

HOUSE COMMITTEE ON COMMERCE

June 3, 1997 Hearing Room 357

8:15 A.M. Tapes 58 - 59

MEMBERS PRESENT:

Rep. Eldon Johnson, Chair

Rep. Cynthia Wooten, Vice-Chair

Rep. Ron Adams

Rep. Roger Beyer

Rep. Richard Devlin

Rep. Jim Hill

Rep. Bob Montgomery

Rep. Jackie Taylor

Rep. Tom Whelan

STAFF PRESENT:

Julie Neburka, Administrator

Keith Putman, Administrator

Coben Tistadt, Administrative Support

Timaree Whitty, Administrative Support

MEASURE/ISSUES HEARD:

SB 306 - Public Hearing

SB 470 - Public Hearing

SB 475 - Public Hearing

SB 932A - Public Hearing and Work Session

SB 125 - Work Session

HB 2149 - Work Session

HB 3675 - 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 58, A		
004	Chair Johnson	Opens meeting at 8:24 a.m. Opens public hearing on SB 306.
<u>SB 306 - PUBLIC HEARING</u>		
005	Rep. Dan Gardner	State Representative, House District #13 and an electrician. Gives testimony in opposition to SB 306. States that the bill reduces the training required, and doesn't provide the necessary supervision for potentially dangerous high-voltage work.
028	Brian Christopher	Licensed Electrician and Member of the Electrical Board. States that the bill doesn't meet OSHA requirements nor does it provide sufficient safeguards. Emphasizes the dangerous nature of the work. Opposes the bill.
063	Nathan Philips	Electrical Contractor in Eugene and Member of the Electrical Board. States that under the bill maintenance electricians will not receive sufficient training. Mentions efforts of the board to come up with a sufficient training program. States that the bill allows individuals "to train themselves."
078	Steve Rose	Assistant Business Manager for IBEW Local 280. States that an electrical installation involves "a total and complete system" requiring knowledge in electrical theory and hands-on experience, noting that proponents argue that the maintenance electricians will be working on only a minor portion of that system. Describes the education of the electricians he represents. Opposes the bill.
098	Rep. Adams	Refers to page 4, line 7. Asks what board approved the training course.
103	Rep. Gardner	Answers the Electrical Board.
104	Rep. Adams	Asks if there is a safety training requirement in addition to the regular training requirement.
108	Chair Johnson	Interjects that the proponents of the bill have agreed to extend the training program.
112	Rep. Adams	Asks if "the original bill" from six years ago did not work, noting the electricians' business interest in the defeat of the bill.
122	Rep. Gardner	Responds that members of the electrical board as well as individuals from the industry have testified in opposition.

125	Chair Johnson	Mentions concerns with the bill, but states that he is waiting to hear from proponents of the bill.
131	Rep. Wooten	Asks about the education requirements in new bill.
140	Philips	Responds that the license requirements from last session haven't been implemented as of yet. Describes the board's rules and the requirements under the bill.
148	Rep. Wooten	Asks why the previous legislation wasn't implemented.
150	Philips	States that he doesn't know of anyone who has been licensed.
152	Rep. Wooten	Asks if there hasn't been an occasion to use the new requirements.
155	Christopher	Responds that the Building Owners and Managers Association offers a training program.
159	Rep. Wooten	Asks if they have reviewed and approved BOMA's curriculum.
162	Philips	Responds that they approved the curriculum at the last Electrical Board meeting. States that the present situation isn't completely satisfactory. Emphasizes that supervisory training is indispensable.
172	Christopher	States that the board tried to do its best with a bad situation.
175	Rep. Whelan	Expresses concerns with fires in high-rise buildings.
192	Bill Cross	Representing BOMA. Submits written testimony and materials (EXHIBIT A). States that they introduced the bill two years ago. States that the bill provides the means by which a maintenance electrician can perform "limited electrical maintenance activities" in commercial buildings and, under the amendments, in government buildings. Lists the activities allowed. States that personnel not intending to become electricians currently perform the work because of the expense of hiring licensed electricians. States that the bill tries to match the training with the allowed activities. Talks about the prohibitive costs of supervisory training, and that they are proposing to replace it with training.
260	Cross	Continues testimony. States that the Senate amendments created a trainee's card issued after specific training and the passage of an examination. States that the examination will be available in the next month or so. Talks about the "grandfathering" clause.
286	Chair Johnson	Asks what Mr. Cross is proposing to replace the on-the-job training.
288	Cross	Responds that they could increase the practical training to 16 hours with emphasis placed on work on ballast.
308	Joe Brewer	Administrator of the Building Codes Division with the Department of Consumer and Business Services. Notes the board's hard work and their perspective that more training is required, but that they compromised because unlicensed work occurs regularly. States that

		the department supports increasing practical training on the "front end."
342	Rep. Hill	Asks what a ballast is.
344	Brewer	Describes a ballast.
350	Rep. Adams	Asks for clarification of the training requirements. Asks if the bill allows a trainee to work unsupervised.
355	Chair Johnson	Notes the proposal to add 7 hours of practical training.
360	Rep. Adams	States that if the work is currently done by uneducated individuals, than passing the bill and encouraging some education, even if its inadequate, would be a step forward.
392	Brewer	Notes that the controversial element in the bill passed last session was the requirement for on-the-job training.
400	Chair Johnson	Comments that the bill attempts to create an classroom alternative to on-the-job training.
405	Rep. Hill	Asks for a description of the training.
TAPE 59, A		
002	Brewer	Answers that the first sixteen hours of training is in a classroom and deals with OSHA safety requirements, and that the hands-on lab training takes place in a "simulated environment" and deals with field work.
008	Chair Johnson	Closes public hearing on SB 306. Opens public hearing on SB 470.
<u>SB 470 - PUBLIC HEARING</u>		
014	Sen. Thomas Wilde	State Senator, Senate District #8. Mentions connection with SB 475. States that the bill received unanimous support in the Senate. States that the bill makes zoning determinations a "limited land-use decision," which means that 1) people within 100 feet must be notified, 2) affected individuals must be notified of their appeal rights, and 3) 15 days must be given for appeals. Adds that a public hearing is not required. Mentions problems with the current process and the lack of notification.
059	Chair Johnson	Closes public hearing on SB 470. Opens public hearing on SB 475.
<u>SB 475 - PUBLIC HEARING</u>		
061	Sen. Wilde	Submits written testimony on behalf of 1000 Friends of Oregon (EXHIBIT B). States that there are two types of administrative decisions: discretionary and non-discretionary. States that prior to 1995 there was no requirement for public input

		in either decision, and that the bill requires that discretionary decisions involve a public hearing.
095	Chair Johnson	Closes public hearing on SB 475. Opens public hearing on SB 932.
<u>SB 932A - PUBLIC HEARING</u>		
100	Sen. Ted Ferrioli	State Senator, Senate District #28. States that the bill initially attempted to prohibit the Economic Development Department from using lottery funds to provide financial assistance to counties where the employment rate was below the nation average. States that over 20 counties in the state experience unemployment of greater than 8%. Describes the unequal distribution of the benefits of Oregon's strong economy, stating that the relatively weaker economies are characterized by a lack of diversification. States that the A-engrossed bill directs the department to give priority to the relatively weaker economies rather than prohibiting the use of funds for the stronger economies.
150	Ferrioli	Continues testimony. States that the A-engrossed bill acknowledges that certain cities and certain neighborhoods have distressed economies even though their county as a whole is prosperous. Lists the factors measured to determine an economy's strength. States that there is no opposition to the bill of which he is aware.
176	Rep. Taylor	Mentions the Regional Strategies Program and its success in her district. Asks if he anticipates a problem with the current structure of OEDD's programs.
188	Ferrioli	Responds that funding has been and is currently largely determined according to population. States that they are attempting to develop infrastructure in rural areas to promote long-term growth.
216	Rep. Wooten	States that the focus of the OEDD is to invest in rural Oregon first. Asks if the senator agrees with that statement.
232	Ferrioli	Answers that the department's programs have attempted to identify "targets of opportunity" and that those have been mostly located in the I-5 corridor. States that the strength of the economies along the corridor allow for a refocusing of the programs to rural areas.
237	Rep. Wooten	Notes that the governor holds an opinion similar to the senator's. Expresses opposition to "metro-area bashing" and to codifying prioritizing rural areas in statute.
253	Ferrioli	Mentions that there are "two Oregons," and that there should be an emphasis an equity.
271	Rep. Wooten	States that she agrees with the senator's intention yet disagrees as to the method. Disagrees that there is inequity in the allocations of the program.
296	Rep. Hill	

		Asks if there are specific programs which haven't been funded. Notes that the programs in his district have generated revenue through income taxes for the entire state.
322	Ferrioli	Responds that population has a 40% weighting factor in determining which areas receive projects. Suggests that "the job" in the I-5 corridor is done. Notes that the bill talks of prioritization and not prohibition.
362	Rep. Hill	Expresses concern with mandating that the department prioritize without first receiving information regarding specific projects and their chances of success.
371	Ferrioli	States that the Regional Strategies and Rural Initiatives programs have been "critical" to rural Oregon's infrastructure needs. Mentions urban areas' "depth" on the planning commissions. States that there are "wonderful" projects in rural Oregon that need funding, and that it is an issue of equity. Describes the economic problems in rural Oregon.
TAPE 58, B		
005	Rep. Adams	Agrees that infrastructure is a crucial element in economic development. Expresses concern with the bill's language "shall give priority."
040	Ferrioli	Describes rural Oregon's needs. States that the tax incentives used to attract businesses in urban areas are not available to rural areas. Notes decreased revenue from the timber industry and "chronic" economic problems which need to be addressed.
061	Doris Penwell	Executive Assistant to the Director of OEDD. Agrees that there needs to be a change in focus. States that Art Ayre, Sen. Ferrioli, and Sen. Gordly came up with the amendments. Supports the amendments.
094	Joni Low	Representing the League of Oregon Cities. Notes opposition to the original bill. States that they have no problem with the A-engrossed bill, noting its inclusion of distressed urban areas.
115	Rep. Montgomery	Asks why an annual review and report is necessary, noting that it wasn't in the original bill.
117	Penwell	Responds that information technology has made such reporting possible, and that the reports are helpful in understanding the issues.
138	Rep. Montgomery	Asks why they need to include in the bill what they are already doing.
141	Penwell	Answers that it was Sen. Ferrioli's request.
146	Rep. Hill	Asks if there are definitions for "economic distress or dislocation" and "job loss."
158	Art Ayre	Economist for OEDD. Responds that "economic distress or dislocation" needs to be defined in administrative rule. Defines "job loss."

169	Rep. Hill	Asks the bill would allow for suits to be filed against OEDD for the failure to give grants to particular counties.
180	Penwell	Answers that she doesn't know.
188	Rep. Devlin	Asks if OEDD's highest priority is to create jobs with a certain level of income. Asks whether the department would fund a project irrespective of its chances of success.
209	Penwell	Responds that different programs serve different needs.
223	Rep. Devlin	Asks for assurance that the bill won't require the department to make an unwise investment.
224	Penwell	Believes that it won't.
227	Chair Johnson	Closes public hearing on SB 932A. Opens work session on SB 932A.
<u>SB 932A - WORK SESSION</u>		
227	Rep. Adams	MOTION: Moves SB 932A to the floor with a DO PASS recommendation.
231		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Wooten, Whelan
	Chair	The motion CARRIES. REP. MONTGOMERY will lead discussion on the floor.
238	Chair	Closes work session on SB 932A.
250	Rep. Beyer	MOTION: Moves to RECONSIDER the vote by which SB 125A was sent to the floor of the House with a DO PASS recommendation.
255		VOTE: 6-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Wooten, Adams, Whelan
	Chair	The motion CARRIES.
260	Chair Johnson	Opens work session on SB 125A.
<u>SB 125A - WORK SESSION</u>		
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	Keith Putman	Committee Administrator. Apologizes for inadvertently placing the bill on last week's schedule. Notes that the committee previously adopted the -8, the -10, and the -11 amendments and that those were consolidated into the -12 amendments. States that there was a conflict and that the -13 amendments (EXHIBIT C) include the previously passed amendments and deal with the conflicts. Explains the conflicts.
300	Rep. Beyer	MOTION: Moves to ADOPT SB 125A-13 amendments dated 6/2/97.
310		VOTE: 7-0 EXCUSED: 2 - Wooten, Whelan
	Chair	Hearing no objection, declares the motion CARRIED.
315	Rep. Beyer	MOTION: Moves SB 125A to the floor with a DO PASS AS AMENDED recommendation.
317		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Wooten, Whelan
	Chair	The motion CARRIES. REP. DEVLIN will lead discussion on the floor.
331	Chair Johnson	Opens work session on HB 2149.
<u>HB 2149 - WORK SESSION</u>		
347	Keith Putman	Describes the procedure through which the -2 amendments (EXHIBIT D) were introduced.
372	Rep. Devlin	Explains the -2 amendments. States that all interested parties are in "reasonable agreement."
400	Rep. Hill	MOTION: Moves to ADOPT HB 2149-2 amendments dated 6/2/97.
405	Rep. Montgomery	Asks if all interested parties includes the counties.
406	Rep. Devlin	Answers yes.
407	Rep. Adams	Asks what happened to the -1 amendments.
410	Rep. Devlin	Answers that they weren't needed.
413		VOTE: 7-0

		EXCUSED: 2 - Wooten, Whelan
	Chair	Hearing no objection, declares the motion CARRIED.
TAPE 59, B		
002	Rep. Hill	MOTION: Moves HB 2149 to the floor with a DO PASS AS AMENDED recommendation.
004	Rep. Devlin	Comments that the language "actual and reasonable cost" allows the ombudsman to obtain the records from sources other than the county.
009		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Wooten, Whelan
	Chair	The motion CARRIES. Rep. Devlin will lead the discussion on the floor.
020	Chair Johnson	Closes work session on HB 2149. Opens work session HB 3675.
<u>HB 3675 - WORK SESSION</u>		
022	Denise McPhail	Portland General Electric. Submits written testimony and materials (EXHIBIT E). Explains that the bill is back in committee because the carrier on the floor was asked the question of whether, with deregulation legislation, the commission could allow bonding to move forward. States that the answer is yes. States that the commission can set rules and regulations for bonding. States that bonding stranded costs could save customers \$57 million.
072	McPhail	Continues testimony. Notes that the commission doesn't have to approve bonding requests.
080	Rep. Wooten	Asks if the witness addressed the issue of the effect of bonding on ratepayers raised by Rep. Edwards.
088	McPhail	Answers that she thought Rep. Edwards' question was whether bonding could move forward with deregulation. Answers that customers would pay for revenue raised through the bonding.
092	Rep. Wooten	Asks if the legislation is exclusively for the refinancing of the decommissioning of the Trojan Nuclear Power Plant.
102	McPhail	Answers that that wasn't PGE's intention. Mentions assets that would potentially be bonded, stating that it would depend on which assets were above or below market value. States that the

		commission would allow bonding the portion of the stranded costs which couldn't be mitigated. Mentions other states which have allowed bonding.
134	Rep. Wooten	Asks what portion of PGE's stranded costs are Trojan.
136	McPhail	Defers to Bill Dasinco.
139	Bill Dasinco	Corporate Finance Group of PGE. Refers to balance sheet from 12/31/96, stating that there was \$250 million in stranded costs from Trojan.
145	Rep. Wooten	Asks if \$250 million then could be refinanced.
146	Dasinco	Answers only if the PUC determined that that was a stranded cost.
151	Rep. Wooten	Asks of the effect of this bonding on transition costs imposed on ratepayers.
159	McPhail	Answers that with bonding there would be two components of the stranded charge: a transition charge and an irrevocable charge.
179	Dan Meek	Representing the Utility Reform Project and the Citizen Utility Board. States that he has been representing utility ratepayers before the commission for sixteen years. States that the bill is a \$304 million bill aimed at residential ratepayers payable through 2011. States that PGE could continue to charge ratepayers the entire capital costs of Trojan regardless of the outcome of the current appeals brought by the Utility Reform Project and CUB. States that the bill "is a Trojan bailout." States that they prevailed in Marion County's circuit court for \$304 million because it violated ballot measure 9 of 1978, which prevented utilities from charging for plants which don't provide service. States that the definition of transition costs is "circular" and capriciously determined by PGE. States that the bill would overturn the ballot measure and that it conflicts with the HB 2821.
229	Meek	Continues testimony. Notes that there is a broad coalition supporting HB 2821.
234	Phil Nyegaard	PUC. States that he hasn't heard of the issue raised by Mr. Meek and that he isn't familiar with the lawsuit. States that the PUC doesn't view the legislation as essential yet doesn't oppose it.
252	Rep. Wooten	MOTION: Moves to TABLE HB 3675.
252	Rep. Wooten	VOTE: 2-7 AYE: 2 - Taylor, Wooten NAY: 7 - Adams, Beyer, Devlin, Hill, Montgomery, Whelan, Johnson
	Chair	The motion FAILS.

264	Chair Johnson	States that he wants legislative counsel's opinion on the bill before moving it. Adjourns meeting at 10:09 a.m.
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Submitted By, Reviewed By,

Coben Tistadt, Julie Neburka,

Administrative Support Administrator

EXHIBIT SUMMARY

A - SB 306, written testimony, Bill Cross, 4 pp.

B - SB 475, written testimony and materials, Sen. Thomas Wilde, 3 pp.

C - SB 125, LC amendments, staff, 10 pp.

D - HB 2149, LC amendments, staff, 1 p.

E - HB 3675A, written testimony and materials, Denise McPhail, 6 pp.