

HOUSE COMMITTEE ON TRANSPORTATION

April 7, 1997 Hearing Room D

8:30 AM Tapes 69 - 74

MEMBERS PRESENT:

Rep. Bob Montgomery, Chair

Rep. Mike Lehman, Vice-Chair

Rep. Tim Josi

Rep. Jane Lokan

Rep. Martin Markham

Rep. Lonnie Roberts

Rep. Larry Wells

MEMBER EXCUSED:

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 69, A		
003	Chair Montgomery	Calls meeting to order at 8:47 a.m., opens work session on HB 3163
<u>HB 3163 WORK SESSION</u>		
004	Janet Adkins	Policy Analyst, provides the members with written information regarding HB 3163 (EXHIBIT A, C, D, F, H).
		Explains the need for a transportation package, and what needs to be

006	Chair Montgomery	done during this session. States the importance of transportation and that hopefully we can get something going today.
056	Rep. Josi	Asks what exactly is going to be done today.
063	Chair Montgomery	Responds that there will be no more public testimony.
072	Rep. Markham	Asks about modernization.
076	Chair Montgomery	Responds.
080	Rep. Josi	Asks if bridgework is under modernization.
085	Chair Montgomery	Responds that it could be, certainly new bridges would be.
091	Rep. Josi	Asks for specific wording about modernization. Asks if consensus can be reached.
100	Rep. Lehman	Asks about fuel taxes. States he is concerned if the fuel tax is going to be enough. Explains that he doesn't want to catch up then immediately fall behind.
107	Rep. Lokan	Asks about ODOT and different tax amounts.
130	Chair Montgomery	Explains the need for the use of Oregon Revised Statutes.
141	Rep. Wells	Asks about weight-mile taxes and gas taxes. States the sooner we get money in the sooner we get repairs and projects started. Explains that it takes about two years before any money is actually seen. Discusses different numbers and amounts of tax dollars.
190	Rep. Lehman	Asks for clarification on dollar amounts.
198	Cam Gilmore	Oregon Department of Transportation, (ODOT) testifies about the length of time it will take to collect the money. Explains it will be 2002 before the system is in full swing.
229	Rep. Wells	Asks about different numbers on gas taxes.
238	Chair Montgomery	Asks if information is available from ODOT.
257	Rep. Roberts	Comments on weight-mile tax.
268	Rep. Lehman	Asks about weight-mile tax.
280	Gilmore	Responds about different figures.
291	Chair Montgomery	Explains about the vehicle registration fees.
323	Rep. Lokan	Asks about high growth areas.
325	Rep. Lehman	Asks about the use of tax dollars on certain projects. Explains the need to bond construction projects
344	Rep. Josi	States he would like to hear from the Oregon Department of Transportation (ODOT).

380	Rep. Wells	Asks for some history on bonds.
376	Gilmore	Testifies about bonds, explains that the money comes in slow. Testifies about a gas tax in 1987 that was a ten year plan. Explains the numbers involved, when the bond amortized, and that there were 53 projects that were to be bonded.
392	Rep. Roberts	Asks if it was a revenue bond.
399	Gilmore	Responds it was.
420	Rep. Roberts	Asks about the interest rates on revenue bonds.
423	Gilmore	Responds that he will need to double check on interest rates.
TAPE 70, A		
015	Rep. Roberts	Asks for clarification on interest rates and numbers.
021	Gilmore	Responds about the dollars earned over ten years and the interest rate.
030	Rep. Roberts	States his concern for Oregon going into debt.
032	Adkins	Points out information on (EXHIBIT B) about bonding and the tax dollars that would be raised.
040	Rep. Josi	Asks about bonding and Oregon going into debt because of bonding.
045	Grace Crunican	ODOT, responds about the problems with bonding.
055	Rep. Lokan	Asks about specific information before the bonding is done.
063	Crunican	Responds she does not have a list of projects to use bond money on right now but will at a later date.
074	Rep. Lehman	Asks about bonding.
078	Crunican	Testifies about bonding, explains about the gas tax money coming in to cover the bond.
097	Chair Montgomery	Asks what a sizable project would be.
104	Crunican	Responds that 40 million is a big project.
112	Rep. Markham	Asks how many unpaid bonds Oregon has now.
117	Gilmore	Responds that an \$80 million bond will be amortized at the end of this year (1997).
126	Rep. Josi	States that bonding needs to be decided on by the voters.
124	Rep. Lehman	Asks about the \$54 million bond limitation we have now that has not been all used and what would be a comfortable bond limit.
235	Crunican	Responds.
138	Rep. Lehman	Asks about fund raising and if the bond limit was raised.
145	Crunican	Responds about the \$54 million.
154	Gilmore	Explains about the \$54 million.
158	Rep. Wells	Asks about specific figures in the gas tax.

169	Crunican	Testifies about specific dollar amount in the gas tax.
176	Adkins	Asks about specific language to be worked out.
184	Crunican	Responds.
187	Chair Montgomery	Explains about HB 3163 and the different types of funds.
215	Chair Montgomery	Explains how tax dollars will be allocated to different funds. Explains he does not like the word "flexibility" and that the language has to be very specific.
240	Rep. Wells	Asks about a work group and how many dollars this plan will bring in.
252	Adkins	Responds.
257	Rep. Josi	Asks about the allocation of tax dollars.
267	Rep. Lokan	Asks for explanations of where exactly the money is going to go.
279	Dick Feeney	Government affairs at Tri-Met, testifies about elderly and handicapped transportation.
298	Victor Dodier	ODOT, testifies about the transportation proposal. Explains the little transit vans and the tax dollars they need statewide to operate.
314	Chair Montgomery	Asks what one cent tax from cigarettes can generate.
323	Dodier	Responds approximately \$2.5 million per year, continues testimony about the formula for money allocation
353	Chair Montgomery	Asks what the discretionary program is.
354	Dodier	Responds it is a ranking system for construction projects based on merit.
355	Rep. Markham	Asks about the discretionary program.
365	Dodier	Responds.
366	Feeney	Testifies about elderly transportation, for example door-to-door or buses with a lift system.
385	Mary-lou Ritter	Chairman of the Oregon Association of Area Agencies on Aging, testifies about different methods of senior citizen transportation. Explains that more emphasis has been placed on handicapped than senior citizen as of late. States she is looking for ways to improve senior transportation.
401	Rep Markham	Asks about senior citizen transportation.
409	Ritter	Responds.
413	Rep. Lokan	Asks about the door-to-door bus service and the different types of senior transportation.
440	Feeney	Responds about the different types of senior citizen transportation and how Tri-Met is involved. Explains that they receive some of their

		funding from the cigarette tax. States that there is a dispatch service in Portland that tries to keep up with all of the requests.
TAPE 69, B		
029	Rep. Lokan	Asks about suburban bus service and how disabled people can use it.
032	Feeney	Testifies about the expansion of suburban bus service for the elderly and handicapped.
042	Rep. Wells	Asks how many transit issues are going to be raised.
045	Whitney	Explains that flexible funding is in the interest of the transit system.
054	Rep. Wells	Asks for details on the \$2 charge for utility hook-up, and who will collect the money.
063	Whitney	Responds that those issues have not been covered yet but they will be soon.
072	Rep. Lokan	Asks for clarification about the \$2 access fee.
083	Bob Hall	Portland General Electric (PGE), testifies about the collection method for the charge.
095	Martin	Testifies about the \$2 charge for utility hook-up and the collection process. Explains about flexible funding.
115	Chair Montgomery	Explains that it will be on a percentage basis, there is no base figure.
129	Rep. Markham	Asks how much money is spent on handicapped and senior citizen transportation.
139	Martin	Responds that the state's figure is \$34 million spent on senior citizen and disabled transportation.
142	Ritter	Explains the need for transportation for senior citizen and handicapped in outlying areas.
160	Chair Montgomery	Asks if she charges a fee for her service.
168	Ritter	Responds that there is a fare that is charged and donations are accepted.
170	Chair Montgomery	Asks if everybody pays to ride the bus.
174	Ritter	Responds no, not if contributions are accepted.
177	Martin	Testifies that some of the transportation money is coming out of property taxes and that the federal money is diminishing quickly.
179	Rep. Josi	States that somebody is doing a great job of lobbying for senior citizens.
194	Chair Montgomery	Asks about the \$2 access fee.
196	Hall	Responds that there will be a collection fee but it is unknown at this time.
208	Chair	States that around \$40 million will be collected per year.

	Montgomery	
221	Rep. Wells	States the advantages of having utility companies collect the fee.
240	Rep. Josi	Asks about the \$2 access fee and what happens when deregulation comes along. If his electric company is in another state how will the fee be collected.
250	Martin	Responds he is unsure of how the electric industry will be in the future.
258	Rep. Lokan	States that more than a \$2 access fee is too high.
265	Chair Montgomery	States that he would not go higher than \$2s.
274	Rep. Roberts	States that he does not support the \$2 access fee.
294	Rep. Lehman	States that justice is not being done to the roads with this system. Explains his concerns for the urban and the rural transportation system.
310	Rep. Roberts	Talks about attempts in the past to get money for alternative transportation.
318	Rep. Josi	Explains his support of the \$2 access fee. Talks about other states and their tax methods. Testifies that we have one of the nation's highest gas taxes but that it equals out after our low vehicle registration fee.
368	Chair Montgomery	Explains the four items that need funds allocated to them. The four items are: * senior and disabled transportation * highway patrol * high speed rail * flexible funding
399	Rep. Roberts	Talks about the amount of money needed for the transportation system. Asks if the new proposal falls short will the access fee be raised in the future.
425	Chair Montgomery	States that he cannot support an increase in the \$2 access fee.
439	Rep. Josi	Asks about per employee charges in regard to the \$2 access fee for businesses.
450	Chair Montgomery	Clarifies the how the \$2 access fee will function.
TAPE 70, B		
032	Chair Montgomery	Explains the Eastern Oregon Federal Forest Safety Net.
035	Rep. Josi	Asks where the money comes from.
		Responds that the money comes from gas tax, weight-mile tax, and

036	Adkins	registration fees.
040	Bill Penhollow	Testifies about needs of Eastern Oregon counties to be financial offset because of reduced timber revenue.
058	Rep. Lehman	Asks about specific dollar figures.
062	Penhollow	Responds.
065	Rep. Josi	Asks about the Spotted Owl Safety Net and when it will sunset.
067	Penhollow	Responds that it sunsets in 2003 and is declining at three percent per year.
072	Rep. Josi	Asks if there is any objection from the spotted owl counties over this bill.
074	Penhollow	Responds that there is major problem beyond 2003. Explains he is working on a long-term plan. Explains that congress and Oregon state legislature are going to have this problem come before them and it will need to be dealt with then.
089	Rep. Lehman	States that there are six or seven groups that wanted to take some of the money that is to reserved for the Forest Safety Net.
096	Penhollow	Describes the needs of Forest Safety Net counties and the agreements his organization has within itself.
115	Cruncan	Testifies about the sunset clause for the Eastern Oregon Counties Safety Net.
129	Rep. Markham	Asks if counties can bond against the gas tax.
134	Penhollow	Responds that counties do have the authority to bond.
138	Adkins	Asks about the three funds, Operations Maintenance and Preservation, Modernization and the Safety and Service Fund, how will it work with the counties that get very little money. Asks if they might join together or go by the same distribution by population.
150	Penhollow	Responds that from the city and county point of view, it would be looked at in the aggregate. Explains there may be some deviation depending on the individual needs.
160	Chair Montgomery	Begins discussion on the small city and county allotment.
166	Adkins	Explains small city and county allotment.
185	Penhollow	Testifies the small county allotment, and the fast growing counties. Explains about the different funding and where the money comes from based on dollars per road mile.
205	Dave Berenberg	League of Oregon Cities, testifies about the small city allotment. Explains that it is hard for small cities to raise enough capitol to fund construction projects.
233	Chair Montgomery	Asks about special county allotment funding increases.
237	Cruncan	Responds that both cities and counties would get their allotments

		doubled.
246	Chair Montgomery	Recesses meeting at 10:27 am.
255	Chair Montgomery	Reconvenes meeting at 10:40 am.
260	Rep. Josi	Asks about flexible funding. Testifies he would like it to stay flexible.
255	Chair Montgomery	Explains the need to define "flexible".
261	Rep. Josi	Asks ODOT to define exactly what flexible funding is.
264	Chair Montgomery	Continues discussion about "flexible funding".
275	Rep. Wells	Asks how tax dollars are funneled into the budget.
293	Adkins	Explains where the money will go and how it will get there. States that there is provision in the Governor's bill that after fulfilling the other needs it will go into the modernization fund.
302	Rep. Josi	States that the emergency board can authorize the spending of the flexible funding.
340	Committee	Discusses flexible funding and the emergency board.
343	Chair Montgomery	Explains the efficiency improvement portion in the bill.
348	Adkins	Explains that the language for this portion of the bill was in the original HB 3163 and the governor's bill.
355	Crunican	Testifies about the Emergency Board and air quality.
358	Rep. Josi	Asks Crunican if she could come back after awhile with a list of projects that are being red flagged, those could be discussed at that time.
377	Rep. Lehman	States that he agrees with Rep. Josi. Explains that he needs to know where the transportation dollars are going.
378	Grace	Testifies about state dollars and how they are spent. Explains the federal government needs to be notified about projects. Testifies about the 1 percent efficiency. She expects they will be able to meet the one percent efficiency.
435	Chair Montgomery	Asks about penalties for not meeting the one percent.
441	Crunican	Responds that administration be squeezed down and put more money onto the roads. States she is unaware of any penalties because she expects to get there.
425	Rep. Lokan	Asks if she is limited to one percent.
435	Crunican	Testifies that two percent is a possibility.
TAPE 71, A		

028	Chair Montgomery	Explains aviation fuel fees and the current tax amounts.
035	Roger E. Martin	Air Transportation Association, explains the tax increases and who the increases were requested by. Explains the difference between AVGs and jet fuel. States that we do not have an oil refinery here in Oregon and that all of our gasoline comes from out of state.(EXHIBIT E)
085	Martin	Continues testimony.
086	Rep. Roberts	Asks what AVGs and jet fuel taxes pay for.
088	Martin	Responds that it pays for the Board of Aeronautics at ODOT.
097	Rep. Roberts	States his concern for air traffic controllers.
098	Rep. Lehman	Asks about AVGs tax increases.
105	Martin	Responds about dollar amounts, also states he would like ODOT answer Lehman's question.
110	Rep. Lehman	Asks about jet fuel and AVGs taxes and how those dollars are allocated.
115	Martin	Responds that if AVGs and jet fuel taxes are significantly raised several airports and the Port of Portland would need to be negotiated with. States that almost all of the AVGs and jet fuel are purchased at the Portland Airport.
120	Rep. Lokan	Asks how much Oregon's jet fuel tax is.
125	Martin	Responds that they are 1/2 cent per gallon.
128	Rep. Lehman	Comments on jet fuel taxes.
140	Crunican	Testifies about the amount of money ODOT needs to put up in order to receive federal matching.
159	Rep. Roberts	States his concern for the need of money to improve airports and make them safe.
175	Rep. Lokan	Asks how much the AVGs tax is now.
182	Adkins	Responds 3 cents.
192	Chair Montgomery	Asks about different gas tax methods.
199	Adkins	Explains about boaters and All Terrain Vehicles (ATV) allocation of gas tax dollars.
220	Rep. Roberts	Asks about ATV use areas.
231	Rep. Lehman	Responds that there are four or five areas in his area.
236	Chair Montgomery	States the need for park improvements.
249	Adkins	Clarifies how the tax dollars will be spent.
263	Rep. Josi	Asks about specific dollar amounts for ATVs.
272	Adkins	Responds.
280	Rep. Lokan	Asks about ATV parks and where the ATV tax dollars are spent.

288	Chair Montgomery.	Responds that the ATV people use the picnic areas and the parking areas.
292	Rep. Markham	Asks how much money is being spent on park maintenance and improvements.
305	Adkins	States she would like ODOT to testify about park dollars.
325	Committee	Discusses park tax dollar allotments.
317	Paul Donheffner	Director of the Marine Board, testifies about the allocation of money to state parks. States that the Marine Board does allocate money to the state parks as well as boater registration fees. Explains that currently the Marine Board is providing about \$1.2 million per biennium to state parks.
340	Rep. Josi	Asks about state park funding and what HB 3163 will do.
353	Donheffner	States his concerns on HB 3163. Explains that currently parks receive money under a maintenance program.
362	Rep. Lehman	Clarifies how the money is allocated.
279	Donheffner	Testifies about the current method to raise money for state parks.
390	Rep. Lehman	Continues discussion with Donheffner.
TAPE 72, A		
008	Donheffner	Continues discussion about tax dollars for state parks and the Marine Board.
018	Rep. Josi	Explains that state parks are in need of money and that it is up to them on how they want to spend their money.
019	Committee	Discusses state parks and how their tax dollars tax dollars are allocated.
035	Committee	Continues discussion.
040	Rep. Roberts	Asks if any of the money goes to water law enforcement.
049	Donheffner	Responds that there is some money available for law enforcement.
052	Chair Montgomery	Begins discussion the County Local Option Registration Fees. States the specifics of this portion of HB 3163.
064	Adkins	Clarifies the current law about vehicle registration and what the new bill will do. Talks about the high growth areas.
081	Rep. Lokan	Asks about registration fees and possible increases.
097	Chair Montgomery	Discusses vehicle registration fees.
105	Rep. Lokan	Continues discussion on vehicle registration.
113	Rep. Lehman	Discusses vehicle registration and where the county commissioner comes into play.
129	Penhollow	Representing Oregon Counties, testifies about vehicle registration. Additionally points out the growth of the state of Oregon. Explains the need to recognize this problem.
		Reiterates the need to address the problem right now and not send it

165	Rep. Lokan	back to the counties to work out.
175	Rep. Roberts	Asks about registration fees and if the money is strictly dedicated to street and road repair.
178	Penhollow	Responds that yes they are.
184	Chair Montgomery	Continues discussion about vehicle registration.
195	Rep. Lokan	Discusses the growth of her county. Explains that high growth counties need to be able to raise registration up to twenty dollars.
242	Chair Montgomery	Asks to have bill drafted in two different ways.
275	Chair Montgomery	Starts discussion about "Design Build Construction Pilot Projects."
290	Adkins	Explains "Design Build Construction Pilot Projects."
305	Crunican	Testifies exactly what "Design Build Construction Pilot Project" does and its efficiency.
326	Rep. Josi	Asks if this language is really necessary in HB 3163.
335	Crunican	Responds that additional authority is needed to do this.
344	Rep. Wells	Testifies about "Design Build Construction Pilot Project."
370	Chair Montgomery	Talks about program budgeting for ODOT.
385	Rep. Josi	Asks for clarification.
395	Chair Montgomery	States that this has more to do with administration.
405	Adkins	Explains the language in the current statute.
425	Stewart Foster	Member of the Transportation Commission, clarifies the statute of appointing the director of ODOT. Testifies about the position of the director of ODOT and that the director works closely with the Governor, also has accountability to the commission.
461	Foster	Continues testimony. Explains that most goals can be achieved and that the legislature needs to be kept informed.
473	Chair Montgomery	Testifies that there needs to be a better way to keep track of the tax dollars that are being spent. Explains that the legislature needs to be informed of how tax dollars are being spent.
TAPE 71, B		
070	Rep. Lehman	Explains the need to see that the money is being spent the best way possible. There needs to be a better oversight and control on what is going on at ODOT.
090	Crunican	Testifies that she is aware of the need for accountability at ODOT.
110	Rep. Josi	Explains about ODOT and the appointment of the ODOT director.
122	Chair Montgomery	Testifies about the appointment of the director of ODOT

124	Rep. Josi	Asks about the Governor appointing the ODOT director and the commissioners, will they be subject to Senate approval.
135	Crunican	Responds with how she was appointed, explains that she was approved by the Senate.
195	Chair Montgomery	Recesses meeting at 12:00 noon.
TAPE 73, A		
005	Chair Montgomery	Reconvenes meeting at 3:15 p.m. Explains the need to reduce congestion.
032	Committee	Discussion on HB 3163.
045	Greg Wolfe	Governor's Office, testifies about ways to reduce traffic congestion.
057	Rep. Wells	Asks about the language that the Governor wanted in the livability portion of the bill.
063	Wolf	Explains that it was addressed earlier in the Modernization area of the bill. States that he is still working on some language in that area.
075	Rep Markham	Asks if this portion of the bill is necessary.
080	Crunican	Responds that it might not be necessary.
082	Rep. Josi	Testifies about ways to design a transportation system that will work. Explains that if there is a statute for each area, it will keep everybody in line.
084	Rep. Lokan	Asks about congestion pricing. Explains there is a lot of discussion on how to raise and spend money, if we add one more tax to the list it might blow up. States the need to take care of what is on the plate now and see how the situation looks in two or four years.
095	Rep. Lehman	States he agrees with Rep. Lokan.
123	Chair Montgomery	Testifies about pilot programs and how much money will be spent on them.
130	Committee	Discusses registration fees.
155	Adkins	Talks about the amounts for registration fees, authority for bond amounts, flexible funding, Modernization, and special county allotment. Goes over what was covered in the morning portion of the meeting.
235	Committee	Discusses what was covered in the morning portion of the meeting.
239	Rep. Lokan	Asks about the work group on High Speed Rail, Senior and Disabled, and the Highway Patrol.
241	Chair Montgomery	Responds that they were meeting this morning and that he does not see any of them in the audience.
250	Adkins	Talks about the efficiency minimum, aviation fuel fees, and appropriate fuel fee distribution.
265	Chair Montgomery	Asks about the allocation of tax dollars from AVGs.

280	Crunican	Explains about the distribution of jet fuel tax dollars. States that 75 percent of the fuel sold is from the Port of Portland so 75 percent of the tax dollars should go back to the Port of Portland.
295	Alan Willis	Testifies that he agrees with Crunican. Testifies about the specific numbers involved with jet fuel.
317	Rep. Markham	Asks about the present split of jet fuel tax dollars.
318	Willis	Responds that all of the jet fuel tax dollars go to aeronautics and they choose how to spend it.
319	Rep. Roberts	Asks where the current jet fuel tax dollars go.
340	Willis	Explains that the current tax dollars go to aeronautics.
360	Crunican	Explains that the commercial airlines pay the fuel taxes.
365	Rep. Roberts	Asks if the tax dollars come back to the areas that are used by the commercial airlines or the other areas.
369	Willis	Responds that it goes back to all of the airports in Oregon.
374	Chair Montgomery	Asks for clarification in the jet fuel tax.
379	Wolfe	Responds.
390	Rep. Markham	Asks how much money is being raised for parks and how it is being spent.
400	Adkins	Explains about the vehicle registration surcharge and that the money would be allocated toward counties with more than ten percent of the states' aggregate population growth since 1980.
426	Rep. Josi	States his concerns for the high growth counties. Explains that there has been a lot added to this package. Asks when enough is enough.
448	Rep. Roberts	States that he agrees with Rep. Josi. Discusses transportation package and what needs to be done.
449	Rep. Lokan	Discusses transportation package, the growth of cities, and the need for attention to transportation.
450	Rep. Josi	Discusses the transportation package.
TAPE 74, A		
065	Adkins	Explains language in the design build.
075	Rep. Roberts	Asks for clarification in HB 3163 language.
091	Crunican	Responds that design build is a new road for ODOT to go down. Explains that design build will provide for more accountability with the contractor and the designer.
107	Rep. Josi	Asks about the designing capabilities of local construction companies.
116	Crunican	Explains that she is unsure.
120	Chair Montgomery	States that the sunset date on this portion of the bill is 12-31-00. States he is willing to try this out.
122	Rep. Lokan	Asks dollar amounts to be spent on construction projects.

133	Adkins	Explains language in HB 3163.
148	Chair Montgomery	Explains weight-mile tax.
157	Mike Meredith	Truckers Coalition, testifies about weight-mile tax (EXHIBIT I, J).
207	Steve Richards	Truckers Coalition, testifies about diesel fuel tax. Explains how diesel fuel is distributed in Oregon, and at what point in time it would be taxed.
232	Rep. Josi	Asks about diesel fuel and diesel oil.
240	Richards	Explains about the dying of diesel fuel to differentiate between taxed and untaxed fuel.
256	Rep. Josi	Asks about fuel tax evasion and how easy it is to do.
263	Richards	Responds that the some retailers were selling illegal fuel. Explains that the evasion usually happens somewhere with the middle man.
289	Richards	Continues testimony.
305	Rep. Roberts	Asks about the color of the dye.
310	Richards	Responds that the dyes are the same color and with cooperation evasion can be minimal.
324	Adkins	Asks exactly when the tax will actually be paid.
328	Richards	Responds that the purchaser pays the tax at the pump.
340	Chair Montgomery	Asks about tax evasion.
346	Richards	Responds that the opportunity to evade is minimal.
360	Rep. Markham	Asks how many diesel racks there are in Oregon
370	Richards	Responds that there six locations within Oregon that receive product for the first time within the state. Explains that within the Portland vicinity there are additional facilities inside each plant.
375	Rep. Markham	Asks when the tank truck will be taxed.
385	Richards	Responds that it will be taxed when the fuel is put into the tank truck.
388	Rep. Roberts	Asks how trucks are tested for dyed fuel.
396	Richards	Responds about different types of tests to detect dye.
417	Rep. Roberts	Explains that ODOT will need to establish methods to enforce the dye detection.
TAPE 73, B		
015	Chair Montgomery	Asks how much tax evasion actually happens.
023	Richards	Explains he is not sure exactly how much tax evasion happens.
028	Adkins	Explains that there have been studies done in other states on non-

		compliance.
035	Rep. Wells	Explains how fuel is dyed for federal and state tax purposes.
040	Richards	Responds that the state piggybacks with the federal dye for tax purposes.
047	Rep. Wells	Testifies that the dye has had a big effect on tax evasion.
061	Mike Meredith	Testifies about tax amounts that will be paid based on different weight classes. Explains that certain trucks will receive exemptions. Continues to explain the amount of revenue that will be collected.
080	Rep. Lehman	Asks about specific dollar amounts based on the miles per gallon that each truck type gets.
085	Rep. Markham	Asks about specific dollar figures.
102	Meredeth	Responds. Continues testimony about the revenue increases and the dollar amount that will be raised.
105	Rep. Lehman	Asks about specific dollars figures and if there will be a shortage.
109	Meredeth	Responds that he would be short around ten million dollars.
120	Rep. Josi	Asks about specific dollar figure.
144	Meredeth	Responds, continues testimony with figures for weight-mile tax.
146	Lani Gower	Consolidated Freightways, testifies that every truck that comes into Oregon is subject to audit because there is no coordination with other states.
150	Meredeth	Continues testimony about additional revenues. Explains about tax evasion.
161	Rep. Lehman	Asks how Meredith came up with his numbers.
162	Meredeth	Responds that they came from ODOT. Continues testimony.
167	Rep. Josi	Asks how to deal with fuel tax evasion.
173	Meredeth	Explains he is unsure how to deal with evasion.
181	Rep. Josi	Asks about cost responsibility.
197	Meredeth	Responds that in regard to the aggregate carriers he has explained his plan to them. States he has answered their questions.
199	Rep. Josi	Asks about cost shifts.
203	Meredeth	Responds that cost shifts have been taken care of because of adjustments that have been done.
209	Rep. Lehman	Asks about specific numbers within the transportation package.
223	Meredeth	Responds. Continues testimony.
246	Rep. Lehman	Asks about dollar figures for the trucking industry.
257	Gower	Responds.
263	Rep. Lehman	Asks about specific dollar figures.
279	Gower	Responds

291	Rep. Wells	Asks about specific numbers in regard to weight-mile tax.
323	Crunican	Introduces members of her staff, explains that Merris does the weight-mile tax study.
360	Rep. Markham	Asks about diesel fuel tax increases.
352	John Merris	Policy and Research Manager at ODOT, responds.
365	Rep. Lehman	Asks the difference between the proposed method vs. the current system.
385	Chair Montgomery	Discusses diesel tax amounts.
TAPE 74, B		
080	Staff	Submits written information in regards to HB 3163 from Betsy Johnson, Aeronautics Manager, ODOT (EXHIBIT G).
083	Chair Montgomery	Adjourns meeting at 5:47 p.m.

Submitted By, Reviewed By,

Erik Deitz Janet Adkins,

Administrative Support Policy Analyst

EXHIBIT SUMMARY

A - HB 3163, written information, Janet Adkins, 3pp

B - HB 3163, written information, Staff, 1p

C - HB 3163, written information, Janet Adkins, 1p

D - HB 3163, written information, Janet Adkins, 3pp

E - HB 3163, written testimony, Roger Martin, 2pp

F - HB 3163, written information, Janet Adkins, 3pp

G -HB 3163, prepared testimony, Betsy Johnson 3pp

H- HB 3163, written information, Janet Adkins, 1p

I- HB 3163, written information, Mike Meredith 3pp

J- HB 3163, written information, Mike Meredith 1p