

HOUSE COMMITTEE ON TRANSPORTATION

April 4, 1997 Hearing Room D

8:30 AM Tapes 67 - 68

MEMBERS PRESENT:

Rep. Bob Chair Montgomery, Chair

Rep. Tim Josi

Rep. Jane Lokan

Rep. Bill Markham

Rep. Lonnie Roberts

Rep. Larry Wells

MEMBER EXCUSED:

Rep. Mike Lehman, Vice -Chair

STAFF PRESENT:

Janet Adkins, Policy Analyst

Erik Deitz, Administrative Support

MEASURE/ISSUES HEARD:

HB 3163 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 67, A		
005	Chair Montgomery	Calls meeting to order at 8:44 am, opens work session on HB 3163.
<u>HB 3163 WORK SESSION</u>		
008	Bob Hall	Portland General Electric (PGE), testifies about HB 3163, about large trucks and the wear and tear that they cause to the roadways (EXHIBIT

		B). Testifies about the gas tax increase.
050	Hall	Continues testimony.
080	Hall	Testifies that cost responsibility is the only fair method to raise money for highway repairs.
095	Rep. Roberts	Asks about cost responsibility and what the trucking industry wants to do.
110	Hall	Responds that PGE supports cost responsibility.
119	Rep. Wells	Asks about highway funding.
124	Hall	Responds about the different methods of fund raising.
130	Rep. Wells	Asks about PGE's previous years taxes that were paid.
141	Hall	Responds that PGE does operate their trucks totally different than others and that an 80 percent increase needs to be looked at.
144	Rep. Lokan	Asks about a revenue neutral proposal.
152	Hall	Responds that PGE would support a revenue neutral proposal.
159	Keith Bartholomew	1000 Friends of Oregon, submits and presents written testimony in opposition to HB 3163 (EXHIBIT C). Explains that from his perspective there are three things missing from the bill: * fix it first * funding flexibility * regional focus
199	Rep. Roberts	Asks about local governments and what their interests are.
215	Bartholomew	Responds that the problem is in small towns where the state highway is the main street. There is a conflict of interest because the local government wants it to be a nice stretch of roadway and the state has an interest in moving through traffic.
224	Rep. Roberts	Agrees with Bartholomew.
262	Brian Boe	Oregon Petroleum Marketers Association, testifies against local gas taxes and submits - 4 amendments (EXHIBIT D). Explains about the local governments gas taxes.
285	Rep. Josi	Asks how many local jurisdictions have gas taxes and what the levels are.
300	Mike Sherlock	Executive Director of Oregon Gasoline Dealers Association, submits and presents written testimony in regards to HB 3163 (EXHIBIT E). * Explains the one to three percent tax range among Oregon counties
310	Boe	Testifies about the importance of his amendments.
312	Rep. Josi	Asks about different local governments and their gasoline taxes.
325	Sherlock	Responds that there are currently six jurisdictions that have a local gas tax.

323	Rep. Josi	States that he has a problem taking away local government methods of raising money.
340	Boe	States his concern for local government but that the little damage done now will be better in the long run.
349	Rep. Lokan	Asks if the local gasoline taxes are voted on by the people.
354	Boe	Responds that most times they are not, if the taxes are put on a ballot they generally do not pass.
360	Rep. Roberts	Asks why gas taxes should be tied to HB 3163.
365	Boe	Responds that this would be the most appropriate place.
372	Sherlock	Testifies about city taxes. Explains that they need these taxes because they are not getting enough help from the state.
TAPE 68, A		
009	Chair Montgomery	Asks if Bartholomew will support a gas tax.
008	Sherlock	Responds that he would support a reasonable gas tax.
009	Boe	Testifies that he has tried to address the needs of local government during the interim.
013	Sherlock	Testifies he agrees with Boe.
018	Charlie Hales	City of Portland Public Works Commissioner, testifies about HB 3163. Testifies that the opportunity is here to improve the system with the legislation that is being considered. Explains that the groups he has met with are more concerned with potholes than tax increases. Testifies that growth is putting a strain on our transportation system and because of growth highway maintenance is needed. States that there is growth in almost every county in Oregon.
062	Hales	Testifies that several bridges across the Willamette River need a lot of repair.
071	Rep. Roberts	Asks about bridges coming across from Washington that need repair, and if those bridges are going to be considered for repair.
074	Hales	Responds that there is a list of repairs and situations that need to be addressed.
098	Linda Peters	Chair of Washington County Commission, testifies about the state's responsibility for highway repairs. Explains how different counties get their money for highway repairs. Testifies about counties growth.
133	Peters	Testifies about the need for money for mass transit.
141	Chair Montgomery	Asks about flexible funding in regard to mass transit.
		Responds that flexible funding is money that is not limited by the constitutional limitation as applies to gas tax and vehicle registration. Explains how money will be spent on different types of mass transit. Explains that HB 3163 is not a "package" but a big "pick-up truck" that

145	Peters	<p>has four wheels that all need to work as follows:</p> <ul style="list-style-type: none"> * operations and maintenance funding * modernization funding * special needs funding * flexible fund for community transit
200	Rep. Roberts	Explains the division of the money between state and local government and that federal money cannot be used on secondary roads.
202	Peters	Responds that she does not want a lot of extras but just the organic pieces to make it work.
205	Rep. Wells	Asks about how to address congestion.
214	Peters	Responds that better mass transit will relieve congestion.
221	Hales	Testifies about traffic congestion and traffic control devices in Portland that are nearing the end of their life span.
232	Rep. Well	Asks if it is possible to build a new highway in Oregon.
238	Hales	Responds that it is possible.
244	Mike Burton	Metro Executive Officer, responds it is possible but that there are land use issues.
254	Rep. Lokan	Asks about access fees and flexible funding.
278	Peters	Responds that it would provide authority to adopt additional access fee.
268	Burton	Explains how local governments will spend their transportation dollars, and it needs to be flexible. In metropolitan areas there is a great need for mass transit, in other outlying areas road repair might be their biggest concern.
283	Rep. Lokan	Asks for clarification about flexible funding.
291	Burton	Responds that there are different ways to raise money for local government because of their different needs. Testifies that a lot of the different needs are based on the counties rate of growth.
311	Burton	Testifies about HB 3163. Testifies about the different major highways and which ones have the most needs. Explains that the freight industry is important to Oregon's economy, and that the highways must be maintained to keep the economy going.
361	Burton	Continues testimony.
377	Rep. Wells	Asks if we are doomed to congestion in Oregon.
385	Burton	Explains that the growth in the state is causing traffic problems and more wear and tear on Oregon's highways. Testifies the bus system in his area is good but that he does not use it, but that people need to use it.
435	Burton	Continues testimony about congestion.
425	Rep.	Asks about Burton's authority to implement local transportation fees.

	Markham	
445	Burton	Responds that local governments can impose gas taxes, and vehicle registration price increases.
467	Rep. Markham	Asks if increases would require going to the voters to do it.
470	Burton	Responds that it would be necessary to go to the voters. Explains that it probably isn't a good idea.
Tape 67, B		
050	Rep. Lokan	Asks about different projects across the state and how the money is going to be spent.
060	Burton	Explains he has a list of different projects and where the priorities lie.
075	Chair Montgomery	Asks about different regulations and how to reduce the costs of repairs.
076	Jon Chandler	Director of Government Affairs for Oregon Building Industry Association, testifies his organization would like money for infrastructure. States his interests are in some amendments that have not yet been introduced that have to do with the regionalization of Oregon Department of Transportation and the livability criteria.
085	Rep. Wells	Asks how system development ties into transportation.
086	Chandler	Responds about local government, and how certain moneys cannot be spent to repair certain things.
099	Rep. Wells	Asks about different types of mass transit and how the density of people effect it.
104	Chandler	Responds that more houses mean more people which in turn means more wear and tear on the roadways. With a higher density of people we have a greater need for road space and mass transit. Explains that transportation and land use need to be tied together to integrate community development.
145	Rep. Roberts	Asks if the Truckers Coalition's proposal could generate the same revenue that weight-mile tax generates.
152	Grace Crunican	Responds that their proposal is pretty close to the weight-mile tax, within one or two million dollars.
185	Rep. Roberts	Asks about taking utility trucks out the formula.
195	Crunican	Responds that she would not want to address that. Explains that there are some assumptions for certain trucks to be exempt from the formula.
260	Rep. Roberts	Asks about personnel numbers to run a weight-mile tax system in Oregon.
261	Cam Gilmore	Oregon Department of Transportation (ODOT), responds about the fiscal impact of this proposal. Explains that some of the numbers are still in dispute.
276	Rep. Wells	Asks about the balance and the increases in regard to growth in the future.

306	Crunican	Responds she will have that information when she comes before the committee next time.
310	Staff	Submits additional written testimony in regards to HB 3163 (EXHIBIT A, F).
313	Chair Montgomery	Adjourns meeting at 10:53.

Submitted By, Reviewed By,

Erik Deitz, Janet Adkins,

Administrative Support Policy Analyst

EXHIBIT SUMMARY

A - HB 3163, written testimony, Les Wiese, 1p

B - HB 3163, written testimony, Robert Hall 2 pp

C - HB 3163, written testimony, K. Bartholomew, 2 pp

D - HB 3163, - 4 amendments, Brian Boe, 1p

E - HB 3163, written testimony, Mike Sherlock, 2 pp

F - HB 3163, written testimony, Mike Burton, 2 pp