

SENATE COMMITTEE ON TRANSPORTATION

April 23, 1999 Hearing Room C

3:05 p.m. Tapes 70 - 72

MEMBERS PRESENT: Sen. Marylin Shannon, Chair

Sen. Mae Yih, Vice-Chair

Sen. Susan Castillo

Sen. Joan Dukes

Sen. Ted Ferrioli

Sen. Gary George

Sen. Lenn Hannon

MEMBER EXCUSED:

STAFF PRESENT: Megan Palau, Administrator

Gary Roulier, Administrative Support

MEASURE/ISSUES HEARD: SB 1121 Public Hearing

SB 498 Public Hearing

SB 1301 Public Hearing

SB 855 Public Hearing

SB 907 Public Hearing

SB 1065 Public Hearing

SB 1213 Public Hearing

SB 1058 Public Hearing

SB 1265 Public Hearing

SB 1305 Public Hearing

SB 687 Public Hearing

SB 608 Public Hearing

SB 1150 Public Hearing

SB 1282 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 70, A		
	Chair Shannon	Opens meeting at 3:05 p.m. and opens a public hearing on SB 1121.
<u>SB 1121 PUBLIC HEARING</u>		
008	Megan Palau	Administrator. Explains the provisions of SB 1121 which abolishes the Department of Transportation and the Oregon Transportation Commission.

020	Tom Mann	Lone Star Northwest Sand and Gravel. Presents (EXHIBIT A) and testifies that a proposed amendment defines final authority on water impoundments and inserts language on how the new department would define a physical hazard.
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035	Grace Crunican	Director, Oregon Department of Transportation (ODOT). Presents (EXHIBIT B) and testifies in opposition to SB 1121.
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045	Chair Shannon	Closes the public hearing and opens a public hearing on SB 498.
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SB 498 PUBLIC HEARING

054	Palau	Explains the provisions of SB 498 which requires the suspension of driving privileges and registration of vehicles for a person who abandons vehicles.
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056	Chair Shannon	Closes the public hearing on SB 498 and opens a public hearing on SB 1301.
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SB 1301 PUBLIC HEARING

087	Chair Shannon	Closes the public hearing and opens a public hearing on SB 855.
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SB 855 PUBLIC HEARING

- 100 Palau Explains the provisions of SB 855 which requires the Department of Transportation to post signs at highway construction and repair projects showing the annual amount of moneys paid to private contractors for work on highway construction and repair projects.
- 103 Chair Shannon Closes the public hearing and opens a public hearing on SB 907.

SB 907 PUBLIC HEARING

- 116 Palau Explains the provisions of SB 907 which requires that retail installment contracts for the sale of motor vehicles include the amounts paid by the seller, if any, to discharge security interest, lien, or lease interest in a trade-in motor vehicle.
- 121 Darrell Fuller Oregon Auto Dealers Association. Presents (**EXHIBIT C**) and testifies in support of SB 907. Explains that SB 907 will bring Oregon statutes into compliance with a revised Federal Reserve Board Staff Commentary to Regulation Z issued on October 1, 1998.
- 151 Gene Ebersole Assistant Attorney General, Financial Fraud Section, Department of Justice. Testifies in support of SB 907, but notes a problem with Section 2 dealing with vehicle leasing.
- 190 Sen. George Confirms that the proposed amendment will delete Section 2 of the bill.
- 209 Chair Shannon Closes the public hearing and opens a public hearing on SB 1065.

SB 1065 PUBLIC HEARING

- 229 Palau Explains the provisions of SB 1065 which requires Tri-Met and ODOT to comply with certain conditions of approval for issuance of permits, licenses, or certificates related to the Westside Lightrail project.
- 236 Tim Ramis Attorney, J. Peterkort Family. Presents (**EXHIBIT D**) and testifies in support of SB 1065. Notes that the legislature granted special immunity from Oregon's land use laws to secure federal funding for the Westside Lightrail project.
- 287 Ramis Notes that the exemptions from the land use laws remained in effect once the funding was received. Adds that the purpose of SB 1065 is to close the loophole.
- 330 Ramis Reviews a dispute with ODOT regarding the removal of an on-ramp for the Highway 217/Sunset Interchange (page 4 of the exhibit).
- 378 Ramis Summarizes a letter from the Department of Justice regarding the Barnes Road settlement agreement (page 5 of the exhibit).

407	Ken Zinsli	Saint Vincentis Hospital. Testifies in support of SB 1065. Reviews the development of the Lightrail station near the hospital.
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TAPE 71, A

010	Zinsli	Notes that ODOT decisions have created a serious safety hazard near St. Vincentis hospital.
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029	Sen. George	Asks what justification ODOT has for not reestablishing the ramp.
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034	Ramis	Responds that there have been a number of arguments from ODOT but none that seem adequate.
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046	Linda Adlard	Chief of Staff, City of Beaverton. Testifies in support of SB 1065. Emphasizes the increase in traffic congestion due to the removal of the ramp and stresses the lack of emergency vehicle access.
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094	Marty Sevier	Development Coordinator, J. Peterkort Company. Testifies in support of SB 1065. Reviews the donations and investments made by the company for the Westside Lightrail project.
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142	Sevier	Summarizes the difficulties presented by the elimination of the on-ramp.
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150	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1213.
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SB 1213 PUBLIC HEARING

159	Palau	Explains the provisions of SB 1213 which requires the Governor to submit zero-based budget for the Department of Transportation.
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164	Mike Marsh	ODOT. Testifies in opposition to SB 1213.
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174	Chair Shannon	Asks if ODOT prepared part of the current budget using a zero-based budget.
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180	Marsh	Responds that ODOT has developed part of the budget using zero-based techniques, but is concerned about making the requirement part of the statutes.
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182	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1058.
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SB 1058 PUBLIC HEARING

192	Palau	Explains the provisions of SB 1058 which exempts motor vehicles less than eight years old from the requirement of obtaining a certificate of compliance with pollution control equipment standards.
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208	Kelly Taylor	ODOT. Testifies in opposition to SB 1058. Explains that SB 1058 would require programming changes to the renewal reminder system.
236	Greg Green	Air Quality Administrator, Department of Environmental Quality (DEQ). Reviews the history of the air quality program in Oregon. Adds that SB 1058 would exempt 220,000 vehicles from testing and increase vehicle pollution in the Portland area.
274	Chair Shannon	Asks if new vehicles meet federal emission standards and if the effect on the Portland area would be reduced if SB 1058 is amended to exempt cars less than four years old from testing.
283	Green	Responds that new vehicles do meet federal emission standards. Adds that draft guidance from the Environmental Protection Agency (EPA) suggests that vehicles less than four years old may not benefit from the inspection.
290	Sen. George	Comments on the testimony that the inspection program has caused a reduction in VOC pollution by 26,000 pounds per day in the Portland area. Asks whether this was caused instead by the technology of new vehicles.
295	Green	Responds that new vehicles are much cleaner, but there has been significant growth in the number of vehicles and miles driven.
304	Sen. George	States that low sulfur fuel combined with technology on new cars will reduce pollution significantly.
311	Green	Agrees that is possible but notes the technical studies are not complete and low sulfur fuel will not be available for approximately 10 years.
330	Ralph Groener	American Federation of State, County & Municipal Employees. Testifies in support of SB 1058 and SB 1050. Notes that DEQ has an agreement with EPA to test any vehicles two years and older and the agreement is to run for ten years.
372	Groener	Notes that pollution has a major health impact.
406	Chair Shannon	Remarks that the EPA has noted that Oregon should not need to test vehicles newer than four years old.

TAPE 70, B

018	Chris Hagerbaumer	Air and Transportation Program Director, Oregon Environmental. Presents (EXHIBIT F) and testifies in opposition to SB 1058. Notes that the legislature should wait until the EPA determines it is no longer effective to test newer vehicles.
034	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1213.

SB 1213 PUBLIC HEARING

042	Rep. Leslie Lewis	House District 29. Testifies in support of SB 1213 and explains the concept of zero-based budgets.
084	Chair Shannon	Asks if an agency would always be required to utilize zero-based budgeting.
087	Rep. Lewis	Responds that not all agencies would need to use zero-base budgeting techniques every biennium.
094	Sen. Yih	Asks about the expense involved in zero-based budgeting.
107	Rep. Lewis	Responds that doing each budget every biennium would be prohibitive. Adds that it would be reasonable to select one budget per subcommittee each biennium and perform zero-based budgeting.
118	Sen. Castillo	Asks about the return on investment with zero-based budgeting.
125	Rep. Lewis	Responds that ODOT was able to do zero-based budgeting on relatively short notice on the maintenance portion of the ODOT budget.
144	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1265.

SB 1265 PUBLIC HEARING

152	Palau	Explains the provisions of SB 1265 which requires local access road users to repair and maintain roads.
154	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1305.

SB 1305 PUBLIC HEARING

156	Palau	Explains the provisions of SB 1305 which requires foreign vessels to have a state licensed pilot on board when traveling within three miles of specified pilotage grounds.
163	Chair Shannon	Closes the public hearing and opens a public hearing on SB 687.

SB 687 PUBLIC HEARING

170	Palau	Explains that SB 687 defines school zones for purposes of the Motor Vehicle Code and changes the definition of when children are present.
172	Helen Liere	Director, Alliance for Community Traffic Safety in Oregon. Presents (EXHIBIT

G) and testifies in support of SB 687. Notes that a statewide task force determined that the definition of "when children are present" is too vague.

216	Chair Shannon	Remarks that a driver can be cited for exceeding the speed limit for a school zone if a child is on the school grounds.
218	Liere	Agrees and outlines suggested amendments which further define when children are present in unfenced school yards.
262	Chair Shannon	Closes the public hearing and opens a public hearing on SB 608.

SB 608 PUBLIC HEARING

279	Doug Tindall	Maintenance Engineer, ODOT. Presents (EXHIBIT H) and testifies that SB 608 directs \$150,000 for restoration and maintenance of covered bridges. Clarifies that these funds can only be used for covered bridges that are on public roads.
291	Sen. Castillo	Asks how many bridges can be maintained with these funds.
304	Tindall	Responds that maintenance is done on a "need" basis and the funds would be used for work on multiple bridges.
317	Sen. Yih	Asks if vehicle-carrying covered bridges are maintained on a regular basis.
320	Tindall	Responds that the bridges are being maintained.
328	Sen. Yih	Asks how much will be expended in the next biennium.
330	Tindall	Answers that the covered bridges would fall under the normal categories as all of the other vehicle-carrying bridges.
339	Sen. Yih	Asks for the amounts expended.
342	Tindall	Responds that bridge maintenance is not defined by the particular type of bridge.
349	Sen. Yih	Expresses concerns that SB 608 makes special appropriations.
359	Tindall	Notes that ODOT can report on how much was spent in the last biennium.
370	Sen. George	Asks how many covered bridges have been removed from the category of vehicular bridges.
381	Tindall	Responds that they are not aware of how many bridges have been "decommissioned" from vehicular service.

391	Sen. George	Outlines the need for maintenance on covered bridges.
405	Sen. Yih	Suggests an amendment to define the bridges as "vehicle-carrying."
406	Tindall	Notes that the statutes mandate that highway funds can only be spent on roads so there is probably no need for an amendment.

TAPE 71, B

006	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1150.
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SB 1150 PUBLIC HEARING

016	Darrell Fuller	Oregon Auto Dealers Association. Presents (EXHIBIT I) and testifies in support of SB 1150. Notes that the intent of SB 1150 is to establish a motor vehicle dealer emissions testing program.
064	Fuller	States that DEQ estimates that a dealer emissions testing program would increase the emissions in the Portland area (page 1 of the exhibit).
090	Sen. Yih	Asks if special testing equipment is necessary and if dealers have the necessary equipment.
094	Fuller	Responds that different equipment is required for the Portland and Medford areas and adds that DEQ does trust the dealers to conduct repairs.
106	Sen. George	Asks how many states allow dealers to test emissions.
108	Fuller	Answers that he is not aware of how many states allow the dealers to test.
113	Chair Shannon	Closes the public hearing and opens a public hearing on SB 1301.

SB 1301 PUBLIC HEARING

132	Chair Shannon	Explains the provisions of SB 1301 which requires ODOT to build a highway in Washington County from Interstate 5 to U.S. Highway 26. Closes the public hearing and opens a public hearing on SB 1282.
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SB 1282 PUBLIC HEARING

144	Palau	Explains the provisions of SB 1282 which awards costs and attorney fees to contractors who prevail in disputes regarding compensation on public contracts. Adds that it also requires the public contracting agency to respond to the claim within 21 days.
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149	Michael Kelly	Contract Administrator, KT Contracting Company, Inc. Testifies in support of SB 1282. Notes that KT contracting is primarily a subcontractor working on traffic control devices for public improvement projects.
192	Kelly	Relates circumstances surrounding work on the Columbia River Bridge in 1997. Notes that legislation is necessary because contractors spend an inordinate amount of time and money to recover disputed amounts spent on public contracts.
242	Kelly	Comments that SB 1282 will motivate ODOT to resolve issues expeditiously.
252	Chair Shannon	Asks if Kelly's company has ever had to sue ODOT and lost.
256	Kelly	Responds that his company does not pursue litigation unless they feel the funds are recoverable. Stresses that ODOT has no financial incentive to settle disputes.
278	Karl Thatcher	KT Contracting Company, Inc. Testifies in support of SB 1282. Notes that ODOT often tells contractors that decisions need to be made at a higher level which extends the time required to receive payment.
292	Chair Shannon	Asks which staff notified the company that they could not make a decisions.
299	Thatcher	Responds that in the last couple of years it seems that decisions cannot be made at the project manager level.
312	Chair Shannon	Notes that SB 1282 is too broad. Recommends an amendment that would limit the provisions of SB 1282 to public contracts with ODOT. Asks if the witnesses would be opposed to the changes.
364	Kelly	Responds that they would not object but suggest page 2, line 38 be changed to "project manager" rather than "regional manager."

TAPE 72, A

002	Sen. George	Comments that a number of parties have complained.
018	Tindall	Emphaizes that ODOT is concerned that awarding attorney's fees would open the possibility for frivolous lawsuits.
031	Chair Shannon	Closes the public hearing on SB 1282 and discusses future meeting times with the committee members. Adjourns the meeting at 5:02 p.m.

Submitted By, Reviewed By,

Gary Roulier, Megan Palau,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 1121, written testimony, Thomas Mann, 2 pp

B ñ SB 1121, written testimony, Grace Crunican, 2 pp

C ñ SB 907, written testimony, Darrell Fuller, 1 p

D ñ SB 1065, written testimony and letters, Timothy Ramis, 5 pp

E ñ SB 1058, written testimony, Greg Green, 3 pp

F ñ SB 1058, written testimony, Chris Hagerbaumer, 2 pp

G ñ SB 687, written testimony and letters, Helen Liere, 3 pp

H ñ SB 608, written testimony, Doug Tindall, 1 pp

I ñ SB 1050, written testimony, Darrell Fuller, 6 pp

J ñ SB 1150, written testimony, Chris Hagerbaumer, 1 p