

HOUSE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

February 4, 1997 Hearing Room HR D

08:30 AM Tapes 15 - 16

MEMBERS PRESENT:

Rep. Charles Starr, Chair

Rep. Terry Thompson, Vice-Chair

Rep. Dennis Luke

Rep. Ken Messerle

Rep. Kurt Schrader

Rep. Judith Uherbelau

Rep. Larry Wells

MEMBER EXCUSED:

STAFF PRESENT:

Judith Gruber, Administrator

Linda Kowal, Administrative Support

MEASURE/ISSUES HEARD:

HB 2037 Public hearing and work session

HB 2121 Public hearing and work session

HB 2164 Public hearing and work session

HCR 2 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
TAPE 15, A		
001	Chair Starr	Opens meeting at 8:37 am, and opens public hearing on HB 2037.

<u>HB 2037</u> <u>PUBLIC</u> <u>HEARING</u>		
003	Chair Starr	Calls Rep. Larry Sowa to present the -1 amendment for HB 2037 (EXHIBIT A).
005	Rep. Larry Sowa	States he would prefer to see internships that are part of the students education counted towards the one year requirement. Students that do not have internships in their education would need to meet the full one year requirement.
050	Molly Emmons	Executive Officer of the Veterinary Medical Examining Board (VMEB). States the VMEB has reviewed the amendment and supports it as it allows them to adopt administrative rules and review each applicant's proposal.
072	Rep. Luke	Inquires if Oregon veterinary students have to spend a year in Washington.
074	Emmons	Responds she is aware of a WA, OR, ID program through OR State but the internship requirement can be done anywhere.
083	Rep. Uherbelau	Asks what is the purpose for extending the requirement to one year.
087	Emmons	Responds the requirement for internship has been in the statutes since 1953 as six months in Oregon and one year out-of-state. The 1993 session changed this to one year so it was the same whether you are in state or out-of-state.
108	Chair Starr	Closes the public hearing on HB 2037, opens work session on HB 2037.
<u>HB 2037</u> <u>WORK</u> <u>SESSION</u>		
134	Rep. Wells	MOTION: Moves to ADOPT HB 2037-1 amendments dated 01/23/97
154	Rep. Schrader	"Just to declare, as a veterinarian, just to declare a possible conflict of interest, I don't feel it's going to influence my judgment on this particular matter."
153	Chair Starr	Hearing no objection, declares HB 2037-1 amendments ADOPTED.
168	Rep. Wells	MOTION: Moves HB 2037 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye.
	Chair	The motion CARRIES. REP. SCHRADER will lead discussion on the floor.

179	Chair Starr	Closes work session on HB 2037, opens public hearing on HB 2121.
<u>HB 2121</u> <u>PUBLIC</u> <u>HEARING</u>		
182	Rod Ingram	Deputy Director of the Oregon Department of Fish and Wildlife (ODFW). States the Department is introducing HB 2121 basically to substitute commercial licensing revenues for the general fund. Gives an overview on how the fees are used. (EXHIBIT B)
232	Ingram	Continues with testimony.
235	Rep. Luke	Asks how and from whom are the funds collected.
250	Kay Brown	Oregon Department of Fish and Wildlife (ODFW), Fish Division. Responds that the funds will come from commercial licenses and the tax that wholesale fish dealers pay.
260	Rep Luke	Discusses this funding with Brown.
294	Rep. Messerle	Asks whether the purpose of this fund is to provide money for more research.
312	Brown	Responds, there is no change in how the money is collected or used.
326	Rep. Luke	Clarifies that in the past, 75 percent of these funds went to the general fund and 25 percent went to the ODFW. Asks how much of the money in the general fund was coming to ODFW.
331	Brown	Exact amount.
340	Ingram	Responds "this basically just changes the fund source from the general fund to other fund."
343	Rep. Luke	Asks, in previous budgets, did they receive all 75 percent of the money held in the general fund.
347	Ingram	Responds they received only the 25 percent.
359	Rep. Messerle	Describes a scenario to clarify.
379	Rep. Messerle	States for clarification, the amount budgeted is what is projected to be received in fees.
402	Ingram	Responds affirmatively.
		Discussion between committee members regarding the viability of the fishing industry.
TAPE 16, A		
019	Rep. Wells	Asks if the motive is to protect the money so it stays in the ODFW.
022	Ingram	Responds, rather, it is to put the industry on a user fee basis.
037	Rep. Thompson	Responds to Rep. Well's question on the origin of the percentage allocated. States is was originally a poundage fee, then a value tax and now they believe it would be better to have 100 percent shifted to the ODFW.

046	Rep. Luke	Comments that sometimes the tie between harvests and programs do not go as planned.
054	Ingram	Responds the charge of wildlife policy is the <u>resource</u> first.
070	Brad Swank	State Court Administrator's Office. States there is concern on the way ODFW gets the money and the costs that may be incurred. Describes the unitary assessment account (criminal fines and assessments) and states that lines 14 - 16 would take the money out of the unitary assessment flow. If the bill passes it will cause a need to have a new accounting system for the courts at the end of this session.
107	Swank	Continues with testimony. Offers a different way ODFW could get the money by amending ORS 137.303 to put ODFW in the list of people who get money from the fines and assessments.
145	Rep. Uherbelau	States her understanding is, that the bill is referring to money from fees and taxes, and not fines and assessments. Asks Ingram to clarify.
148	Rod Ingram	ODFW. Introduces Chris Carter, the economist who put the bill together. Ingram states this was not their intent and removal of those lines is fine.
177	Chair Starr	States brackets will be removed in subsection 3 of section 1 and keep existing language in law. Closes public hearing on HB 2121, opens work session.
<u>HB 2121 WORK SESSION</u>		
182	Rep. Luke	Offers a conceptual amendment to remove the brackets on Subsection 3 of Section 1 starting on line 14 and through line 16.
183	Chair Starr	States this will re-instate subsection 3 of section 1. Hold till drafted and bring back for work session. Closes work session on HB 2121, opens public hearing on HB 2164.
<u>HB 2164 PUBLIC HEARING</u>		
	Pete Test	Written testimony only. (EXHIBIT C)
200	Rod Ingram	Deputy Director of ODFW, gives an overview of the bill. They are asking for the sunset to be extended for five years. (EXHIBIT D)
233	Rep. Wells	Ask for the history on the sunset clause.
237	Ingram	Responds it was probably a trial.
245	Rep. Luke	Asks about the distribution of the programs.
253	Ingram	Responds the vast majority are west of the Cascades.
263	Rep. Messerle	Inquires about who is involved.
270	Ingram	

		Responds there has been basically large and small timber companies. Offers to provide a list of 1996 interested parties.
291	Rep. Messerle	Asks whether they have had discussions about raising the \$100,000 limit.
295	Ingram	Responds affirmatively, however the \$100,000 is in the Governor's recommended budget.
300	Rep. Schrader	States he shares concerns about tax credit programs with Rep. Luke and would like to see future programs have a detailed history of who benefits from the tax credits.
310	Ingram	Provides figures for tax credit programs from previous year. The preliminaries coming in for 1996 are closer to \$200,000 and the limit is \$100,000.
339	Chair Starr	Calls Jim Myron.
351	Jim Myron	Oregon Trout. States they concur with the farm bureau and would support an increase of the limit.
361	Chair Starr	Calls Joe Rohleder.
385	Joe Rohleder	Represents the Association of Northwest Steelheaders, the Oregon Guides and Packers and the Northwest Sportfishing Industry Association (NSIA). States they also support this bill.
404	Chair Starr	Closes public hearing on HB 2164, opens work session on HB 2164.
<u>HB 2164 WORK SESSION</u>		
TAPE 15, B		
004	Rep. Wells	States that this bill will be referred to Legislative Revenue Committee (Revenue). Asks should our committee discuss changing the \$100,000 limit or only extending the sunset.
010	Rep. Messerle	Comments that he shares the concerns of Rep. Luke and Rep. Schrader in not wanting to drain the revenue sources of state. However, this type of incentive is more economical and is a good investment for the state of Oregon.
023	Rep. Uherbelau	Asks can a comment be made that suggests to Revenue to look at the possibility of raising that figure.
034	Rep. Luke	States he does not concur.
039	Rep. Uherbelau	States she will make a motion to further discussion.
041	Chair Starr	Revenue is in a better position. Accepts a motion from Rep. Uherbelau to send a comment to Revenue that we would support a review of the limit. States a 25% tax credit on the expenditure of habitat recovery seems to be a good return to the state for what we are attempting to do in our fish runs.
054	Rep. Messerle	States he believes Revenue should determine the impact to revenue, and we should state our opinion of how this would impact the fisheries program.

061	Rep. Schrader	Comments that its a good idea if we can afford it.
067	Rep. Luke	States if there is a motion to send this to Revenue with a do-pass then he is in favor, if have a motion that says we want to raise the limits then he is not in favor.
074	Rep. Uherbelau	Clarifies the intent of her motion.
		Members discuss and clarify what motions were and were not made.
085	Chair Starr	Clarifies that he accepted a motion from Rep. Uherbelau. The motion is to move the bill to Revenue with a do-pass. That is the extent of the official action of this committee. In a side-bar comment we would like them to consider the value of increasing the limit.
095	Rep. Luke	States if we are attaching a note regarding the tax credit, he would like to have a hearing.
099	Rep. Uherbelau	States her intentions is that we ask them to look at the limit without comment as to where the committee stands on it.
110	Chair Starr	Clarifies the vote is to move the bill to Revenue with a do-pass.
	Rep. Uherbelau	MOTION: Moves HB 2164 to the floor with a DO PASS RECOMMENDATION and BE REFERRED to the committee on Revenue.
114		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye.
118	Chair Starr	The motion CARRIES.
119	Closes work session on HB 2164, opens work session on HCR 2.	
<u>HCR 2</u> <u>WORK</u> <u>SESSION</u>		
120	Rep. Thompson	Brings the committee up-to-date on the changes made. Goes over the HCR 2 -1 amendment. (EXHIBIT E)
143	Rep. Wells	Refers to line 12 and asks why "contractors" was changed to "contracting".
158	Rep. Messerle	States he also questions the word contracting.
165	Rep. Thompson	Asks Onno Husing to assist him.
169	Onno Husing	Director, Oregon Coastal Zone Management Association. Asks Rep. Messerle if what he is saying is that contractors is too limited.
171	Rep. Luke	

		States as a building contractor, the word contracting is acceptable. You contract to develop land, excavate land, contract to build, your still contracting.
		Discussion on the difference between contractors or developers.
296	Rep. Schrader	States that everyone wants the broader term and asks Rep. Luke if there another term that would be better than contracting.
198	Rep. Messerle	States his concern is leaving out homeowners and landowners that develop their own property.
203	Rep. Luke	States whether your a private landowner or a professional your still contracting. It's not a big C it's a little c.
213	Rep. Uherbelau	States "contracting" can be used in many ways.
228	Judith Gruber	Clarifies for the committee that Legislative Counsel changed the language because in the legal sense they felt it was a better word.
235	Rep. Luke	MOTION: Moves to ADOPT HCR 2-1 amendments dated 02/03/97.
	Chair Starr	VOTE: Hearing no objection, declares the motion CARRIED.
237	Rep. LUKE:	MOTION: Moves HCR 2 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.
241		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye.
	Chair Starr	The motion CARRIES. REP. THOMPSON will lead discussion on the floor.
284	Chair Starr	Closes the work session on HCR 2. Adjourns meeting.

Submitted By, Reviewed By,

Linda Kowal, Judith Gruber,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2037, -1 Amendment, staff 2 pp.

B - HB 2121, written testimony, Rod Ingram, 2 pp.

C - HB 2164, written testimony, Pete Test, 1 pp.

D - HB 2164, written testimony, Rod Ingram 1 pp

E - HCR 7, -1 Amendment, staff 1 pp