

SENATE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

March 31, 1999 Hearing Room B

3:00 p.m. Tapes 46 - 47

MEMBERS PRESENT: Sen. John Lim, Chair

Sen. Avel Gordly, Vice-Chair

Sen. Verne Duncan

Sen. Bill Fisher

MEMBER EXCUSED: Sen. Tony Corcoran

STAFF PRESENT: Carol Rives, Administrator

Gary Roulier, Administrative Support

MEASURE/ISSUES HEARD: HCR 1A Work Session

SJR 6 Work Session

SB 949 Public Hearing

SB 117 Public Hearing and Work Session

SB 793 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 46, A		
003	Chair Lim	Opens meeting at 3:10 p.m. and opens a work session on HCR 1A.
<u>HCR 1A WORK SESSION</u>		

010	Carol Rives	Administrator. Explains the provisions of HCR 1A which commends efforts to establish a Korean War Memorial. Presents (EXHIBIT A) and outlines the amendments which change the language referring to the sneak attack by North Korea in 1950.
035	Sen. Duncan	MOTION: Moves to ADOPT HCR 1A-2 amendments dated 3/30/99 (EXHIBIT A).
	Chair Lim	Hearing no objection, declares the motion CARRIED.
058	Sen. Duncan	MOTION: Moves HCR 1 be sent to the floor with a DO PASS AS AMENDED recommendation.
		<p>VOTE: 3-0</p> <p>AYE: In a roll call vote, all members present vote Aye.</p> <p>EXCUSED: 2 - Corcoran, Fisher</p>
060	Chair	<p>The motion CARRIES.</p> <p>SEN. LIM will lead discussion on the floor.</p>
064	Chair Lim	Closes the work session and opens a work session on SJR 6.

SJR 6 WORK SESSION

072	Rives	Explains the provisions of SJR 6 proposing a constitutional amendment to establish the office of Lieutenant Governor in Oregon. Presents (EXHIBIT B) and discusses the amendments to SJR 6 which provide for separate elections for Governor and Lieutenant Governor and details specific duties of the office. Presents (EXHIBIT C) and (EXHIBIT D) and remarks that the Governor has stated he would remain neutral on SJR 6.
101	Sen. Duncan	Relates concerns about Section 19(3) of the amendment which appoints the Lieutenant Governor to the State Board of Education. Explains that having an official of high rank would upset the balance of the board and suggests subsection 19(3) be deleted.
149	Chair Lim	Asks if Sen. Duncan would have a concern with the Lieutenant Governor serving on the Board of Higher Education.

156	Sen. Duncan	Responds that he would not support an appointment to the Board of Higher Education for the identical reasons.
161	Chair Lim	Recommends that line 21 of the SJR 6-2 amendments be deleted.
172	Sen. Duncan	Expresses concern about Section 19(6) which provides for the Lieutenant Governor to be the Acting Governor when notified in writing that the Governor is out of the state or unable to perform the duties of the office (page 2 of EXHIBIT B)
175	Chair Lim	Answers that it would only occur when notification is in writing.
181	Vice-Chair Gordly	Asks if the language is consistent with statutes in other states.
197	Rives	Responds it is but adds that recent decisions have changed the meaning of the word "absence" because of telecommunication advances. Emphasizes that is why there is a requirement for written notification.
208	Vice-Chair Gordly	Remarks that the designation of Acting Governor would only take place through specific designation by the Governor.
224	Rives	Suggests language that would read "when designated in writing by the Governor."
239	Chair Lim	Suggests that the work session be rescheduled so that each member has an opportunity to review the amendments to the bill.
242	Sen. Duncan	Agrees that Section 19(6) should read "notified in writing by the Governor."
271	Chair Lim	Asks about a situation where the Governor is incapacitated.
274	Rives	Responds that Section 8 of SJR 6 addresses incapacitation.
282	Chair Lim	Asks if there are any other concerns.
311	Rives	Reviews the suggested changes. Remarks that on page 1, line 21 of the amendment should be deleted. Adds that on page 2 of the amendment, line 3 shall read "Serve as Acting Governor when notified in writing by the Governor that the Governor is out of the state or unable to perform the duties of office."

358	Vice-Chair Gordly	MOTION: Moves to ADOPT SJR 6-2 amendments dated 3/30/99 and that the measure be FURTHER AMENDED on page 1, line 21, by deleting "line 21" and on page 2, line 3,
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by inserting "by the Governor" after "writing" (EXHIBIT B).

- 390 **Chair Lim** **Hearing no objection, declares the motion CARRIED.**
- Vice-Chair Gordly** **MOTION: Moves SJR 6 be sent to the floor with a DO PASS AS AMENDED recommendation.**
- VOTE: 3-1**
- AYE: 3 - Duncan, Gordly, Lim**
- NAY: 1 - Fisher**
- EXCUSED: 1 - Corcoran**
- Chair Lim** **The motion CARRIES.**
- SEN. LIM will lead discussion on the floor.**

412 Chair Lim Closes the work session on SJR 6 and opens a public hearing on SB 793.

SB 793 PUBLIC HEARING

419 Rives Explains the provisions of SB 793 which requires all jurisdictions that install speed bumps to install warning signs or paint speed bumps.

TAPE 47, A

- 002 Susan Schneider Lobbyist, City of Portland. Presents (EXHIBIT E) and testifies in support of SB 793. Notes that the speed bumps in Portland have proven to be effective in reducing travel speeds and the frequency of vehicle accidents (page 1 of the exhibit). Adds that the League of Oregon Cities has examined the bill and has no concerns.
- 022 Chair Lim Asks about costs for speed bumps.
- 028 Schneider Answers she is not sure and that the speed bumps are usually part of an overall "traffic calming" process in neighborhoods.
- 030 Chair Lim Asks for the definition of a "highway."
- 033 Schneider Responds she is not sure of the definition within the statutes.
- 044 Chair Lim Closes the public hearing and opens a work session on SB 793.

SB 793 WORK SESSION

- 050 Rives Reviews the definitions of roads and highways contained in the statutes.
- 073 Rives Asks whether a city can install speed bumps on state highways.
- 073 Schneider Responds that there are some streets in Portland, Barbur Boulevard for example, that are also state highways. Adds that there is no plan to put speed bumps on major streets.
- 094 Chair Lim Closes the work session on SB 793 and opens a public hearing on SB 117.

SB 117 PUBLIC HEARING

- 102 Rives Explains the provisions of SB 117 which limits compensation of lottery game retailers who sell tickets or shares in traditional state lottery games to seven percent of retail price of tickets or shares. Presents **(EXHIBIT F)** and outlines the amendments which provide that compensation shall not "be less than" seven percent of the retail price of tickets or shares sold by the retailer.
- 129 Chair Lim Suggests that SB 117 be referred to Ways and Means. Closes the public hearing and opens a work session on SB 117.

SB 117 WORK SESSION

131 Sen. Fisher **MOTION: Moves to ADOPT SB 117-1 amendments dated 3/30/99 (EXHIBIT F).**

Chair Lim **Hearing no objections, declares the motion CARRIED.**

148 Sen. Fisher **MOTION: Moves SB 117 to the floor with a DO PASS AS AMENDED recommendation and subsequent referral to Ways and Means.**

VOTE: 3-0

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 2 - Corcoran, Gordly

Chair **The motion CARRIES.**

171 Chair Lim Closes the work session on SB 117 and opens a public hearing on SB 949.

SB 949 PUBLIC HEARING

192 Rives Explains the provisions of SB 949 which requires that unclaimed prizes in the Oregon State Lottery be returned to the public in the form of additional or more valuable prizes.

221 Chris Lyons Director, Oregon State Lottery. Presents (**EXHIBIT G**) and testifies that the bill will result in a negative revenue impact on the Economic Development fund of approximately \$8 million per biennium. Suggests a change to the bill which deletes the clause in Section 1, line 30 of page 1 (page 1 of the exhibit). Adds that this change is necessary because it would be difficult, if not impossible, to return unclaimed prizes to the game of origin.

271 David Hooper Manager of Public Affairs, Oregon State Lottery. States that the unclaimed prizes represent approximately .5 percent of the total prize money awarded each year.

291 Sen. Duncan Asks if any of the large prizes have gone unclaimed.

293 Hooper Responds that some large prizes do go unclaimed.

304 Chair Lim Asks if any of the unclaimed prizes are from megabucks.

306 Lyons Answers that scratch tickets are the largest contributors to the unclaimed prizes (page 4 of the exhibit).

328 Chair Lim Asks if the Lottery advertises unclaimed tickets.

334 Hooper Responds that large unclaimed prizes are heavily advertised.

346 Chair Lim Asks if any jackpot tickets have been claimed after the expiration date.

350 Hooper Answers they have never had a claim after the expiration date.

359 Sen. Fisher Asks for an explanation of the suggested change to the language in the bill.

376 Hooper Responds with a review of the different games run by the lottery. Explains that scratch games are frequently changed and it is impossible to move unclaimed prizes into a game that is already closed.

408 Lyons Adds that unclaimed prizes could be rolled into future scratch ticket games.

TAPE 46, B

004 Sen. Fisher Remarks that unclaimed prizes could be moved to a different game.

014 Lyons Responds that the lottery releases approximately 36 different scratch games throughout the year.

024 Sen. Fisher Notes that alternative language would be to return the unclaimed prizes to each category of lottery games.

025 Lyons Agrees that language would be sufficient.

028 Sen. Fisher States that changes to a scratch game would mean complications.

034 Lyons Responds that the lottery took the broadest approach that would allow the latitude to reinvest the unclaimed prizes into other games.

044 Sen. Fisher Asks who sponsored the bill and whether the chair would have a concern with the suggested deletion.

058 Chair Lim Answers that he has no problem with the deletion and his major concern is that the prizes are returned to the players. Presents (**EXHIBIT H**) and asks for an explanation of the impact statement for SB 949.

065 Dick Yates Economist, Legislative Revenue Office. Explains that these unclaimed prizes are not part of the lottery's "net revenues" or "net proceeds" (page 1 of the exhibit).

095 Chair Lim Asks if the statutes allow unclaimed prize money to be used for debt service.

099 Yates Responds that the unclaimed prize money can be used to service lottery bonds.

103 Chair Lim Asks why video poker is excluded.

107 Yates Responds that he may be wrong on the exclusion of video poker.

114 Chair Lim Closes the public hearing and adjourns the meeting at 4:16 p.m.

Submitted By, Reviewed By,

Gary Roulier, Carol Rives,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ HCR 1A, amendments, staff, 1 pp

B ñ SJR 6, amendments, staff, 2 pp

C ñ SJR 6, letter submitted prior to meeting, staff, 1 pp

D ñ SJR 6, letter submitted prior to meeting, staff, 8 pp

E ñ SB 793, written testimony, Susan Schneider, 1 pp

F ñ SB 117, amendments, staff, 1 pp

G ñ SB 949, written testimony, Chris Lyons, 4 pp

H ñ SB 949, impact statement, staff, 1 pp