

**SENATE COMMITTEE ON WATER AND LAND USE**

**March 4, 1999 Hearing Room B**

**1:00 p.m. Tapes 31 - 32**

**MEMBERS PRESENT: Sen. Veral Tarno, Chair**

**Sen. Tony Corcoran, Vice-Chair**

**Sen. Gary George**

**Sen. Marylin Shannon**

**Sen. Thomas Wilde**

**MEMBER EXCUSED:**

**STAFF PRESENT: Raymond J. Kelly, Administrator**

**Diana Bronson, Administrative Support**

**MEASURE/ISSUES HEARD: Introduction of Committee Bills**

**SB 542 Public Hearing**

**SB 93 Public Hearing and Work Session**

**SB 467 Public Hearing**

**SB 465 Public Hearing and Work Session**

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 31, A</b>		
007	Chair Tarno	Convenes meeting at 1:04 p.m. and requests administrator to explain the introduction of committee bills.

### INTRODUCTION OF COMMITTEE BILLS

014	Ray Kelly	Committee Administrator. Summarizes LC 1370 and LC 3997.
024	Chair Tarno	<b>MOTION: Moves LC 3997 BE INTRODUCED as a committee bill.</b>
		<b>VOTE: 3-0</b> <b>EXCUSED: 2 - Shannon, Wilde</b> LC 3997 becomes SB 1196
	Chair Tarno	<b>Hearing no objection, declares the motion CARRIED.</b>
024	Chair Tarno	<b>MOTION: Moves LC 1370 BE INTRODUCED as a committee bill.</b>
		<b>VOTE: 3-0</b> <b>EXCUSED: 2 - Shannon, Wilde</b> LC 1370 becomes SB 1197
	Chair Tarno	<b>Hearing no objection, declares the motion CARRIED.</b>
<b><u>SB 542 PUBLIC HEARING</u></b>		
026	Brian Boe	Oregon Petroleum Marketers Association (OPMA). Presents <b>(EXHIBIT A)</b> . Reads testimony in support of SB 542. States the cost of mediation is high and the current assistance programs are ineffective for both active and abandoned tanks.
107	Boe	Continues reading testimony in support of SB 542. States that this is an important first step in resolving the problems associated with oil tanks.
157	Kevin Kelly	Washington State Oil Heat Insurance Program. Presents <b>(EXHIBIT B)</b> . Explains a policy that Washington has in place. States there are licensed contractors and an insurance company oversight that is allowing Washington homeowners to do the clean up and not burden the Department of Ecology with a low impact issue.
201	Kevin Kelly	Continues with testimony. States there is an insurance company willing to insure Oregon homes into the Washington program if Oregon is interested.
220	Chair Tarno	Asks Boe if the Department of Environmental Quality is aware of the available

		program.
220	Boe	States they are neutral on SB 542. States there are amendments that the DEQ and OPMA are working on. Currently DEQ licenses all the contractors that do the underground storage tank work.
256	Sen. Corcoran	Asks if there is a notification requirement currently in a real estate transaction.
258	Boe	Replies that there is a notification process and it is on the Disclosure form.
261	Sen. Corcoran	Asks how long the tax on the heating oil has been in existence.
266	Boe	Replies since 1989.
284	Sen. Corcoran	Asks where in the bill it discusses changing the standards for the cleanup.
300	Boe	States the issue is not addressed directly in SB 542 and, from prior experience, knows the DEQ is very adverse to legislating standards, as it is felt to be a regulatory process.
319	Sen. George	States this seems like another granting of broad powers without accountability. States he wants to see the amendments worked out before going to the House of Representatives.
328	Chair Tarno	States that SB 542 needs a few minor changes unless the committee wishes to send it to the House to be completed.
341	Boe	States his department felt the amendments were not substantive enough to move SB 542 out of committee, in present form.
358	Larry Beaver	Gresham. Presents <b>(EXHIBIT C)</b> . Describes his experience with a leak in his own oil tank.
<b>TAPE 32, A</b>		
012	Sen. Corcoran	Asks how Beaver discovered his oil leak.
015	Beaver	Responds that there was an odor that bothered him and he discovered the oil in his sump pump.
022	Sen. Corcoran	Asks if Beaver drained the tank and, if so, how much was drained.

026	Beaver	Replies the tank was down to about 60 gallons which has been pumped.
032	Sen. Corcoran	Asks for the size of the tank.
032	Beaver	Replies it is a 550 gallon tank.
034	Sen. Corcoran	Asks how long it had been since the tank was filled with oil.
036	Beaver	States he had the tank filled in the fall and went through the winter and it was during the heavy rains in the spring that he noticed the oil. States he is still frightened as he has no idea of the extent of the contamination.
047	Jerry Schmidt	Oregon Association of Realtors (OAR). Testifies in support of SB 542. States that if there are amendments the OAR would like to review them.
083	Matt Farmer	Attorney for OAR. States the substantive provision right now is that the seller will be responsible for draining the tank, if it is abandoned, which is not the case under present law.
096	Laurie Aunan	States she would like to introduce Mike Korten Hof and that he is the underground storage tank manager for DEQ. States the DEQ wants to be part of the problem solving process.
109	Mike Korten Hof	Department of Environmental Quality (DEQ). Presents <b>(EXHIBIT D)</b> . States that leaks from oil tanks are increasing at an alarming rate. States that in 1998 there were more than 1,000 discovered leaking oil tanks.
185	Chair Tarno	Closes public hearing SB 542 and opens public hearing on SB 93.
<b><u>SB 93 PUBLIC HEARING</u></b>		
209	Martha Pagel	Water Resources Department. Presents <b>(EXHIBIT E)</b> . States the department and interested stakeholders formed a work group to develop the amendments to SB 93. States that SB 93 and the amendments are probably the only major water bill to be presented this session and that it declares a vision and a policy for the state to plan and prepare for meeting future water supply needs.
250	Pagel	Continues testimony in support of SB 93 and the ñ3 amendments thereto.
312	Doug Myers	Water Watch. States concern that a comfort zone is established by having a minority and majority report rather than the 3/4 majority.
324	Reed Benson	Water Watch. Testifies that progress is being made to resolve the remaining issues in SB 93 with the ñ3 amendments.

390	Chair Tarno	Closes public hearing on SB 93 and opens work session on SB 93.
<b><u>SB 93 WORK SESSION</u></b>		
397	Sen. Wilde	<b>MOTION: Moves to ADOPT SB 93-3 amendments dated 3/4/99.</b>
		<b>VOTE: 5-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b>
	Chair Tarno	<b>The motion CARRIES.</b>
400	Sen. Corcoran	<b>MOTION: Moves SB 93 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 5-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b>
	Chair Tarno	<b>The motion CARRIES.</b>  <b>SEN. TARNO will lead discussion on the floor.</b>
428	Chair Tarno	Closes work Session on SB 93 and opens public hearing on SB 467. States SB 87 has amendment problems and the amendments are being drafted, but they are not ready as of today. SB 87 will be heard when amendments are complete.
<b><u>SB 467 PUBLIC HEARING</u></b>		
<b>TAPE 31, B</b>		
004	Ray Kelly	Summarizes SB 467.
021	Dave Hunnicutt	Oregonians In Action (OIA). Presents <b>(EXHIBIT G)</b> . Testifies in support of SB 467. States that SB 467 balances the needs of an applicant who did not have an opportunity to appear before the local government because a decision was made without a hearing.

035	Chair Tarno	States the committee will wait until they hear from OIA to further any action on SB 467. Closes public hearing on SB 467 and opens public hearing on SB 465.
<b><u>SB 465 PUBLIC HEARING</u></b>		
045	Ray Kelly	Summarizes SB 465.
054	Kip Lombard	Oregon Water Resources Congress (OWRC). Presents <b>(EXHIBIT H)</b> . States that SB 465 continues the efforts of OWRC to update and modernize the Irrigation District laws.
117	Lombard	States that SB 465 will make changes to election laws for districts, including filing deadlines, mail ballot elections, attendance of judges at mail ballot elections, and consolidation of precinct polling places.
184	Lombard	Continues explaining all of the housekeeping measures to SB 465.
228	Sen. Corcoran	Asks if there is opposition to SB 465, as far as he knows.
233	Lombard	Replies that the only effected people are irrigation districts formed under Chapter 545. States there are no water law changes.
255	Chair Tarno	Asks Lee if there is any opposition, to her knowledge.
256	Jan Lee	Replies that there is no opposition.
262	Chair Tarno	Asks if there is anyone signed up in opposition to SB 465. Closes public hearing on SB 465 and opens work session.
<b><u>SB 465 WORK SESSION</u></b>		
268	Sen. Corcoran	<b>MOTION: Moves SB 465 to the floor with a DO PASS recommendation.</b>
		<b>VOTE: 3-0</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 2 - Shannon, Wilde</b>
Chair Tarno		<b>The motion CARRIES.</b>



## **EXHIBIT SUMMARY**

**A ñ SB 542, Written testimony, Brian Boe, 3 pp**

**B ñ SB 542, Written testimony, Kevin Kelly, 11 pp**

**C ñ SB 542, Written testimony, Larry Beaver, 1 p**

**D ñ SB 542, Written testimony, Mike Kortenhof, 2 pp**

**E ñ SB 93, Written testimony, Martha Pagel, 2 pp**

**F ñ SB 467, Written testimony, Dave Hunnicutt, 1 p**

**G ñ SB 465, Written testimony, Kip Lombard, 4 pp**

**H ñ SB 93, -3 amendments, LC Staff, 6 pp**