

HOUSE COMMITTEE ON TRANSPORTATION

March 26, 1997 Hearing Room D

8:30 AM Tapes 57 - 58

MEMBERS PRESENT:

Rep. Bob Montgomery, Chair

Rep. Mike Lehman, Vice-Chair

Rep. Tim Josi

Rep. Jane Lokan

Rep. Bill Markham

Rep. Lonnie Roberts

Rep. Larry Wells

MEMBER EXCUSED:

STAFF PRESENT:

Janet Adkins, Policy Analyst

Paul Zolezzi, Administrative Support

MEASURE/ISSUES HEARD:

HB 3163 Public Hearing

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 57, A		
005	Chair Montgomery	Convenes meeting at 8:35 AM and opens public hearing on HB 3163.
<u>HB 3163 PUBLIC HEARING</u>		
008	James Stevenson	Introduces himself as representing Department of State Police and submits (EXHIBIT A) . Gives agency overview and discusses department's budget.
070	Rep. Roberts	Asks how many new officers department needs to function adequately.

075	Stevenson	States that 280 new officers are needed.
089	Chair	Asks how many troopers department had five years ago.
090	Stevenson	Discusses department's past budgets.
96	Chris Hagerbaumer	Introduces herself as representing Oregon Environmental Council and submits (EXHIBIT B) . States concern about process by which revenues are raised and distributed as proposed by bill. States opposition to bill.
120	Rep. Roberts	Asks for clarification regarding Hagerbaumer's testimony. States concern about current infrastructure design.
172	Hagerbaumer	Describes transponders handed to members. Discusses fiscal aspects of transponders and provides suggestions for changing current infrastructure system.
192	Rep. Josi	Asks if transponders are currently being used in United States.
194	Hagerbaumer	Discusses transponder usage in other states.
208	Rep. Josi	Asks if transponders are being used on toll roads. Asks Hagerbaumer's perception of what public attitude would be regarding transponder usage.
221	Hagerbaumer	States that more detailed knowledge regarding transponder usage is needed. Continues discussing needed changes in transportation management. * widespread use of toll roads * transportation access fee * importance of regional committees * interim work to implement 1992 transportation plan
256	Rep. Roberts	Asks for definition of "non-essential" roads.
258	Hagerbaumer	Describes her perception of "non-essential" roads. States support of VMT fee. States support of investing in alternative transportation programs other than infrastructure maintenance.
295	Rep. Jim Welsh	Introduces himself as representing House District 43 and states support for trucking industry bill concept. Discusses interim committee established to address transportation needs and funding mechanisms.
384	Bob McKellar	Introduces himself as representing Oregon Forest Products Trucking Association. Discusses truck rates in Oregon and contrasts to other states transportation tax mechanisms. Discusses advantages of fuel tax system and contrasts with mileage based tax.
TAPE 58, A		
025	Bob McKellar	Continues discussing current transportation tax structure.
055	Mike Meredith	Introduces himself as representing Oregon Transportation Association (OTA) and discusses possible effects bill would have

		on trucking industry. Discusses history of Oregon's weight-mile tax and history of trucking industry.
105	Meredith	Discusses OTA's proposed tax plan.
136	Rep. Lehman	States concern about 10 cent increase in fuel tax.
161	Meredith	Continues outlining OTA's proposed tax plan. Discusses collaborative efforts involved in drafting of plan.
215	Lehman	Clarifies Meredith's plan. States that proposed plan would substitute weight-mile tax for increased fuel and registration tax.
241	Rep. Wells	Asks for clarification of plan.
243	Meredith	Explains details of plan, particularly revenue and fiscal aspects. States support for increased legislative oversight of Oregon Department of Transportation. Discusses vehicular tax structures in other states and states opposition to HB 3163.
355	Rep. Markham	Asks for clarification of other states transportation tax programs.
358	Meredith	Explains tax structures in other states.
375	Rep. Lehman	Asks Meredith's position on combining HB 3163 and OTA's plan.
380	Meredith	Discusses industry's position regarding culmination of plans.
TAPE 57, B		
022	Meredith	Discusses Governor's position on OTA's plan.
045	Betsy Earls	Introduces herself as representing Associated Oregon Industries and states support for OTA's plan. Discusses plan.
065	Rep. Lehman	Asks for Earls perception of trucking and trading costs, and associated impacts on economy.
068	Earls	States Oregon trucking industry has a difficult time keeping up with other states.
075	Al Elkins	Introduces himself as representing Oregon Dump Truck Association and Oregon Tow Truck Association. States support for OTA's plan.
084	Max Brittingham	Introduces himself as representing Refuse & Recyclers Association and states support of OTA's plan.
094	Bill Stewart	Introduces himself as representing Oregon Warehousemen's Association and states support of OTA's plan.
101	Rep. Roberts	Asks for clarification of trucking costs in Oregon compared to trucking costs in other states.
105	Meredith	Compares and contrasts Oregon's trucking costs to other states trucking costs. States concern over HB 3163 and projected impacts on trucking industry.
175	Chair	Asks what diesel tax is in Washington state
177	Meredith	States that diesel tax in Washing state is currently 23 cents per gallon.
179	Jared McArthur	

		Introduces himself as representing USF Reddaway and gives company overview. Discusses current transportation tax structure and states need for infrastructure funding.
263	Brett Thomas	Introduces himself as representing Thomas and Sons. Gives company overview and states opposition to HB 3163. Discusses current transportation tax structure and contrasts it to OTA's proposal. States support for OTA's proposal.
322	Rep. Lehman	Asks what impacts HB 3163 would have on Thomas' company.
324	Thomas	Discusses projected impacts of HB 3163 passage.
372	Ron Moore	Introduces himself as representing Combined Transport. Describes company and details company's current and past state revenue contributions. States opposition to HB 3163 and states support for OTA's proposal.
TAPE 58, B		
048	Rod Stalcup	Introduces himself as representing Stalcup Trucking. Gives company overview and describes company's current and past state revenue contributions. States opposition to HB 3163 and states support for OTA's proposal.
075	Andy Owens	Introduces himself as representing A&M Transport and submits (EXHIBIT C) . Gives company overview and states opposition to HB 3163. States support for OTA's proposal.
124	Owens	Discusses Oregon's economy including trade aspects.
163	John Hasbrook	Introduces himself as representing May Trucking Company and submits (EXHIBIT D) . Discusses weight-mile tax and contrasts Oregon's current transportation tax structure to other states tax structures.
222	Jay Nestell	Introduces himself as representing May Trucking Company and discusses weight-mile tax theory. Contrasts current transportation tax system to OTA's proposal.
255	Scott Erikson	Introduces himself as representing Oregon Aggregate and Concrete Industry. States support of current transportation tax structure and discusses weight-mile tax. States support of HB 3163 concept.
345	Janet Adkins	Policy Analyst submits (EXHIBIT E) for record.
353	Chair Montgomery	Closes public hearing on HB 3163 and adjourns meeting at 10:23 AM.

Submitted By, Reviewed By,

Paul Zolezzi, Janet Adkins,

Administrative Support Policy Analyst

EXHIBIT SUMMARY

A - HB 3163 written testimony, James Stevenson, 4 pp.

B - HB 3163 written testimony, Chris Hagerbaumer, 5 pp.

C - HB 3163 written testimony, Andy Owens, 1 p.

D - HB 3163 written testimony, John Hasbrook, 5 pp.

E - HB 3163 written testimony, staff, 2 pp.

HOUSE COMMITTEE ON TRANSPORTATION

March 26, 1997 Hearing Room F

6:30 PM Tapes 59 - 62

MEMBERS PRESENT:

Rep. Bob Montgomery, Chair

Rep. Mike Lehman, Vice-Chair

Rep. Tim Josi

Rep. Jane Lokan

Rep. Lonnie Roberts

Rep. Larry Wells

MEMBER EXCUSED: Rep. Bill Markham

STAFF PRESENT:

Janet Adkins, Policy Analyst

Linda Spaulding, Administrative Support

MEASURE/ISSUES HEARD:

HB 3163 Public Hearing

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Tape/#	Speaker	Comments
TAPE 59, A		
004	Chair Montgomery	Opens meeting at 6:31 p.m. Enters written testimony for the record (EXHIBIT A) . Opens public hearing on HB 3163.
<u>HB 3163 - PUBLIC HEARING</u>		
026	Melvin Zucker	Portland, private citizen, testifies on HB 3163. States that 99.5% of all non-walk trips made on roads. If the legislature allows gas taxes to be spent the way they currently are, then do not bother raising taxes. The way funds are being spent, you are not getting increased mobility.
		"The way HB 3163 is currently worded, money shall be used

073	Zucker	exclusively for highway construction, operation, maintenance, operation, and preservation, is very loose. If you are going to write a bill, the legislature should be more specific as to how the money is spent by Oregon Department of Transportation (ODOT), by the cities, and by the counties. If you're going to do something for ports, do it on a specific, defined project basis."
098	Rep. Josi	Asks what Oregon Transportation Institute is.
100	Zucker	Responds it is a non-profit educational organization. Transportation professionals that have banded together to provide information on transportation in Oregon.
104	Rep. Josi	Asks how many members do you have.
105	Zucker	Responds that there are three directors, and there is a lot of contributors, not contributors of money. ODOT personnel were hired to plan, build and maintain transportation facilities. Discusses ODOT and growth management.
150	Zucker	Continues testimony * suggests that a new organization is not needed * highest rate of congestion growth in the west
167	Chair Montgomery	Asks what a hot lane is.
168	Zucker	Responds that it is a high occupancy lane which can also be used as a toll lane. Continues testimony * growth management * the density per square mile in Portland is twice that of Los Angeles * no one will ride high-speed rail when it is slower than automobiles
215	Zucker	Continues testimony * have a Freeway Appreciation Day, close freeways one day every two years
246	Miles Kanine	Transportation Planner, Director, Oregon Transportation Institute, testifies in favor of HB 3163 * gasoline tax increase is a good, fair idea * we need the money to improve and maintain roads * hopeful to use some gasoline tax funds for transportation system development of roads * traffic signal coordination and freeway incident management

		<p>programs, will help reduce air pollution and congestion</p> <ul style="list-style-type: none"> * other cities are well advanced and take care of road incidents much quickly * Portland freeway incidents take too long to clear
294	Kanine	<p>Continues testimony</p> <ul style="list-style-type: none"> * does not take much for backup to occur * not much of a freeway maintenance program * many statewide highways have unacceptably high accident rates
336	John Charles	<p>Environmental Policy Director, Cascade Policy Institute, submits testimony (EXHIBIT B) testifies in opposition to HB 3163. Critiques the bill</p> <ul style="list-style-type: none"> * gas tax * registration fees
394	Charles	<p>Continues critique</p> <ul style="list-style-type: none"> * studded tire fees * separate account for ports
TAPE 60, A		
001	Charles	<p>Continues testimony. Suggests alternate policies</p> <ul style="list-style-type: none"> * authorize government or private parties to start using electronic tolling * aake away gas-tax from tolled road * privatize major road facilities * lower vehicle registration fees
035	Jim Duncan	<p>Portland, private citizen, testifies on HB 3163. Makes comments urging the committee to amend section 5. Provide better access to those who need it. Dedicate funds for lifts, vans, and buses. Access is not available for elderly and disabled.</p>
091	John Tucker	<p>Manager, Morse Brothers, Stayton, testifies in opposition to HB 3163. Does not endorse proposal by trucking association</p> <ul style="list-style-type: none"> * weight-mile tax does not raise enough revenue for highways
140	Tucker	<p>Continues testimony</p> <ul style="list-style-type: none"> * system based on cost recovery

		* effect on trucking industry
185	Tucker	Continues testimony. * diesel fuel tax * fuel consumption dump and ready-mix trucks * shifts cost to Oregon based truckers from out of state truckers * increase in funding for state highways
233	Tucker	Continues testimony. * outside interests want to change system
251	Rep. Roberts	Asks if Tucker has seen the projected evasion rates in other states.
252	Tucker	Responds no.
253	Rep. Roberts	Asks to see the figures.
260	Tucker	Does not see 25 percent dump truckers evading. Continues testimony. Asks committee to look at the negative impact on Oregon based small business.
281	Chair Montgomery	Would like a copy of the testimony at sometime.
285	Casey Hostaman	Vice president, Morse Brothers, Stayton testifies in opposition to HB 3163. Explains linear system proposed by the Oregon Trucking Association (OTA) * heavy truck use damage is exponential
330	Hostaman	Continues testimony * OTA proposal reduces share of paying for road use and damage to 30%
365	Lanny Gower	Consolidated Freightways, Inc. (CNF) submits testimony (EXHIBIT C) and testifies in opposition to HB 3163 * tax system is not consistent with other states * highest tax rate in the nation * increasing rates will cause more problems
411	Rep. Lehman	Asks if truckers would pay more or less under the trucking industry proposal.
417	Gower	Responds that it will be about 6% less.
421	Rep. Lehman	Asks who is going to pay more.

425	Gower	Responds that Oregon's rates are artificially high because of evasion. This proposal comes closest to minimizing the impact.
TAPE 59, B		
005	Rep. Lehman	Asks what is the unfairness of everyone paying more in Oregon.
009	Gower	Responds that the first unfairness is assuming everyone pays that tax. Explains interstate versus intrastate trucking.
030	Terry Parker	Portland, private citizen, testifies in opposition to HB 3163 <ul style="list-style-type: none"> * gas tax is fairest tax on automobile * no more taxes on automobiles until waste is eliminated * Tri-Met
056	Parker	Continues testimony <ul style="list-style-type: none"> * tax equity between bicycles and automobiles * studded tires
077	Chair Montgomery	Explains that gas tax will be used for maintenance and operation.
089	Gerard Trageser	Volunteer Transportation, Inc. (VTI) submits testimony and testifies in opposition to HB 3163 (EXHIBIT D) <ul style="list-style-type: none"> * include funding for elderly and disabled
135	Trageser	Continues testimony <ul style="list-style-type: none"> * statistics of elderly and transportation
154	Chair Montgomery	The committee will address this issue.
164	Sterling Williams	Portland, private citizen, submits testimony (EXHIBIT E) and testifies in opposition to HB 3163. Concerned about transit. Compares Portland highways with Los Angeles.
189	Maurice Larson	Clackamas, private citizen, testifies in support of HB 3163. Comments about the development of his community. The maintenance of roads are not keeping up with community.
240	Larson	Continues testimony. Supports a revenue sharing bill specified for roads.
281	Rep. Roberts	Comments that taxes levied are for roads.
286	Rep. Lehman	All money raised for fees are dedicated to roads and highways.
295	Rep. Montgomery	Shares concern for roads.

307	Ralph Groener	American Federation of State, County, Municipal Employees (AFSCME), interested in operation and maintenance of local and government road systems. Comments on Sunnyside Road, it is worse than Mr. Larson testified. Do not want to see trucks go to other states.
355	Groener	Continues testimony. Supports trucking industry.
372	Bill Garity	Estacada, citizen, testifies in support of HB 3163 * describes problems in the road system. * disputes previous testimony negating ODOT * local roadways * residential streets
TAPE 60, B		
001	Garity	Continues testimony * dangerous intersections * does not have funds to fully fix roads and bridges
050	Garity	Continues testimony. Concerned about takings and development.
079	Marilyn Wahl	North Clackamas County Chamber of Commerce, testifies in support of HB 3163. Talks about gas tax and vehicle tax * gas tax supports increase maintenance and operations. * consider better allocation to counties * counties bear greater burden for maintenance
115	Edwin Hopper	Resort at the Mountain, submits testimony (EXHIBIT F) and testifies in support of HB 3163 * user fee fairest
160	Hopper	Continues testimony * asks committee to consider toll roads for alternate routes * favors studded tire fees * some counties to be treated differently when it comes to raising funds
211	Jon Putman	Tigard, senior citizen, submits testimony (EXHIBIT G) and testifies neutrally on HB 3163 * wants funds for senior and disabled transportation
		Continues testimony

265	Putman	* accessibility * asks for support of infrastructure for transit services for senior and the disabled
328	Fred Nussbaum	President, Association of Oregon Rail and Transit Advocates (AORTA), submits testimony (EXHIBIT H) and testifies on HB 3163 * funding provided for alternative transportation * operation and safety
380	Nussbaum	Continues testimony * maintenance and preservation
TAPE 61, A		
001	Nussbaum	Continues testimony * asks the committee to consider and implement HJR 80 quickly * voters' adverse reactions to new taxes * section 5, lines 6-10
052	Ray Polani	Portland, represents Citizens for Better Transit, testifies in regard to HB 3163 * maintain road system * gas tax is good when linked to consumption * allow for flexibility in use of gas tax and vehicle registration * supports HJR 80
097	Jim Howell	Portland, private citizen, testifies in regard to HB 3163 * states reasons he favors gas tax * against dedicated funds * favors flexibility at local level
153	Chair Montgomery	States that there are plenty of people who can get the ball rolling on these issues.
		Child Truckline, Vancouver, Washington, testifies against HB 3163 * breaks down costs per mile * pays taxes on 630 miles in Oregon

165	Ron Child	<ul style="list-style-type: none"> * Oregon is highest in country for taxes for trucks * 60%-70% of miles run in Oregon * focus on narrow segment of industry
215	Chair Montgomery	Clarifies truck taxes in Oregon.
228	Jim Hansen	<p>Lake Oswego, private citizen, submits testimony (EXHIBIT I) and testifies in support of HB 3163</p> <ul style="list-style-type: none"> * quality of roads * congestion on highways * Oregon Transportation Plan * road capacity
319	Chair Montgomery	Clarifies the amount invested in roads.
326	Hansen	The Governor's initiative is estimating the amount needed to replace everything.
327	Norma Duvall	<p>Siletz, private citizen, submits testimony (EXHIBIT J) and testifies in support of HB 3163</p> <ul style="list-style-type: none"> * favors funding for senior and disabled
377	Duvall	<p>Continues testimony</p> <ul style="list-style-type: none"> * problems of Lincoln County * support flexible * seniors fear loss of public transportation
TAPE 62, A		
001	Duvall	<p>Continues testimony</p> <ul style="list-style-type: none"> * rural transportation
040	Jim Brockamp	<p>Silverton, Single truck owner/operator, testifies in opposition to HB 3163</p> <ul style="list-style-type: none"> * problems of single owner/operator * opposes gas tax
055	Rep. Lehman	Asks if he would stay with a weight-mile tax rather than a gas tax.
057	Brockcamp	Responds no, he advocates different cost responsibility.

064	Mary Tobias	President, Tualatin Valley Economic Development Corporation, submits testimony (EXHIBIT K) and testifies in support of HB 3163 * concerns about Oregon's future * need for transportation system will grow
116	Tobias	Continues testimony * congestion, time, and money * highway system is imperative * underdeveloped transportation system
153	Tobias	Continues testimony. Gives example of congestion.
189	Rep. Wells	Asks if taxpayers would support the committee.
192	Tobias	Responds yes.
192	Rep. Wells	Reads portion of letter from Bill Sizemore (EXHIBIT L) * size of increase would compel him to go to the voters * unwilling to accept the increase in vehicle registration
207	Chair Montgomery	States that he also received the letter. He will work with the truckers on this bill.
218	Tobias	States that anything which does not provide for the preservation, maintenance, and operation of the transportation system weakens Oregon.
259	Doug Parrow	Bicycle Transportation Alliance, President, Salem Bicycle Club, testifies in opposition to HB 3163 * look at other transportation alternatives * do not increase gas tax
297	Chair Montgomery	Asks about licensing bicycles.
301	Parrow	Responds that he has no objection for a tax on bicycle riders.
326	Francis Eddy	Willamina, small trucker, testifies in opposition to HB 3163 * no more taxes for truckers
347	Chair Montgomery	States that Mr. Eddy keeping people working is important.
358	Gene Stewart	Eugene, private citizen, testifies in opposition to HB 3163 * income from forest products industry

		* opposes increase in gas tax
384	Paul Sagner	Salem, small business owner, testifies in opposition to HB 3163 * opposes gas tax increase * hurts small business person
TAPE 61, B		
001	Chair Montgomery	Clarifies cost of stoplights.
008	Barry Mammauo	Rockaway, independent log trucker, testifies in opposition to HB 3163 * eliminate waste * evasion factor
032	Rep. Lehman	Explains HB 3163.
041	Phil Coblentz	Willamina, independent log trucker, testifies in opposition to HB 3163 * explains compensation for service * cannot absorb more costs * careful shopping
083	Willy Combs	Springfield, private citizen, testifies in opposition to HB 3163 * heavy costs to truckers * sales tax
121	Ron Bowers	Creswell, owner, truck line, testifies in opposition to HB 3163 * opposes increase in truck taxes * talks about truck taxes in Colorado
137	Rep. Wells	Asks Mr. Bowers to compare the roads in Colorado to those in Oregon.
139	Bowers	Responds that they are comparable.
145	Rep. Wells	Asks what Mr. Bowers pays in diesel tax in Colorado.
146	Bowers	Responds about \$.20 - \$.30 a gallon.
151	Rep. Wells	Asks about the registration fee.
152	Bowers	Responds that it is about \$2400.
162	Meeky Blizzard	Sensible Transportation Options for People (STOP), submits testimony (EXHIBIT M) and testifies on HB 3163 * broaden base of transportation funding

		* burden of funding is unbalanced.
210	Blizzard	Continues testimony * senior and disabled transportation * Transportation Access Fee
	Staff	Additional submissions from the public (EXHIBIT N) and (EXHIBIT O) handed to the committee.
231	Chair Montgomery	Thanks committee. Adjourns meeting at 9:34 p.m.

Transcribed by, Reviewed by,

Gina Cross Janet Adkins

Committee Clerk Policy Analyst

EXHIBIT SUMMARY

A - HB 3163, written materials, staff, 8 pp.

B - HB 3163, written testimony, John Charles, 6 pp.

C - HB 3163, written testimony, Lanny Gower, 1 p.

D - HB 3163, written testimony, Gerard Trageser, 3 pp.

E - HB 3163, written testimony, Sterling Williams, 1 p.

F - HB 3163, written testimony, Edwin Hopper, 3 pp.

G - HB 3163, written materials, Jon Putman, 1 p.

H - HB 3163, written testimony, Fred Nussbaum, 1 p.

I - HB 3163, written testimony, Jim Hansen, 2 pp.

J - HB 3163, written materials, Norma Duvall, 1 p.

K - HB 3163, written testimony, Mary Tobias, 5 pp.

L - HB 3163, written materials, Rep. Larry Wells, 1 p.

M - HB 3163, written materials, Meeky Blizzard, 1 p.

N - HB 3163, written materials, staff, 4 pp.

O - HB 3163, written testimony, Vera Viles, 1 p.