

SENATE COMMITTEE ON PUBLIC AFFAIRS

April 15, 1999 Hearing Room B

7:00 P.M. Tapes 35 ñ 36

MEMBERS PRESENT: Sen. Gene Derfler, Chair

Sen. Joan Dukes, Vice-Chair

Sen. Eileen Qutub

Sen. Charles Starr

Sen. Thomas Wilde

MEMBER EXCUSED:

STAFF PRESENT: Brian E. Smith, Administrator

Rachel E. Halupowski, Administrative Support

MEASURE/ISSUES HEARD: SB 729 Public Hearing and Work Session

SB 1198 Public Hearing

SB 1061 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 35, A		
000	Chair Derfler	Opens meeting at 7:03 p.m. and opens public hearing on SB 729.
<u>SB 729 PUBLIC HEARING</u>		
010	Chair Derfler	Announces SB 1048 will not be heard because the Management Labor Advisory Committee (MLAC) has not processed the bill nor looked at the relating clause.

014	Jennifer Webber	Oregon Workers' Compensation Attorneys, Workers' Compensation Section of the Oregon Trial Lawyers Association. States SB 729 was introduced at her organization's request. States they have obtained MLAC's approval of SB 729.
021	Randy Elmer	Attorney, Salem. Presents (EXHIBIT A) . Supports SB 729. States SB 729 amends Oregon Revised Statutes 656.212, subsection 2, the temporary partial disability provision by taking out the two-year cap. States the cap is archaic, and unnecessary and adversely affects workers who have serious claims with extended open periods where time loss is being paid. States that temporary total disability is paid when the worker has no release to work or the capacity to work. States that when there is some modified release the worker is being paid temporary partial disability, which may be paid at the full rate that temporary total disability is paid if there is no work offered and the worker is not earning any wages. States this period would be labeled as a period of partial disability. States that with multiple surgeries a worker may need to seek a modified release so the worker can participate in vocational rehabilitation. States that over a long period of time some of the time loss paid will be labeled temporary partial disability time. States there are no necessary reasons to put a cap on temporary partial disability because there has never been a cap on temporary total disability. Urges the committee to pass SB 729 out of committee with a favorable vote.
058	Chair Derfler	Asks why the cap was originally mandated.
059	Elmer	States he has asked other attorneys for their input and found that the cap was mandated without any rationale stated anywhere in the law. Assumes there were not many administrative rules nor were there the statutory protections given to insurers and employers that would help those professionals get workers back on the job. States this was probably used as a method to give an incentive to those with modified releases and some capacity to work, to look harder for work. States that if a worker turns down a modified job, the worker will lose the time-loss benefits.
079	Kathryn Olney	Liberty Northwest Insurance. Supports SB 729. States that in 1998 Liberty received 4,795 new claims in which time-loss was paid. States SB 729 has small economic consequences to the insurers and there are administrative rules in place that have replaced the need for the two-year cap.
106	Bob Shiprack	Oregon Building Trades Council, Co-Chair, MLAC. States that over the last few years many injured workers have been using time-loss temporary partial disability for early return to work programs. States that if the workers are not using the early return to work programs they are probably sitting at home. States SB 729 promotes what the legislature intended when getting temporary disabled workers back into the work force.
144	Chair Derfler	Asks if he had the opportunity to see how the legislation is working with the workers who are not being awarded their medical benefits.
145	Shiprack	Applauds the efforts of the work group. States it is illogical that people cannot get necessary medical treatment when they need it. States that by the time the system determines the injured worker's needs the worker could have been back in the work force.

155	Chair Derfler	Closes public hearing and opens work session on SB 729.
<u>SB 729 WORK SESSION</u>		
157	Vice-Chair Dukes	MOTION: Moves SB 729 to the floor with a DO PASS recommendation.
		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 ñ Starr
	Chair Derfler	The motion CARRIES. SEN. CORCORAN will lead discussion on the floor.
169	Chair Derfler	Closes work session and opens public hearing on SB 1198
<u>SB 1198 PUBLIC HEARING</u>		
177	Chris Davie	State Accident and Insurance Fund Corporation (SAIF). Presents (EXHIBIT B) . Supports SB 1198. States that the 1995 Legislature approved the creation of Oregon Health Sciences University (OHSU) as a public corporation. States that OHSU was competing with private health care providers and needed additional flexibility in order to compete. Explains that SB 1198 will allow SAIF to use private counsel, exempt SAIF's sensitive business records from public disclosure, makes SAIF subject to additional regulation under insurance codes, and require the State Treasurer to consult with SAIF on investment of its assets. States that the Public Employees Retirement System (PERS) is a retirement benefit for workers, and SB 1198 will allow SAIF to offer an alternative to PERS for newly hired employees. States the employers pay a high premium for PERS, and employees would rather have higher salaries than a substantial retirement contribution from PERS.
228	Chair Derfler	Asks if the benefit program has to be equal to the PERS programs.
229	Davie	States that SB 1198 does not address the equality of programs, it just gives SAIF the option to offer an alternative to PERS.
231	Chair Derfler	States that if a plan is offered it must be equal to PERS. Asks if in this case that expectation would apply.
233	Davie	States he is unsure if it would. States that OHSU may offer an alternative, but he

		is unsure if the language specified that the alternative plans be equal to PERS. States the language in Section 5 was agreed upon by the State Treasurer. States that SAIF asked for a greater voice in where their investments are made and placed by the State Treasurer. States the Attorney General is not opposed to SB 1198.
283	Davie	States the existing statutes date back to when SAIF was the only insurer for workers' compensation. States that SAIF was left with a separate regulation while insurance companies came under their own regulation. States in 1980 SAIF became a public corporation, but the old statutes still remained on the books. States that SAIF would prefer to repeal the special sections for SAIF, to be treated as a private insurance company. States SB 1198 offers appropriate revisions to the insurance codes, and the bill amendments correct an initial error in drafting. Asks if the committee would like him to go over SB 1198 section by section.
329	Chair Derfler	States that is unnecessary.
336	Sen. Qutub	Asks if SAIF employees are considered state employees.
337	Davie	Explains that they are state employees but they are not part of the state personnel system, so they do not come under the same rules or salary structures.
341	Sen. Qutub	Asks if SAIF employees have a bargaining unit.
343	Davie	States they do not.
352	Steve Telfer	Alliance of American Insurers. Presents (EXHIBIT C) . Opposes SB 1198 because if enacted SAIF would act more like a private insurer than its current public corporation status permits. States that SAIF has accumulated the industrial accident fund and the Alliance believes the investment earnings on those funds give SAIF a tremendous asset that is not taxed as private insurers are. Asks the committee if SAIF should use those earnings from the fund reserve to apply toward pension contributions for future employees, and asks why a public corporation should be allowed private legal counsel.
388	Chair Derfler	States in some cases the Attorney General does not have qualified attorneys with the ability to handle some of the special needs.
394	Telfer	States the Attorney General has special provisions, presently, to seek specialized counsel when necessary.
399	Chair Derfler	Asks, if the money was applied to pensions of new hires, would it reduce the cost in salaries. Asks if it would be an offset.
404	Telfer	States, "in the context of SAIF, nobody knows where the dollar comes from." States he does not know what the pension format will be in the future, either 401k plans or some other private arrangement. Asks if it is appropriate that

		earnings on funds in the reserve be used in part for the contribution purpose. Urges the committee to look at SAIF and the marketplace, and to either privatize SAIF altogether or move it back to state agency status.
TAPE 36, A		
001	Sen. Qutub	Asks, if SAIF is placed under the same tax and regulatory requirements as other insurers, would the premiums for other employers be similar. Asks if competing with other insurance companies will keep premiums at a level that would be near to what they are with SAIF now.
008	Telfer	States he does not know. States that in Oregon there has been a great economy with high investment earnings, but the market may reverse. States that SAIF and Liberty Northwest market concentration could produce an unstable market. States he is not an actuary and cannot give a detailed explanation of the impact of rates should SAIF become a mutual insurer.
023	Sen. Qutub	Asks for a general idea of what would happen if SAIF makes this change.
025	Chair Derfler	States that, if SAIF were to become a mutual, the policy holders would own the corporation. Asks if they become a mutual are they exempt from paying taxes.
030	Telfer	States it would not be like a stock company where the shareholders are paid dividends. States that if SAIF were to make the change the policy holders would own the corporation and dividends accrued would flow back to the policy holders. States that investment earnings are not federally taxed where other insurers are taxed, which creates an inequality. States that if SAIF is mutualized those gains will be taxed.
044	Chair Derfler	States that insurance companies who do have gains invest them in ways that will not require taxation.
045	Telfer	States that some companies allocate assets from their reserves to invest a portion in tax exempt securities.
054	Chair Derfler	Asks that if a company is mutualized and the earnings on the trust fund were taxable, would that become a tax that goes back to Washington DC, raising the cost of doing business for SAIF.
058	Telfer	States that is correct.
060	Fred Van Natta	Liberty Northwest Company. Concerned about SB 1198, because it will open up money for future retirement benefits that would be used without limitations, review, or restraint. States he does not understand placing no restraints on how the money will be allocated. Explains that if SB 1198 passes it will create a system for the state to sue the state, where currently, the regulator (the Department of Consumer and Business Services ñ DCBS) and SAIF get the same legal advice. States that SAIF wants to get into other lines of insurance.

		States that SB 1198 specifically allows SAIF to form or acquire subsidiary corporations.
112	Sen. Wilde	Asks where in SB 1198 it states that subsidiaries are allowed.
115	Van Natta	States on page 9, lines 13 through 16.
123	Davie	States that SAIF can form subsidiaries and did so in the past. States that due to the pricing structure 15 years ago, there was not an opportunity to have different tiers of prices in a company, so SAIF created a subsidiary. States that when the pricing structure changed, the subsidiary dissolved. States SB 1198 does not give any new opportunities for subsidiary companies for SAIF.
133	Chair Derfler	Asks if SAIF currently has the ability to set up a subsidiary to offer different types of insurance.
134	Davie	States he does not believe so. States, in statute, SAIF is created for the purpose of selling workers' compensation insurance. States that SAIF does not have the authority to create a subsidiary to do something different from the basic statutory charge.
145	Van Natta	States that if the committee intends to pass SB 1198, he asks to pass it with a provision specifically prohibiting SAIF from selling other lines of insurance.
153	Hardy Myers	Attorney General. States Section 4, subsection 3 of SB 1198, deals with attorney services. State SB 1198 would keep SAIF at its present relationship with the state. States that entities in that relationship should receive centralized legal services which are ultimately under the control of the Attorney General. Explains there have been difficulties between the Department of Justice and SAIF since the 1980s.
203	Myers	Explains that SAIF serves private employers and the state, so the department has tried to arrive at a modus operandi with SAIF to prescribe the overall policy of ORS 180, with the legal services of SAIF to remain under the Attorney General. States that appeals control is kept by the Department of Justice. States that if SAIF or the department decides that supplemental counsel is needed, the Attorney General will obtain outside counsel.
235	Chair Derfler	Asks if it is the ultimate decision of the Attorney General about whether to obtain outside counsel.
236	Myers	States that is correct. States SB 1189 language may not have been drafted with the intention of SAIF, by not disturbing the present arrangements involving compensation cases. Interprets the language as ousting the Department of Justice from all involvement with SAIF's legal matters including the handling of compensation cases involving the State of Oregon. States there are issues of law, and it is inconceivable to have outside independent counsel making decisions about what positions will be taken when discussing state agency issues. States that under the present arrangement the Attorney General can avoid interagency

		disputes.
286	Myers	Asks the committee not to support Section 4 subsection 3 of SB 1198.
293	Chair Derfler	Reiterates that SAIF currently has the power, with the Attorney General's approval, to receive outside counsel.
298	Myers	States that is correct. States he is unsure how often SAIF has requested supplementary counsel.
304	Chair Derfler	Asks if the committee could get the number of times SAIF has requested outside counsel.
307	Myers	States he could try to obtain that history for the committee.
309	Sen. Qutub	States that SAIF noted OHSU is permitted to hire their own private counsel. Asks if Myers is familiar with OHSU policy and how that differs from SB 1198.
313	Myers	States he is aware of the issue. States that the OHSU change was a sweeping disconnection of OHSU from the previous ties to the government, specifically the Department of Justice. States the ongoing operations of OHSU may not produce as many situations in which the determination of the state's position is going to be important to the government as a whole.
351	Chair Derfler	Asks, when money was taken from SAIF last time, was there legislation passed at a later date that would allow the legislature to again remove surplus funds from SAIF if necessary.
357	Myers	States he is unfamiliar with that issue and defers to Davie.
367	Davie	Explains that there was a bill passed changing the statute that deals with the state's right to take money from SAIF. States the issue is complex and he is not an attorney.
373	Chair Derfler	Asks Myers to look into the matter for him.
375	Myers	States he will check on it.
395	Mary Botkin	American Federation of State, County, and Municipal Employees (AFSCME). States they were closely involved with OHSU change to a public corporation. States that OHSU has fundamental differences from SAIF, especially since OHSU is a medical research facility. States that OHSU has compelling reasons to expand and contract in areas as medical technologies and practices change. States that OHSU needs the flexibility of offering an alternative program to PERS.

TAPE 35, B

001	Botkin	States that four or five years later we are seeing why it was not a good decision to change SAIF to a public corporation. States the significant difference is that OHSU had a union voice for the employees so they had an equal voice at the table. States it took diligence to create a bill that everyone could agree with. States the bill took years of legal counsel assistance and the steps were in constant review. States that SAIF has \$2 million in reserve and there should not be an issue concerning funding for SAIF retirees.
054	Joe Gilliam	National Federation of Independent Businesses. Presents (EXHIBIT D) . Opposes SB 1198. States the past court case involving the Department of Justice and SAIF was a complicated issue. States, in 1982, the courts were clear that once the legislature took the \$81 million from SAIF's reserve fund, the legislature would not have an interest in the surplus of SAIF Corporation. Explains that statute was later written to recognize that the legislature does have an interest in the Industrial Accident Fund. States those changes cannot be done retroactively, but can be done prospectively. States that an actual assessment would be needed to determine post-1982 funds.
096	Chair Derfler	States he just wanted clarification of the possibilities of using SAIF's reserve fund if necessary.
099	Gilliam	States they are concerned with SB 1198 because it would be making at least ten changes to SAIF as it is today. States that if SB 1198 passes, SAIF would operate as a tax-free entity. States SAIF's investment counsel would no longer decide how to invest reserves. States that if SAIF is allowed to be omitted from the public records law, it would no longer be subject to scrutiny. States with private counsel SAIF could sue the state. States that SB 1198 would allow SAIF to create a new payroll reporting system to accommodate SAIF instead of the employer. States that SB 1198 offers SAIF all the financial benefits without the Department of Justice's control.
147	Chair Derfler	Asks if SAIF wanted to come in under the insurance code.
148	Gilliam	States that his organization prefers SAIF to come in under the insurance code, but only under every provision of the code. States that Section 13 contains selected codes.
155	Chair Derfler	Asks if he would support SAIF if they chose to come in under all insurance codes.
156	Gilliam	States that if SAIF were to come in under the same rules, they would support it. Expresses concern with how the reserve funds are used in a competitive market and believes SB 1198 does not advance that issue.
166	Chair Derfler	States that if the fund was taxable, the money would go back to Washington DC.
167	Gilliam	Advocates to make it all taxable.

171	Chair Derfler	States that if there is an offset, there is no way to keep the tax-free status.
176	Gilliam	Explains that federal tax states that the tax-free status must be the last resort insurer. States that there are still expectations, that, if given the tax break the organization will perform a special function. States SB 1198 eliminates that trade-off.
185	Chair Derfler	Asks how to justify raising SAIF's cost of business to make them more competitive. States that if the costs of SAIF are raised, the customer rates are raised.
193	Gilliam	Explains that SAIF should remain at status quo. States, should SAIF's costs increase the rates will not increase for their competition.
204	Chair Derfler	Asks if the rates would raise for the consumers who are insured by SAIF.
205	Gilliam	States the need for a competitive market to be healthy, and believes there needs to be more carriers should something happen to SAIF.
213	Chair Derfler	States that SAIF's market share has gone from 37 percent to 31 percent. Asks, if SAIF has the advantage, why is their market-share declining.
218	Gilliam	States that SAIF has 70 percent of the workers' compensation market because of no competition. States that no carrier in a competitive market should have 70 percent of the market.
238	Sen. Qutub	Asks what the current difference is for the premium between Hartford and SAIF.
241	Gilliam	Defers to Jeff Koch.
248	Jeff Koch	Manager, National Federation of Independent Businesses. States that Hartford has a four percent market-share. States he has no exact figures because of the dividend plans, the size of the risk, and the nature of the business.
260	Sen. Qutub	Asks if the Hartford premium is higher than SAIF's premium.
263	Koch	States the Hartford premium is higher than SAIF's by an estimated ten percent.
267	Chair Derfler	States the rates are set by the National Council on Compensation Insurance (NCCI).
268	Koch	States the rates differ from carrier to carrier based on expense ratios.

286	Sen. Qutub	Asks how SAIF keeps the market costs low.
297	Gilliam	States that Hartford is tied to pure premium rates affected more by loss and compensability. States it is imperative to watch all carriers, and SAIF will argue that they drive rates. States that Hartford's rates will not be driven by SAIF.
319	Chair Derfler	Closes public hearing on SB 1198 and opens public hearing on SB 1061.
<u>SB 1061 PUBLIC HEARING</u>		
349		Staff presents (EXHIBIT E) .
350	Dave Hunnicutt	Oregonians in Action. Supports SB 1061. States the goal is to make sure that local governments charge the minimum amounts necessary to offset the development impacts caused by a new development. States the League of Oregon Cities and the Association of Oregon Counties have suggested language changes for SB 1061.
400	Chair Derfler	Asks if that would apply to building schools as well.
405	Hunnicutt	States that would not be the case under current law.
412	Chair Derfler	Asks if the systems development charges (SDCs) would be adjusted for each project.
413	Hunnicutt	States that the SDCs are controlled by the Dolan case from 1994. States the case requires local governments to have a rough proportionality standard between the impacts of a development and the charges to offset those impacts.
427	Chair Derfler	Asks, if any additional students move into an area requiring the need to build new schools, would this be counted as an impact.
428	Hunnicutt	Defers to Chandler.
434	John Chandler	Director of Government Affairs, Oregon Building Industry Association. Clarifies if Chair Derfler is asking that school age children be included in the term "impact" of the bill.
435	Chair Derfler	Asks if the impact would include just traffic and roads.
436	Chandler	States that SDCs are allowed for water, sewers, transportation and parks. States that SDCs are not allowed for schools, fire, police, or libraries.

437	Sen. Qutub	States there are taxpayers to pay for school, fire, and police.
TAPE 36, B		
009	Chandler	States the SDCs were created to collect impact fees. States they are limited to water, sewers, and parks because these are facilities that need to be in place before other development can occur. States that fire and police are paid for by the taxpayers. Supports the concept of SDCs.
059	Chandler	States that SDCs are an imperfect way of collecting money because the SDCs may be incorporated into the price of a home and the mortgage. Asks how the cities and counties can get the money needed for development without it costing homeowners outrageous mortgage payments.
060	Chair Derfler	Asks if an \$11,000 SDC in West Lynn would decrease with the passage of SB 1061.
062	Chandler	States he is unfamiliar with West Lynn's SDC requirements, but he doubts the \$11,000 would decrease.
064	Chair Derfler	Asks if Salem's high SDC would decrease.
065	Chandler	States that Salem is about to raise their SDC, but it is difficult to tell at this time. States that SB 1061 will give his organization more power to argue that the system going into place is the minimum needed.
075	Chair Derfler	Asks, if he was building in West Lynn, would the city have to prove to Chandler that the impact is \$11,000.
077	Chandler	States no, because the jurisdiction would adopt the SDC methodology under current law that would assess the number of houses expected to be built, the impact on water, sewers, streets, and then determine the fee based on the capital improvement plan of the jurisdiction.
084	Chair Derfler	Asks, if SB 1061 does not change the \$11,000, what is it good for.
086	Hunnicut	States the local government creates the methodology for the SDCs. States the challenge occurs when the SDC methodology is adopted.
101	Chair Derfler	States SB 1061 will regulate the SDCs proposed by cities and counties.
102	Hunnicut	States that is the case.
104	Chair Derfler	States that Salem would need to show how the SDC amount was reached.

111	Chandler	States he is unsure if an existing SDC can be challenged because there is a statutory time for challenging those. States an SDC is a contract and it is difficult to challenge something already in place. States SB 1061 would apply to any new SDCs.
117	Vice-Chair Dukes	Asks, should a community need new housing, if they can institute or suspend SDC charges to accommodate their needs.
122	Chandler	States there is no requirement in Oregon to have an SDC.
123	Vice-Chair Dukes	States that if West Lynn decides they need more housing they would not need to levy SDCs.
124	Chandler	Agrees.
125	Vice-Chair Dukes	States that the minimum fees will either need to be increased or instituted. Asks if the call for minimum fees necessary gives a great deal of latitude to keep costs down.
138	Chandler	States they do that now. States that SB 1061 would give his association another tool for arguing what is the minimum fee necessary.
141	Vice-Chair Dukes	Asks if the city/county still makes the decision about what size of water pipe is needed, for example.
145	Hunnicut	States that SB 1061 will decide who pays for which systems development, the existing residents or the new residents.
150	Vice-Chair Dukes	States that if a city decides to build a bike path, sidewalk, and waterline, the developer can argue that the waterline can be done, but the sidewalk and bike path are not the minimum, and the developer can, in turn, sue the city.
160	Chandler	Agrees.
163	Sen. Wilde	Gives an example of his property in Lake Oswego. States the city wanted them to put in single housing, but the city would allow a sixplex if he built a right turn lane using some of his property. States the city required more than the minimum, asking for sidewalks and curbs. States SB 1061 would have given him extra ammunition when developing his property.
189	Sen. Qutub	Asks if the methodology for SDCs is developed project by project.
201	Chandler	States the SDCs are driven by the water/sewage plan developed by the improvement plan. States it is the cost of the plan divided by the number of houses and businesses. States that some jurisdictions do not have any SDCs so

		they can charge as much or as little as they chose.
219	Sen. Qutub	Explains she did not understand the methodology necessary to determine the SDC of any given project.
228	Chandler	States there are methodologies for each area such as transportation, water, and sewer. States SDCs are driven by real numbers. States it is tempting for a jurisdiction to look at SDC as free money. States that new owners are not assessed SDCs when purchasing their properties.
260	Lynn McNamara	League of Oregon Cities. Opposes SB 1061 in the present form. States that limiting SDCs may make development less expensive, but it may also have some unintended consequences. States there is language in law that allows developers to actually raise funds to develop areas, but SB 1061 would put a stop to those practices. States that SB 1061 lacks specificity in the language concerning minimum capacity. States that if a six inch water line is necessary, either the city needs to pick up the remainder of the funding or the developer puts in a four inch line until a later development is needed. States that the definition of "governmental unit" is not clear in SB 1061. States that after surveying urban and rural infrastructure needs concerning waste and waste water, the Department of Economic Development concluded there will be an excess of \$2 billion in unmet infrastructure needs over the next five years.
324	Chair Derfler	Asks if those costs are for the existing residents.
325	McNamara	States those costs are for all residents. States that SDCs do not pay the full bill.
328	Chair Derfler	Asks if there is a program to offset this shortage. Asks if the existing residents are going to be charged for that shortfall, or if the charges will only affect new residents.
334	McNamara	States the cities will charge both. States that SDCs are only one part of the picture for infrastructure funding.
356	Chair Derfler	Asks if she would rather the committee not pass SB 1061.
357	McNamara	States that is correct.
358	Chair Derfler	Asks if there are some portions in SB 1061 that are good.
359	McNamara	States the language of SB 1061 does not get to the heart of the issues. States the minimum capacity language should be structured in a way that does not change the SDCs.
378	Chair Derfler	Asks if she is willing to work with Chandler to make SB 1061 acceptable.

380	McNamara	States she is willing to work with him.
382	Chair Derfler	Suggests reaching agreement among all parties involved.
388	Sen. Wilde	States the city "double dips" for the four inch or six inch pipe scenario. States that if the city gets the money for the four inch pipe and then again for the six inch pipe, the city gets paid twice. States there are other avenues for the local government to get those funds.
422	Chandler	States that Oregon law allows for a credit for SDC payments when the city "double dips."
436	Sen. Wilde	Asks how that credit is recovered.
436	Chandler	States it depends on the jurisdiction. States that it can be credited against the SDC the resident owes, can be transferred to a future development if the credit goes to a developer, or it can be reimbursed through other "hook ups."
445	Sen. Qutub	States that if a city requires a six inch pipe the city should participate in paying the costs.
454	Chandler	States there is a credit reimbursement arrangement.
457	Chair Derfler	Asks the opponents and proponents to work together to make SB 1061 acceptable to everyone. Closes public hearing and adjourns meeting at 8:55 p.m.

Submitted By, Reviewed By,

Rachel E. Halupowski, Brian E. Smith,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 729, written testimony, Randy Elmer, 2 pp

B ñ SB 1198, written testimony, Chris Davie, 3 pp

C ñ SB 1198, written testimony, Steve Telfer, 1 p

D ñ SB 1198, written testimony, Joe Gilliam, 1 p

E ñ SB 1061, written testimony, staff, 1 p