

HOUSE COMMITTEE ON GENERAL GOVERNMENT

April 30, 1997 Hearing Room C

1:00 P.M. Tapes 92 - 93

**MEMBERS PRESENT:**

Rep. Ken Strobeck, Chair

Rep. Dan Gardner, Vice-Chair

Rep. Jim Hill

Rep. Bob Montgomery

Rep. Kurt Schrader

Rep. Liz VanLeeuwen

Rep. Tom Whelan

**STAFF PRESENT:**

Jeri Chenelle, Administrator

Annetta Mullins, Administrative Support

**MEASURE/ISSUES HEARD:**

HB 3141 - Work Session

HB 2910 - Work Session

HB 2909 - Work Session

HB 2854 - Work Session

HB 2104 - Work Session

HB 2491 - Work Session

SJM 1 - 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 92, A</b>		
003	Chair Strobeck	Calls meeting to order at 1:04 p.m. and opens the work session on HB 2854.
<b><u>HB 2854 - WORK SESSION</u></b>		
008	Doug Tindall	Oregon Department of Transportation, reports they have been working with Associated General Contractors (AGC) and the state of Washington.
		* believes they have a concept to follow that would involve evaluating past performances of contractors as part of the pre-qualification for bidding
		* Washington's program is more in depth and the rating card is filled out after each project
		* limits amount which a contractor can have contracted at any one time
025		* limits exposure to the state
		Issues discussed:
028		* who does rating
		* how the determination is made that a contractor can have his/her limit raised
036	David Douthwaite	Associated General Contractors (AGC), testifies that they have been working with the Oregon Department of Transportation on this proposal, that AGC has members who also do business in Washington under that system and will be willing to work with them to put some version of that in place in order to allow them to accomplish the goals covered by the proposed legislation.
042	Chair Strobeck	Compliments Tindall and Douthwaite for their time on the issue, and comments that if the problem can be solved without having to go through making more laws, it probably is in the best interest of everyone.
050	Chair Strobeck	Closes the work session on HB 2854 and opens the work session on HB 3141.
<b><u>HB 3141 - WORK SESSION</u></b>		
052	Jeri Chenelle	Administrator, reviews provisions of the bill and advises the fiscal statement has just been

		received (EXHIBIT A).
066	Rep. Hill	<b>MOTION: Moves to ADOPT HB 3141-1 amendments dated 04/09/97 (EXHIBIT B).</b>
069		<b>VOTE: 7-0</b>
	Chair	<b>Hearing no objection, declares the motion CARRIED.</b>
070	Rep. Gardner	<b>MOTION: Moves HB 3141 to the floor with a DO PASS AS AMENDED recommendation.</b>
072	Rep. Schrader	Comments it is his understanding that this just sets up the commission, provides for the membership of the commission and sets a charge for them to review the retirement dilemma in the state, and asks if other recommendations included in the proponents testimony are included.
079	Chair Strobeck	Responds he anticipates the commission will produce a document or brochures that emphasizes the need for retirement planning; it sets up some guidelines and points out the urgency of the problem.
083	Rep. Hill	Comments an important part is working with the federal delegation in effecting federal policies.
088	Chair Strobeck	Notes the amendments have deleted the incentives, added the trademarked title for financial planners, deleted the emergency clause, and added that all expenses will be absorbed by the Treasurer's office.
100		<b>VOTE: 6-0</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 1 - VanLeeuwen</b>
	Chair Strobeck	<b>The motion CARRIES.</b>
		<b>REP. EDWARDS</b> will carry on Floor.
104	Chair Strobeck	Closes the work session on HB 3141 and opens the work session on HB 2910.
<b><u>HB 2910 - WORK SESSION</u></b>		
		Administrator, reviews provisions of HB 2910 and the HB 2910-1 amendments (EXHIBIT C)

109	Jeri Chenelle	and advises the committee has not received the fiscal report on the amendments.
122	Dan Jarman	Associated General Contractors (AGC), presents the -2 amendments ( <b>EXHIBIT D</b> ) and states they have added language to address the concerns of the members during the public hearing. Submits and reviews explanation of the -2 amendments ( <b>EXHIBIT E</b> ).
150	Jarman	Continues presentation.
190	Jarman	Continues presentation.
230	Chair Strobeck	Asks that the witnesses address the post project review process
223	David Douthwaite	Associated General Contractors, explains that Section 4 of the -1 and -4 amendments is the post-project review process for projects over \$100,000.
235		Discussion continues on threshold for the review process.
257	Rep. Hill	Asks if the committee can adopt the -2 amendments.
	Chair Strobeck	Advises that the Legislative Fiscal statement has not been received.
267	Jack Kalinowski	A Responsible Public Contracting Council, explains the group formed their organization because they feel they have been wronged by a process used by a lot of government agencies in Portland to negotiate public contracts, rather than having them competitively bid by all contractors.
		Submits proposed amendments to HB 2910 and states he did not know that the wording in SB 356 was being proposed for insertion into HB 2910. Asks that the committee consider three amendments ( <b>EXHIBIT F</b> ) and explains why they are requesting the amendments.
300	Kalinowski	Continues presentation.
336	Rep. Whelan	Asks why and since when higher education and Oregon Health Sciences University (OHSU) are exempt.
349	Chair Strobeck	Explains the changes in the 1995 session exempting the Oregon State System of Higher Education (OSSHE) and OHSU.
375	Kalinowski	Hearing the explanation by Chair Strobeck, comments his suggested amendment should not

		be made applicable to a public corporation.
365	Chair Strobeck	Advises HB 2910 will be rescheduled, closes the work session on HB 2910, and opens the work session on HB 2909.
<b><u>HB 2909 - WORK SESSION</u></b>		
392	Jeri Chenelle	Administrator, reviews provisions of HB 2909 and the HB 2909-1 amendments ( <b>EXHIBIT G</b> ), and advises the committee has also received the HB 2909-2 amendments ( <b>EXHIBIT H</b> ).
388	Dan Jarman	Associated General Contractors, submits statement and explains the HB 2909-1 amendments ( <b>EXHIBIT I</b> ), and explains the HB 2909-2 amendments addressing the questions raised by the members at the public hearing.
453	David Douthwaite	Associated General Contractor, further explains the purpose of the -1 amendments.
<b>TAPE 93, A</b>		
019	Douthwaite	Further explains the -2 amendments.
026	Rep. Hill	Comments the contractor should be held harmless unless the contractor conspired to commit fraud.
033	Kevin Spellman	President, Emerick Construction, explains the company is part of a joint venture contracted with Oregon Youth Authority to construct five regional detention facilities throughout Oregon. Explains awarding of contract, subsequent protests, lawsuit, appeal, and the contention that if the contract should be voided, Emerick Construction would not be paid for work performed. Adds he thinks this same situation could arise in a competitive bidding process.
		Issues discussed:
080		* intent of Section 3 of the bill
083	Chair Strobeck	Advises that the committee will take action when all paperwork is received.
090	Chair Strobeck	Closes work session on HB 2909 and opens work session on HB 2104.
<b><u>HB 2104 - WORK</u></b>		

<b>SESSION</b>		
094	Jeri Chenelle	Administrator, reviews proposed amendments to HB 2104: HB 2104-1 ( <b>EXHIBIT J</b> ), HB 2104-2 ( <b>EXHIBIT K</b> ), HB 2104-4 ( <b>EXHIBIT L</b> ), HB 2104-5 ( <b>EXHIBIT M</b> ), and HB 2104-6 ( <b>EXHIBIT N</b> ).
109	Rep. Hill	<b>"I DECLARE A POTENTIAL CONFLICT OF INTEREST. I WORK FOR A COMPANY THAT CREATES INTERNET."</b>
116	Dave Nelson	Portland Meadows, introduces Steve Barham, Executive Director, Oregon Racing Commission.
125	Nelson	Explains the HB 2104-1 amendments ( <b>EXHIBIT J</b> ) and that the amendment has been requested by Speaker Lundquist.
<b>139</b>	<b>Rep. Montgomery</b>	<b>MOTION: Moves to ADOPT HB 2104-1 amendments dated 03/27/97.</b>
		<b>VOTE: 7-0</b>
	<b>Chair Strobeck</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
143	Barham	Explains the HB 2104-2 amendments ( <b>EXHIBIT K</b> ).
<b>149</b>	<b>Rep. Montgomery</b>	<b>MOTION: Moves to ADOPT HB 2104-2 amendments dated 04/02/97.</b>
		<b>VOTE: 7-0</b>
	<b>Chair Strobeck</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
151	Nelson	Explains the HB 2104-4 amendments ( <b>EXHIBIT L</b> ).
159	Rep. Gardner	Further explains the HB 2104-4 amendments.
		Issues discussed:
166		* accessibility by children to food facilities
203		* accessibility by children at fair-type meets
215	Nelson	Suggests Portland Meadows and Multnomah Greyhound Park be prohibited from allowing children on the premises after 6:00 p.m.
211	Mike Dewey	Multnomah Greyhound Park (MGP), agrees with Mr. Nelson and adds the small race meets last from two to four days and compulsive behavior would not be a concern, but it is not appropriate for children to be at MGP.

230	Rep. Hill	Suggest an amendment be drafted to limit it to the two facilities.
235	Rep. Gardner	Responds that would be acceptable.
237	Barham	Suggests the restriction not apply to races held at the state fair grounds, on a county fair grounds, and fairgrounds of a fair type association.
245	Chair Strobeck	Asks Rep. Gardner request the amendment.
269	Barnum	At the request of Rep. VanLeeuwen, explains that -2 amendments provide another reason that the Racing Commission can deny a license.
285	Dave Nelson	Explains the HB 2104-5 ( <b>EXHIBIT M</b> ) and the HB 2104-6 amendments ( <b>EXHIBIT N</b> ) and states they prefer to work with the -6 amendment.
316	Nelson	Continues explanation of the -6 amendments.
331	Nelson	Submits and reviews statistics on gambling provided by the Oregon State Lottery ( <b>EXHIBIT O</b> ).
363	Nelson	Continues presentation.
385	Nelson	Continues presentation on account wagering.
399	Dewey	Multnomah Greyhound Park, advises if account wagering is not allowed in Oregon, the opportunity will be lost. Asks that they be allowed to have the wagers go through their tote system, software. Adds that the governor's staff have said they do not see the nexus between video lottery machines and the race track, but do see an opportunity to market the product; technology will allow it. Explains Kentucky experience has been very good. Advises that whether this passes or not, Oregonians can still set up accounts out of state or offshore.
<b>TAPE 92, B</b>		
016	Nelson	Submits copies of advertisement from a daily racing form ( <b>EXHIBIT P</b> ).
		Issues discussed:
		* whether it is legal to place bets over the phone
		* federal concerns on account wagering
		* gambling interdiction programs

079	Rep. Montgomery	<b>MOTION: Moves to ADOPT HB 2104-6 amendments dated 04/29/97.</b>
081		<b>VOTE: 4-1</b> <b>AYE: 4 - Hill, Montgomery, Whelan, Strobeck</b> <b>NAY: 1 - Schrader</b> <b>EXCUSED: 2 - Gardner, VanLeeuwen</b>
	Chair Strobeck	<b>The motion CARRIES.</b>
090	Glenn Knickerbocker	Lone Oak Racing and Oregon Horse Benevolent Association, testifies that their most immediate concern is with Section 2 to allow the Racing Commission to authorize or license a licensee to handle both kinds of racing. Does not think it has been given careful consideration; it is beyond a technical change. Also concerned about exceeding legal authority. Opposed to any expansion of commission authority.
124	Chair Strobeck	Closes the work session on HB 2104 and opens the work session on HB 2491.
<b><u>HB 2491 - WORK SESSION</u></b>		
141	Jeri Chenelle	Explains the HB 2491-1 amendments <b>(EXHIBIT Q).</b>
152	Don Levy	Public Affairs Director, American Federation of State, County and Municipal Employees (AFSCME), testifies they have had some problems with members being harassed and are in favor of this idea; employees should not be held to a different standard than anyone else.
175	Rep. Montgomery	<b>MOTION: Moves to ADOPT HB 2491-4 amendments dated 04/29/97.</b>
		<b>VOTE: 5-0</b> <b>EXCUSED: 2 - Gardner, VanLeeuwen</b>
	Chair Strobeck	<b>Hearing no objection, declares the motion CARRIED.</b>
179	Rep. Montgomery	<b>MOTION: Moves HB 2491 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 5-0</b>



181		<b>AYE: In a roll call vote, all members present vote Aye.</b> <b>EXCUSED: 2 - Gardner, VanLeeuwen</b>	
	<b>Chair Strobeck</b>	<b>The motion CARRIES.</b> <b>SCHRADER will lead discussion on the floor.</b>	
188	Chair Strobeck	Closes the work session on HB 2491 and opens the public hearing on SJM 1.	
<b><u>SJM 1 - PUBLIC HEARING</u></b>			
190	Jeri Chenelle	Explains provisions of SJM 1.	
208	Jon Mangus	Director, Oregon Department of Veterans Affairs, testifies in support of SJM 1:	
214		* there are roughly 18,000 women veterans in Oregon today	
		* they were present when the Senate heard the bill	
		* the memorial will be dedicated in October at the gates of Arlington Cemetery in Washington, D. C.	
		* the money has been raised through private fundraising	
		* women from throughout the United States have worked for years	
		* they are trying to achieve a memorial from each state recognizing the contribution of women in the armed services	
246	Chair Strobeck	Closes the public hearing on SJM 1 and opens the work session on SJM 1.	* they are trying to achieve a memorial from each state recognizing the contribution of women in the armed services
<b><u>SJM 1 - WORK SESSION</u></b>			
246	<b>Rep. MONTGOMERY:</b>	<b>MOTION: Moves SJM 1 be sent to the floor with a BE ADOPTED recommendation.</b>	

		<b>VOTE: 5-0</b>
		<b>AYE: In a roll call vote, all members present vote Aye.</b>
		<b>EXCUSED: 2 - Gardner, VanLeeuwen</b>
	<b>Chair Strobeck</b>	<b>The motion CARRIES.</b>
		<b>REP. WHELAN will lead discussion on the floor.</b>
257	Chair Strobeck	Adjourns meeting at 2:21 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jeri Chenelle,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A - HB 3141, Legislative Fiscal Analysis, staff, 1 p**

**B - HB 3141, HB 3141-1 amendments, Rollie Weisbrock, 2 pp**

**C - HB 2910, HB 2910-1 amendments, Dan Jarman, 6 pp**

**D - HB 2910, HB 2910-2 amendments, Dan Jarman, 7 pp**

**E - HB 2910, prepared statement, Dan Jarman, 1 p**

**F - HB 2910, proposed amendments, Jack Kalinowski, 1 p**

**G - HB 2909, HB 2909-1 amendments, Dan Jarman, 1 p**

**H - HB 2909, HB 2909-2 amendments, Dan Jarman, 1 p**

**I - HB 2909, prepared statement, Dan Jarman, 1 p**

**J - HB 2103, HB 2104-1 amendments, Speaker Lynn Lundquist, 1 p**

**K - HB 2104, HB 2104-2 amendments, Steve Barnum, 1 p**

**L - HB 2104, HB 2104-4 amendments, Rep. Gardner, 1 p**

**M - HB 2104, HB 2104-5 amendments, Dave Nelson, 1 p**

**N - HB 2104, HB 2104-6 amendments, Dave Nelson, 1 p**

**O - HB 2104, gaming statistics, Dave Nelson, 1 p**

**P - HB 2104, advertisement, Dave Nelson, 1 p**

**Q - HB 2491, HB 2491-1 amendments, staff, 2 pp**