

HOUSE COMMITTEE ON GENERAL GOVERNMENT

May 19, 1997 Hearing Room D

1:00 P.M. Tapes 109 - 111

MEMBERS PRESENT:

Rep. Ken Strobeck, Chair

Rep. Dan Gardner, Vice-Chair

Rep. Bob Montgomery

Rep. Kurt Schrader

Rep. Liz VanLeeuwen

Rep. Tom Whelan

MEMBER EXCUSED:

Rep. Jim Hill

STAFF PRESENT:

Jeri Chenelle, Administrator

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD:

SB 947-A - Public Hearing

HB 3429 - 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 109, A		
002	Chair Strobeck	Calls meeting to order at 1:08 p.m. and opens the work session on HB 3429.
<u>HB 3429 - WORK SESSION</u>		

012	Jeri Chenelle	Administrator, reviews provisions of HB 3429.
021	Brian Harrington	Public Employee Retirement System (PERS), explains Plan A and Plan B of PERS.
		Issues discussed:
		* why there are two plans
045		* whether this bill affects those who provided service
		* need to recalculate for approximately 130 judges and widows
054		* fiscal impact on system
		* PERS board is neutral on HB 3429
069		* Legislative Fiscal Statement (SEE EXHIBIT B OF COMMITTEE MINUTES DATED MAY 7, 1997.)
111	Roger Martin	Testifies that last session he represented a retired judge from Multnomah County, Lee Johnson, who had the same situation as two other judges. Explains situations of retired judges:
		* all had started off on PERS as employees of either a county or the state, were subsequently elected to office
		* in the late 60's or early 70's they had the opportunity to elect or not elect to join PERS
		* all three elected not to pay into PERS during their elective office
126		* subsequently all became judges and automatically were in the judicial retirement system and later in PERS
		* in 1995, SB 82 allowed all three persons a window of opportunity of two years in which to buy back, pay the full amount they would have paid in the 1970's, to PERS
		* one, Johnson, did buy back, and the other two tried to and were told by PERS they did not have the requisite amount of time, 10 years, as circuit court judges to qualify
		* the other two now have the time and have tried to get in
		* the HB 3429-1 amendments (SEE EXHIBIT C OF COMMITTEE MINUTES DATED MAY 7, 1997) asks for an extension to February 1, 1999
		* supports remainder of HB 3429 because the retired judges are deserving
154	Rep. Montgomery	Comments on county commissioners and others who might want to join PERS who are just as justified as any district attorney.
187	Brian Harrington	Explains the requirements, and that two of the judges did not have the required service.
		Issues discussed:
204		* PERS definition of "credible service"
236	Robert	Retired judge and President, Oregon Senior Judges Association, testifies in

	McConville	support of HB 3429.
		* HB 3429 is a proposal developed by and supported by the Oregon Senior Judges Association
		* it is an effort to place Plan A retired judges on a more equitable footing with Plan B
		* cannot give the thinking and methodology for determining rate for Plan B
254	John Warden	Retired judge, explains the calculations that were used to reach 45 percent of final average salary after 16 years, and adds that since Plan B has been enhanced in 1995, no judge has elected to become a Plan A judge; only one chose Plan A because he had no choice because he retired for disability.
282		Issues discussed:
		* repeat requests for changes as system changes
301		Discussion continues on future requests as system changes.
		* basis for increased rates and calculation of benefits
355	McConville	Refers to letter from Kingsley Click, Office of the State Court Administrator (EXHIBIT A), asks that the committee consider the information, and explains differences in benefits under Plan A and Plan B.
395	Douglas Spencer	Retired judge from Eugene, explains the differential between Plan A and Plan B.
436	Chair Strobeck	Suggests the committee consider the HB 3429-1 amendments and delete the original bill.
45	Chair Strobeck	Closes the work session on HB 3429 and opens the public hearing on SB 947-A
TAPE 110, A		
SB 947-A - WORK SESSION		
020	Jeri Chenelle	Administrator, reviews provisions of SB 947-A, and explains the committee has been given the SB 947-A4 amendments (EXHIBIT B).
030	Brad Higbee	Metro, submits packet of information and testifies in support of SB 947-A (EXHIBIT C).
88	Judy Hammerstad	Clackamas County Commissioner, testifies in support of SB 947-A (EXHIBIT D), with amendments.
		Issues discussed:
132		* whether boundaries of boundary commission are the same as Metro boundaries
142		* jurisdictions under boundary commission
16		* funding of boundary commission
176		* how fees are set

		* urban reserve areas
181		* jurisdictions included in Metro territory
195	Hammerstad	Continues presentation on boundary commission (EXHIBIT D, page 2).
		Issues discussed:
235		* when amendments will be presented to the committee
245	Linda Peters	Washington County Commissioner, reports on task force activities:
		* attempted to make business of boundary change decisions more coherent with the regional planning by Metro
		* makes sense to have boundary change authority in the same body
		* attempted to make system simpler and more cost effective
		* wanted to make sure that the twin reference documents, the agreements that the local jurisdictions reach about future urban services under the SB 122 process
		* decisions will have reference to the regional framework plan
		* the boundary commission being proposed in the forthcoming amendments will not be hearing every objection a citizen has; the citizen objections will be heard at the local jurisdictions the same as in the rest of the state
		* the narrower function of Metro will be situations where one jurisdiction is in dispute with another and they have not resolved them on their own
		* issues would go to the three-person commission selected by Metro from nominations made by the counties
		* the rules to be used to decide the cases would be determined by Metro as application of the regional framework plan, regional urban growth goals and objectives and SB 122 agreements
		Issues discussed:
315		* ability for individuals to file challenges and offer input
		* bill is written to resolve disputes between two agencies or two jurisdictions over a boundary change
352		* would not change annexation law and right of remonstrance
356		* process for public hearings on boundary changes
383		* letter from Tualatin Valley Water District (EXHIBIT E)
TAPE 109, B		
018	Rep. Larry Sowa	Testifies in support of SB 947-A with the -A4 amendments (EXHIBIT B):
		* worked with special districts and counties
		* thinks boundary commission has outlived its usefulness because of limited authority
		* did not want to transfer authority totally to Metro, but wanted to provide

		some limitations
		* amendments correspond with bill on Metro passed recently by this committee
037	Trish Conrad	Rep. Sowa's Office, explains the SB 947-A4 amendments (EXHIBIT B) :
		* create consistency with HB 3638
		* clarifications were requested by Special Districts
		* deletes Section 13 because of concern of whether it would be an extension of general authority as opposed to dealing only with contested boundary cases; it will be put back in with clarification language in the forthcoming amendments
056	Ray Bartel	Chair, Portland Metropolitan Boundary Commission, testifies in opposition to SB 947-A:
		* serving out maximum term
084		* proposal limits or removes current rights citizen have to participate in the process
099		* wait to see if the SB 122 process works
		* other areas of the state do not have 115 separate units of government with overlapping areas of interest
109		* impact of Ballot Measure 47 means fees have not been adjusted to represent parity
		* of 115 units of government, 83 are special districts which do not use tax money and are not affected by Measure 47
124		* fee rates for boundary commission are established by the legislature
146		* reviews existing and proposed process (EXHIBIT F)
196	Bartel	Continues presentation.
201	Sy Kornbrodt	Portland Metropolitan Area Boundary Commissioner, submits statement and testifies in opposition to SB 947-A (EXHIBIT G) .
240	Kornbrodt	Continues statement in opposition to SB 947-A.
323	Ken Martin	Boundary Commissioner, speaks in support of continuing the boundary commission:
		* most proposals come directly to the boundary commission without going through the local level
340		* assertion was made it would be less costly under the new process than under the existing process; would argue the opposite
		* proposed legislation would have the commission ship the proposals out to 115 units of government for them to establish processes for doing the boundary changes
		* there is almost 30 years of history and there have been a number of court challenges and cases in that history; it will all be lost and will need to be argued again

		* have not analyzed the SB 947-A4 amendments, but suspects the commission would have a concern with the effective date; suggests that it not be done until after the 1999 session
395		* there are no urban service agreements in place under the SB 122 process
		* expedited process requires action in 90 or 120 days and they would be expanded in the amendments
436		* appeals process could take up to 6 months or a year
		* the SB 122 process is not in place and it is untimely to abolish the commission
447		* would like to comment on amendments being discussed in the hall
TAPE 110, SIDE B		
020	Rep. Schrader	Asks for a review of SB 122 requirements.
022	Martin	Explains ORS chapter 195 requires that all units of government in the metropolitan area adopt cooperative agreements, and that once the cooperative agreements are in place, then all units of government relating to specific services need to agree with all other units of government to provide the services, at what time and where it is going to be so there are not overlaps which the boundary commission has traditionally dealt with. Adds that it requires those agreements be in place and ties it to periodic review under the Land Conservation and Development Commission program. Also adds that SB 122 also established a new kind of annexation process that said if the urban service agreements are in place, then a city may do an annexation plan for either its entire urban service area or for a portion of that area.
		Issues discussed
059	Rep. Schrader	* whether the boundary commission would have objection if SB 122 process were in place
		* whether fees should be adjusted
		* residences of members
076	Burton Weast	Special Districts Association of Oregon, testifies in support of SB 947-A:
		* SB 122 was passed in 1993 effective November of 1994
		* only the boundary commission opposed SB 122
		* cities, counties and special districts support SB 947-A
		* committee has three issues to decide: 1) should the boundary commission be continued or eliminated as a state agency, 2) should the limited functions of the boundary commission be given to Metro, and 3) will citizens have less or more rights to affect their own destiny in the annexation and land use process if SB 947 passes
		* 70-80 percent of issues that come before the boundary commission are uncontested

		* there is a problem with dues; if special districts overlap, they both pay dues
		* bigger problem than the \$322,000 is going through the process
109		* SB 122 is the law; it is activated at the time of periodic review
		* if agreements are not done, what happens - Boundary commission goes away and those in the area will continue to operate like everyone else
125	Chair Strobeck	Asks why the boundary commission in Lane County is not included for abolishment.
	Weast	Explains the request came from the Portland area and there is a different attitude in Lane County.
	Weast	Continues presentation:
		* Metro has the right to do this without the boundary commission
160		* if Measure 47 stays the law, the law of the land is that someone cannot be annexed or change somebody into a different taxing code district and increase their taxes without a vote of the electors
173		* boundary commission was created in 1969, and while it does good things, entities cannot afford it and it is not absolutely necessary
		* two basic ways to annex are a double majority petition and an election
		* the boundary commission area is the only area in Oregon where a person can be annexed against their will
		* citizens are empowered if SB 947 passes
205		* agreed with Senators they would work to deal with empowerment of Metro
212		* local governments met this morning and believe they can work with the - A4 amendments; a couple of changes need to be made, Rep. Sowa agrees, and asks permission to get the amendments drafted
		Issues discussed:
		* annexation bill which provides for electors to annex a group outside the district
251		* time frame from passage in the Senate to present
270		* whether some will be paying fees to Metro without having a vote
283	Chair Strobeck	Asks Mr. Weast to work with committee staff on the amendments.
305	Peggy Lynch	Washington County, testifies in opposition to SB 947-A;
		* helped facilitate the boundary dispute between Portland and Beaverton
		* the citizens drew the line and Metro accepted the citizens' request
		* Metro was asked by the court to be the final decision maker; the boundary commission acted on the double majority petition from the citizens
		* serves on SB 122 citizen advisory committee as Washington County

319		begins work on those agreements
		* opposes SB 947-A with the -A4 amendments
327		* proposes amendment that the date in the -A4 amendments, on page 1, line 24, be changed to June 30, 1999, and on page 2 in line 1, it should say July 1, 1999
345		* everyone supports finding an equitable funding solution
		* Clackamas and Washington Counties have about 160,000 citizens in their unincorporated urban areas
		* there is only one urban growth boundary
		* a variety of cities and special districts provide a variety of services; because of that the service levels differ
		* protection is needed so that as areas are annexed they will get the services they will be paying for; boundary commission does that by making sure all the fiscal reports and engineering reports are available
		* if the cities are allowed to annex, they will hold a public hearing and there is no protection that the city will provide all the services in a timely manner at the point the citizens have to pay the bill
416		* dispute would only go to Metro if two districts object; there is no provision if a citizen objects
TAPE 111, A		
015	Maxine Selling	S. W. Patton/Scholls Ferry Preservation Association, testifies in opposition to SB 947:
		* the present operation of the boundary commission is impartial
		* SB 947 is not a cost savings, but a shifting of costs to municipalities
		* there is no guarantee that by annexing unincorporated areas services will be increased in the newly incorporated residence
		* criteria are not clearly defined in SB 947 for cities to process annexations
		* in SB 947 citizens cannot appeal to Metro
		* cites attempts to annex a portion of S.W. Scholls Ferry Road
070	Rob Carnahan	Assistant Fire Chief, Clackamas County Fire District, and speaking for the Joint Fire Service Legislative Committee and the Oregon Fire Chiefs, submits statement and testifies in support of SB 947 A (EXHIBIT J):
		* bill also talks about mergers and consolidations
		* fire district which has nothing to do with city annexations has paid \$700 for the past several years to the boundary commission
		* has been involved with three mergers of five fire districts
		* has spent over \$100,000 in staff time, consultant fees to prepare the reports for uncontested mergers and consolidations
		* has paid \$33,000 over the last eight years to the boundary commission

		* savings make sense
097	Chair Strobeck	Announces that the committee will again consider SB 947-A on Wednesday and adjourns meeting at 3:06 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jeri Chenelle,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 3429, letter, staff, 6 pp

B - SB 947, SB 947-A4 amendments, Rep. Sowa, 2 pp

C - SB 947, prepared statement, Brad Higbee, 15 pp

D - SB 947, prepared statement, Judie Hammerstad, 6 pp

E - SB 947, prepared statement, Kevin Hanway, 2 pp

F - SB 947, prepared statement, Ray Bartel, 2 pp

G - SB 947, prepared statement, Sy Kornbrodt

H - SB 947, prepared statement, Robert Carnahan, 3 pp