

HOUSE COMMITTEE ON COMMERCE

SUBCOMMITTEE ON TELECOMMUNICATIONS AND TRADE

May 13, 1997 Hearing Room 343

8:15 AM Tapes 74 - 75

MEMBERS PRESENT:

Rep. Jim Hill, Chair

Rep. Ron Adams

Rep. Tom Whelan

Rep. Cynthia Wooten

MEMBER EXCUSED:

Rep. Eldon Johnson

STAFF PRESENT:

Julie Neburka, Administrator

Coben Tistadt, Administrative Support

MEASURE/ISSUES HEARD:

HB 2650 - Work Session

HB 3041 - Work Session

HB 2060 - Work Session

HB 3317 - 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 74, A | | |
| 003 | Chair Hill | Opens meeting at 8:28 AM. Opens work session on HB 2650. |
| | | |

| <u>WORK SESSION HB 2650</u> | | |
|--|---------------|---|
| 010 | Julie Neburka | Presents staff measure summary of HB 2650. |
| 030 | Rep. Adams | States that the -3 amendments (EXHIBIT A) delete "establish" and that the -2 amendments (EXHIBIT B) include "establish." |
| 036 | Neburka | Responds that adopting both amendments would result in "establish" being dropped out. |
| 044 | Chair Hill | Asks Eric Ruona if they can delegate the responsibility for passing laws to local governments. |
| 047 | Eric Ruona | Responds that ORS 307.850 gives municipal corporations, dock commissions, and ports the ability to do "this," but that federal legislation requires a state law enabling groups to apply for a foreign trade zone. States that by eliminating "establish" the Klamath organization can only run an existing organization. |
| 056 | Chair Hill | Clarifies that any private organization could request from municipalities legislation allowing them to run such an organization. |
| 060 | Ruona | States that deleting "establish" would allow other groups to run foreign trade zones in municipalities. Recommends deleting "establish" on line 8 of the original bill as well. |
| 072 | Chair Hill | Asks about the possibility of a municipality wanting to establish a foreign trade zone but not wanting to run it themselves. |
| 075 | Ruona | Answers that a city could establish a foreign trade zone and then hand it over. |
| 078 | Rep. Adams | States that any private corporation, by federal law, would have to be specifically "written in." |
| 083 | Ruona | Responds that the federal law requires that state law must authorize ports, municipalities, etc. to apply for this federal grant, and that when the grant is "up and running," the bill allows a private corporation to "step in and take it over." |
| 095 | Chair Hill | Clarifies that, under the bill, a municipal entity must create a foreign trade zone and then they can delegate that responsibility to whomever they choose. |
| 099 | Rep. Adams | Agrees that "establish" needs to be deleted from line 8. |
| 112 | Ruona | Answers that "establish" in section 2(a) and section 2(b) should be removed. |
| 116 | Rep. Adams | Reiterates what they are amending. |
| 127 | Chair Hill | Conceptually amends the -3 amendments to remove "establish" language. |
| 142 | | |

| | | |
|---------------------------------------|------------|--|
| | Rep. Adams | States that they could conceptually amend the -3 amendments by deleting "establish" in lines 8 and 12 and "establishing" in lines 10 and 11. |
| 148 | Chair Hill | Adds that they will remove "establish" in lines 6 and 7 of the -2 amendments. |
| 167 | Rep. Adams | Suggests adopting the -1 and the -2 amendments, and afterwards amending the amendments. |
| 174 | Rep. Adams | MOTION: Moves to ADOPT HB 2650-1 amendments (EXHIBIT C) dated 3/4/97. |
| 174 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED . |
| 175 | Rep. Adams | MOTION: Moves to ADOPT HB 2650-2 amendments dated 3/19/97. |
| 175 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED . |
| 178 | Rep. Adams | MOTION: Moves to AMEND HB 2650 on page 1, in lines 8 and 12, delete "establish," and on page 1, in line 10, delete "establishing". |
| 181 | Rep. Adams | MOTION: Moves to ADOPT HB 2650-2 amendments dated 3/19/97 and that the measure be FURTHER AMENDED on page 1, lines 6 and 7, by deleting "establish". |
| 188 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motions CARRIED . |
| 197 | Rep. Adams | MOTION: Moves HB 2650 to the full committee with a DO PASS AS AMENDED recommendation. |
| 203 | | VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Johnson |
| | Chair | The motion CARRIES . REP. ADAMS will lead discussion on the floor. |
| 208 | Chair Hill | Opens work session on HB 3041. |
| <u>HB 3041 - WORK SESSION</u> | | |
| 213 | | |

| | | |
|-------------------|-------------------------|--|
| | Mike McArthur | County Judge in Sherman County and the Chair of the Community Development Committee for the Association of Oregon Counties. States that HB 3041 allows local governments to fund community facilities projects funded through the Oregon Bond Bank in combination with other projects run through the Oregon Economic Development Department resulting in more efficient bonding. Mentions Measure 47 and the need for local governments to save money. |
| 235 | Chair Hill | States that the committee is awaiting further amendments to the bill and that it will be passed tomorrow. States that, because HB 2142 failed in conference committee, they will include aspects of that bill in HB 3041. |
| 253 | Yvonne Addington | Manager of the Regional Development Division in the Oregon Economic Development Department. Lists services left out of the bill. Requests further amendments to include those services |
| 287 | Chair Hill | States that another bill deals with schools and so they will not deal with schools in the bill. |
| 294 | Rep. Whelan | Asks where fire districts would be added to the bill |
| 300 | Addington | Answers section 1, starting at line 4. |
| 308 | Chair Hill | Asks if the -1 amendments (EXHIBIT D) do that. |
| 309 | Addington | Answers no. |
| 324 | Rep. Whelan | MOTION: Moves to ADOPT HB 3041-1 amendments dated 3/17/97 and that the measure be FURTHER AMENDED by inserting "fire districts as established in ORS 478" to the definition of municipality. |
| 350 | Rep. Adams | Asks what section two does. |
| 359 | Addington | Answers that section two allows cities, counties, and fire districts to borrow money in the form of pooled revenue bond from the state's Public Works Fund. |
| 399 | Rep. Whelan | Recalls that they would save over 20% in bonding costs. |
| 400 | Addington | Agrees. |
| 404 | Rep. Adams | Refers to line 24 of the -1 amendments, asks if the projects can have no other form of financial assistance. |
| 416 | Addington | Answers that the line protects the Special Works Fund from allocating money to community facilities. Mentions section 3 establishing a Community Facilities Account which would hold federal funds, interest receipts, and other sources of revenue. |
| TAPE 75, A | | |
| 004 | Rep. Adams | Asks if the community projects can have another local bonding mechanism. |
| 021 | | |

| | | |
|-----|-------------|---|
| | Rep. Wooten | Answers that payment of these bonds would be first in order of priority and that other bonds would be second or third in priority. Notes that this mechanism is commonly used by cities. |
| 036 | Rep. Adams | States that the bill appears to read that cities can only access revenue bonds. |
| 045 | Addington | States that section 2 allows the department to provide financial assistance for community facilities under the Special Public Works Fund statute, and that in subsection 3 it prohibits using Special Public Works funds for community facilities. Continues that section 3 directs the establishment of a community facilities account for funds not appropriated through the Special Public Works Fund. States that the bonds would "stand alone," and that costs resulting from the sale of the bonds would be added to the bonds. |
| 062 | McArthur | Gives a concrete example. |
| 071 | Addington | Clarifies that they will use other funds for grants and issuance costs, and use the Special Public Works Fund to sell the bonds. |
| 072 | Chair Hill | Asks if this section 2, subsection 3 deals only with the ability to sell these bonds and not selling multiple bonds for a single project. |
| 081 | Rep. Adams | States that the bill doesn't say that to him. |
| 090 | Chair Hill | Asks for the definition of financing. |
| 092 | Rep. Wooten | Suggests deleting the phrase. |
| 093 | Chair Hill | Asks to look at relevant statutes. |
| 093 | Addington | Suggests on line 24, after the citation of ORS 285.750, placing a period and deleting "the rest." |
| 104 | Chair Hill | Reads relevant statutes. Asks if Ms. Addington's suggestion is satisfactory. |
| 112 | Rep. Adams | Answers yes. |
| 118 | Chair Hill | Withdraws previous motion. |
| 128 | Chair Hill | MOTION: Moves to ADOPT HB 3041-1 amendments dated 3/17/97 and that the measure be FURTHER AMENDED by inserting "fire districts as established under ORS 478" to the definition of municipality, and on page 1, line 24, after "ORS 285.740 to 285.750" inserting a period and deleting the rest of the sentence. |
| 141 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED. |
| 146 | Chair Hill | States that they will work on the bill tomorrow. Closes work session on HB 3041. |
| 150 | Rep. Wooten | Notes that they were to read SB 211 before they worked further on a bill relating to key industries which was to be amended into SB 211, |

| | | |
|--------------------------------------|---------------|---|
| | | and that SB 211 has passed the Senate floor and has been referred to the subcommittee. |
| 166 | Rep. Whelan | Mentions that there's a Democratic caucus scheduled for 9:00 AM. |
| 168 | Chair Hill | Opens work session on HB 3317. |
| <u>HB 3317 - WORK SESSION</u> | | |
| 174 | Chair Hill | Mentions the need to ensure that the -1 amendments (EXHIBIT E) aren't retroactive. |
| 182 | Rep. Wooten | MOTION: Moves to ADOPT HB 3317-2 amendments (EXHIBIT F) dated 4/17/97. |
| 186 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED. |
| 196 | Rep. Wooten | MOTION: Moves to ADOPT HB 3317-1 amendments dated 4/11/97. |
| 201 | Rep. Adams | Asks if they have deleted "disadvantaged" on line 9 and on line 6 of the -1 amendments. Asks why not including a comma after "disadvantaged." |
| 208 | Rep. Wooten | Answers that disadvantaged isn't adequately defined. |
| 213 | Rep. Adams | Asks about possibility of narrowing the definition of disadvantaged to disabled. |
| 216 | Rep. Wooten | Responds that that wasn't the intent. |
| 217 | Julie Neburka | Committee Administrator. States that there are different statutes addressing job programs for the disabled. |
| 222 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED. |
| 223 | Rep. Wooten | MOTION: Moves HB 3317 to the full committee with a DO PASS AS AMENDED recommendation. |
| 225 | | VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. |
| | Chair | The motion CARRIES. REP. WOOTEN will lead discussion on the floor. |
| 235 | Chair Hill | Reopens work session on HB 3041. |
| | | |

| | | |
|--|-------------|---|
| <u>HB 3041 - WORK SESSION</u> | | |
| 242 | Rep. Hill | MOTION: Moves to AMEND HB 3041 by adding section 1 of HB 2142. |
| 245 | Rep. Adams | Asks for clarification. |
| 246 | Chair Hill | States that the Senate failed to passed HB 2142 as amended and that this addition will save \$100,000. |
| 254 | | VOTE: 4-0 |
| | Chair | Hearing no objection, declares the motion CARRIED. |
| 256 | Rep. Wooten | MOTION: Moves HB 3041 to the full committee with a DO PASS AS AMENDED recommendation. |
| 260 | | VOTE: 3-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Whelan |
| | Chair | The motion CARRIES. Rep. Montgomery will lead discussion on the floor |
| 270 | Chair Hill | States that they will incorporate section 1 of HB 2142 into HB 3041. Opens work session on HB 2060. stating that they are waiting for amendments and will move the bill on Thursday. |
| <u>HB 2060 - WORK SESSION</u> | | |
| 274 | Chair Hill | States that they are awaiting amendments and that they will either pass the bill or not pass the bill by Thursday of next week. |
| 282 | Rep. Wooten | Expresses dissatisfaction with the process concerning HB 2060. Requests a more balanced treatment of the subject. |
| 305 | Chair Hill | Responds that each member has had the opportunity to have amendments drafted. |
| 324 | Rep. Wooten | Reiterates dissatisfaction. |
| 347 | Chair Hill | Closes work session on HB 2060, adjourns meeting at 9:17 AM. |

Submitted By, Reviewed By,

Coben Tistadt, Julie Neburka,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2650, LC amendments, staff, 1 p.

B - HB 2650, LC amendments, staff, 1 p.

C - HB 2650, LC amendments, staff, 1 p.

D - HB 3041, LC amendments, staff, 2 pp.

E - HB 3317, LC amendments, staff, 1 p.

F - HB 3317, LC amendments, staff, 1 p.