

CONFERENCE COMMITTEE ON HB 2142

April 18, 1997 Hearing Room H170

9:30 AM Tapes 1 - 2

MEMBERS PRESENT:

Rep. Jim Hill, Chair

Rep. Ron Adams

Sen. Joan Dukes

Sen. John Lim

Sen. Veral Tarno

Rep. Cynthia Wooten

STAFF PRESENT:

Julie Neburka, Administrator

Coben Tistadt, Administrative Support

MEASURE/ISSUES HEARD:

HB 2142 - 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 1, A		
000	Chair Hill	Opens meeting at 9:30 AM. Opens work session on HB 2142.
<u>HB 2142 - WORK SESSION</u>		
006	Julie Neburka	Committee Administrator. Summarizes the measure and its history.
012	Chair Hill	Asks if raising the limit will affect the program's accessibility.
		The Oregon Economic Development Department (OEDD). Supports helping more communities access the funds. Cites the bill's primary function as creating parity in the bond issuance process for the Special Public Works Fund and the Waste Water Fund and the resultant savings. States that the

016	Yvonne Addington	department is conservative with the dollars and analyzes a community's ability to pay. Discusses gains through concentrating available engineering dollars on construction rather than on technical assistance. Mentions the need for alternative funding for technical assistance, noting that there is no limit on waste water funds. States that most communities prefer to use their own funds. Lists cities no longer eligible under the Senate's amendments, noting that they are rural cities.
070	Sen. Tarno	Notes that the population figures are from 1995.
074	Addington	States that they originally gave figures from 1996. Submits 1996 data (EXHIBIT A) .
080	Rep. Adams	Asks if Forest Grove would "fall out" of eligibility.
083	Addington	Responds yes.
095	Rep. Adams	Asks if raising the limit to 15,000 would include those cities listed as between 10,000 and 15,000.
100	Addington	Specifies that it would allow 13 more cities to qualify.
102	Chair Hill	Asks if the addition of the cities would threaten the other cities in the program.
110	Addington	Answers no, mentioning that the program has never exceeded its loan limit.
117	Sen. Tarno	Asks if there is a trend of rapid growth for these cities.
122	Addington	Notes the somewhat limited growth from '95 to '96.
135	Sen. Lim	Asks for the purpose of the program when cities use their own funds.
140	Addington	Answers that not all communities are able to use their own funds, e.g., Astoria.
156	Sen. Lim	Asks how many cities there are in the state.
160	Addington	Answers 240.
162	Sen. Lim	Notes that only 10% of Oregon cities will be left out under the House's proposal. Clarifies that the House proposal received support in committee but not in the republican caucus. Mentions limit increases in the last ten years. Suggests setting the limit at a moderate level to gain sufficient support on the Senate floor.
175	Addington	Responds that the costs of projects has increased dramatically in the last ten years as well the number of projects.
185	Rep. Adams	Asks why the Senate "pulled back" from 15,000 to 10,000.
190	Sen. Tarno	Replies that in caucus the concern was that smaller cities would be negatively affected.
197	Rep. Wooten	Asks if there is information suggesting that raising the limit would exclude smaller cities from the funding.
203	Sen. Tarno	Replies that that was the caucus' perception.

207	Rep. Wooten	Asks if raising the limit would eliminate smaller cities' eligibility.
214	Addington	Replies that traditionally the cities haven't depleted the available funds, reiterating that the cities prefer to use their own funds.
225	Rep. Wooten	Asks how many of the eligible cities have participated.
232	Addington	Gives the numbers of grants through the years.
246	Rep. Wooten	Asks for the average size of the grant.
250	Addington	Answers that the limit has been \$10,000 and that the bill's proposed limit is \$25,000
253	Chair Hill	Asks Rep. Jackie Taylor to testify.
255	Rep. Jackie Taylor	District 1, opposes the Senate amendment. Cites the 8-1 vote in the Commerce Committee. Mentions the cities being cut out and their testimony. States that the department told Astoria that the funds were available.
300	Rep. Adams	Notes the rapid growth in Wilsonville and that Wilsonville does not need to replace old pipes but to add new ones. Responds to the concern that smaller communities would be excluded by raising the limit.
346	Rep. Wooten	Asks if Rep. Roger Beyer didn't want the program expanded because he doesn't support the department. Notes the reality that smaller cities wouldn't be excluded from the funding.
359	Sen. Tarno	Answers that he doesn't recall that conversation.
373	Addington	States that Rep. Beyer believed that cities of over 10,000 already had sufficient resources.
375	Rep. Adams	Notes that the vote in the House was 54-3 in favor of the bill. Asks if the Senate members of the committee would accept a motion to recede and to pass the bill as passed in the House.
390	Rep. Adams	MOTION: Moves that the Senate RECEDE from the Senate amendments dated April 1 and that the A-engrossed bill be repassed.
393	Sen. Dukes	Mentions Astoria's budget cuts and economic difficulties. Supports the motion.
TAPE 2, A		
014	Sen. Tarno	States that setting the limit at 10,000 would be a compromise between the previous limit of 5,000 and the limit of 15,000 suggested in the House amendments.
017	Sen. Lim	States that increasing the limit to 15,000 would not pass the Senate. States that the program was designed to help smaller cities. States that the expansions aren't prudent.
040	Rep. Wooten	Cites migration and population growth as justifying a 15,000 limit. Notes the small number of grants each year.

053	Rep. Adams	Suggests a compromise of raising the limit to 11,000.
058	Rep. Wooten	Advises that the cities' future growth would soon surpass that limit.
066	Sen. Tarno	States that he will stay with 10,000 as suggested by the caucus.
079	Sen. Dukes	Points out that the vast majority of the population of the state is not eligible for the program.
085	Rep. Adams	Brings up two issues: that smaller, older cities need infrastructure, and that rapidly growing cities need infrastructure. Notes that the program simply helps cities get the projects started. Asks for the program's number of grants and amount of money.
097	Chair Hill	Interjects that these cities need the studies in order to qualify for federal grants. Notes that the House is in session. Asks Rep. Adams to withdraw his motion.
105	Sen. Lim	Interjects that the Senate members of the committee need confer.
107	Chair Hill	Agrees.
108		The committee stands at ease
110	Rep. Adams	Suggests that the Senate members report to their caucus that there was intense negotiations and that the committee arrived at a compromise of 11,000.
119	Sen. Lim	States that 11,000 might be agreeable to the caucus.
123	Chair Hill	Adjourns meeting at 10:10 AM.

Submitted By, Reviewed By,

Coben Tistadt, Julie Neburka,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2142, charts, Yvonne Addington, 2 pp.