelson	Asks for questions.
097	Rep. Jerry Krummel	House District 27. Presents <b>(EXHIBIT C)</b> , a map of the Wilsonville area to the committee to show plans for 2,400 homes. States that a prison should be placed

		in a community that wants it and Wilsonville does not want a prison there. Says Dammasch is not the right place for a correctional facility. Emphasizes that Umatilla wants the facility and views it as a benefit to the community. Describes the tri-city area as a base of 250,000 population to draw from for jobs.
160	Krummel	States that, according to land use laws, a better and higher use of Dammasch property should be sought. Says, for Umatilla, the prison would be a positive element.
170	Rep. Richard Devlin	House District 24. Comments on the history of prison siting and previous vetoes on the issue by the Governor. Describes the history of the Dammasch site. Explains how Wilsonville and Tualatin had to go through a number of confrontations for siting. States the Umatilla siting is the best choice.
263	Rep. Devlin	Summarizes that the community of Umatilla wants the facility, the site is appropriate, and the site will save the state millions of dollars. Hopes it will be voted out of committee with a do pass recommendation.
286	Chair Nelson	Asks for questions. Calls Steve Marks.
291	Steve Marks	Office of the Governor, Senior Policy Advisor. Explains the Governor's authority in siting prisons. Explains the concept of fairness and shared responsibility by counties in the state. Describes the citizens' committee for siting prisons, appointed by the Governor. Introduces Bill Carey who chaired the committee.
363	Bill Carey	Chair of the citizens' committee on prison siting. Explains that DOC sent information to communities to assess interest in prison siting. Says each site had to be large enough to build two prisons. Says the committee was looking for heavy public input and conducted public hearings in Tillamook, Baker City, Umatilla, Boardman, Madras, Redmond, Mitchell, Lakeview, Klamath Falls, Cave Junction, Medford, North Bend, Oakridge, Eugene, Salem, and Wilsonville. Says Medford, Eugene, and Wilsonville all felt that there were better sites.
<b>TAPE 19, B</b>		
008	Carey	Describes a second round of locating prison sites and the ultimate sitings at Medford and Eugene, and the reaffirmation of the Dammasch site.
009	Chair Nelson	Asks if there was opposition at that time from Dammasch.
012	Carey	Says there was opposition at every meeting. Dammasch was strongly opposed.
015	Sen. Miller	Asks who in Wilsonville invited the committee.
019	Marks	Says they went to communities at the direction of DOC. States Dammasch is

		state-owned property and located near the metro population.
020	Sen. Miller	Asks who in the Wilsonville community asked the committee to come.
021	Marks	Explains that the Emergency Board directed DOC to look at state-owned lands first.
023	Sen. Miller	States that no one from Wilsonville invited the committee.
032	Carey	Says there was extreme opposition in most communities, in terms of public testimony. Explains that community leaders may send in letters of interest, but the opposition from citizens shows up at public hearings. Gives the example of Klamath Falls. Says letters of interest were presented by local officials.
045	Carey	Explains that public testimony in Salem, where the state owns extensive property adjacent to the prison, was highly unfavorable for more prisons. Describes how Dammasch was thought to be a positive answer since it was already state owned. Says the community's outrage was not anticipated.
056	Chair Nelson	Asks for questions.
061	Sen. Miller	Asks if the committee would look for community interest if they had it to do over.
070	Carey	Says that is one factor. States there are other factors.
072	Sen. Miller	Asks why it would not be a consideration, if the community wants it.
075	Carey	Responds that staffing problems in rural areas could be a problem.
079	Sen. Miller	States if a community wants a facility, can handle it, can staff it, and the cost is reasonable, is there any reason it should not be sited there.
080	Carey	Says that is why Umatilla was sited in the first place.
092	Sen. Metsger	Asks for the siting criteria used by the committee.
103	Carey	Says there was extensive criteria supplied which the committee followed.
119	Sen. Metsger	Asks if best use of land in the Dammasch siting was considered, as Wilsonville is characterized by its densely residential area near schools.

126	Carey	Answers that Dammasch was chosen as the best site, not considering the other possible uses for the land.
134	Sen. Miller	Asks if it was the committee's impression that Wilsonville is a willing host.
145	Carey	Responds that the Emergency Board requested the committee look at state lands first.
147	Marks	Says Umatilla was the only favorable community. Explains that at that time there were more facilities to site than there were communities showing interest.
162	Sen. Miller	Asks if a prison should be forced on a community that does not want it and where it will be very costly. Asks about siting near schools and residential areas. Asks where in the statute the regional burden of sharing is stated.
199	Chair Nelson	Asks for the speakers to not get personal.
201	Sen. Miller	Says he wishes the committee had followed the statutes so that this controversy could have been avoided.
205	Chair Nelson	Asks for questions.
206	Marks	Comments that the legislature did not direct this. Says the Governor's principal is to fairness and sharing of burden by regions. Says the Governor says the tri-county area is not doing their share of prison siting. Says the Governor's goal is to distribute responsibility of prison siting among regions in a fair manner.
243	Marks	Suggests the Governor's latest compromise. Presents <b>(EXHIBIT D)</b> . Describes the DOC plan which was already sited at Umatilla, and says whoever builds at Two Rivers will reap the savings. States that the Governor's offer will guarantee the second facility for men at Two Rivers by 2007 and the Governor proposes to release the Dammasch site and appoint the Day Road site for a women's facility. Says Dammasch would be returned to the Department of Human Resources.
329	Marks	Thanks the committee.
340	Chair Nelson	Asks for questions.
343	Sen. Miller	States that the Governor is willing to forgo the \$90 million savings to the state in order to site a facility in the tri-county area.
346	Marks	Says \$33 million is the difference, but the state would be short one site if Dammasch is chosen.

368	Sen. Miller	Asks if the Governor feels that tri-county area must have a prison, even at a very high cost, even if statute nor siting authority does not require it.
373	Marks	Says the Governor feels the proposal is fair.
386	Sen. Miller	Says between Umatilla and Wilsonville, Umatilla is the better choice, according to the legislature. Asks if the legislature's view is considered.
410	Marks	Says the legislature's opinion does matter. Says the Governor appreciates all the work done by the legislature. Says the Senate should solve this problem.
414	Chair Nelson	Thanks the witnesses.
<b>TAPE 20, B</b>		
013	Dave Cook	Department of Corrections (DOC) Director.
027	Sue Acuff	DOC. Explains the costs of the women's prison and intake center. Presents <b>(EXHIBIT E)</b> .
087	Sen. Metsger	Asks if the long-term water supply problem at Dammasch is considered in the cost.
090	Acuff	Answers it is.
092	Sen. Beyer	Asks if the difference between costs at Dammasch and Day Road is between retrofit and development costs.
096	Acuff	Answers that the Day Road costs are a little higher due to site differences.
102	Sen. Beyer	Asks if construction cost is the same.
104	Acuff	Explains the initial cost is a little less.
116	Chair Nelson	Asks Larry Niswender if he has any comment on costs.
135	Larry Niswender	Legislative Fiscal Office. Agrees with Acuff's costs.
139	Cook	Explains the problems of the children of women felons who are incarcerated. States there are 527 Oregon women inmates with 504 children under the age of 20. Cites, from research studies, the effect on children of incarcerated mothers. Says visitation is affected by location of the prison to the family.

184	Cook	Continues to explain the problems of reinstating felons in society. Says visitation with family enhances the chances of rehabilitation. Visitation does not occur in prisons in the eastern part of the state.
214	Chair Nelson	Asks about video visitation.
217	Cook	Responds that video is one consideration, but contact visitation is needed.
220	Chair Nelson	Asks for questions.
222	Acuff	Asks about wording in SB 3, section 3, for which DOC wants a clarification.
236	Sen. Miller	Says he does not agree with focusing the priority on the plight of the felons instead of the neighborhoods and families of law abiding citizens. Asks for cost comparisons between the Day Road site and Umatilla site.
239	Acuff	Says those costs will be supplied.
239	Chair Nelson	Asks for questions.
254	Kim Puzey	Manager, Port of Umatilla. States the port was the owner of the land sold for the Umatilla prison sites. Explains the port has a statutory right to repurchase the land within 10 years if the site has not been used for its stated purpose at the time of sale.
294	Chair Nelson	Asks when date starts for the 10 years.
297	Puzey	Answers it starts from date of condemnation, which was in 1996 or 1997. Says the Port has assurance of use for industrial purposes if the DOC does not use it. If DOC uses it, it needs to be used for the reasons for which it was condemned.
318	Chair Nelson	Asks for questions.
341	George Hash	Mayor of Umatilla. Supports SB 3. Describes the savings that the state would make by locating the prison at Umatilla. Describes the lack of jobs and the low-income of citizens in Umatilla. Says construction jobs, which have been one of main sources of occupations in Umatilla, are declining.
<b>TAPE 21, A</b>		
032	Hash	Continues presentation on the economic need for jobs in Umatilla.
046	Chair Nelson	Says the meeting will be continued at 6:00 p.m. in Hearing Room A, and there



		will be public testimony at that time.
060	Lou Ogden	Mayor of Tualatin. Supports SB 3 because Umatilla wants the prison, and it would save the state a huge sum of money. Says the citizens of Tualatin and Wilsonville do not want the prison sited there.
061	Mayor Hash	Thanks the committee.
063	Chair Nelson	Closes meeting at 3:05 p.m.

Submitted By, Reviewed By,

Nancy Masee, Anne Tweedt,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ SB 3, Report by Special Committee on Prison Siting, David Nelson, 87 pp**

**B ñ SB 3, Written testimony, Eileen Qutub, 6 pp**

**C ñ SB 3, Land Use Map, Jerry Krummel, 1 p**

**D ñ SB 3, Proposed Amendments, Steve Marks, 8 pp**

**E ñ SB 3, Written testimony, Sue Acuff, 1 p**