

SENATE COMMITTEE ON TRANSPORTATION

March 5, 1997 Hearing Room C

1:15 P.M. Tapes 30 - 31

**MEMBERS PRESENT:**

Sen. Marylin Shannon, Chair

Sen. Ken Baker, Vice-Chair

Sen. Joan Dukes

Sen. Gary George

Sen. Mae Yih

**MEMBER EXCUSED:**

**STAFF PRESENT:**

Lin Ludwick, Administrator

Nora Carlson, Administrative Support

**MEASURE/ISSUES HEARD:**

Rail Section - Agency Overview

SB 76 Public Hearing and Work Session

SB 438 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.**

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 30, A</b>		
001	Chair Shannon	Calls meeting to order at 1: 30 p.m.
<b><u>RAIL SECTION - AGENCY OVERVIEW</u></b>		
018	Claudia Howell	Interim Manager, Rail Section, Oregon Department of Transportation (ODOT), submits and presents program overview ( <b>EXHIBIT A</b> ).

060	Howell	Continues with program overview on rail safety.
120	Howell	Continues with program overview on train-vehicle accidents at public crossings.
170	Howell	Continues with program description on fee assessment.
220	Howell	Continues with program description on transition from the Oregon Public Utility Commission (OPUC).
250	Howell	Continues with program description on central administration assessment fees.
300	Howell	Continues with program description on the stewardship of rail funds.
350	Howell	Continues with program description on the vision of the rail program.
390	Chair Shannon	Applauds Ms. Howell's testimony and invites her to come back for future discussion.
400	Howell	Continues with discussion on the future of the rail program.
<b>TAPE 31, A</b>		
015	Chair Shannon	Opens a public hearing on SB 76.
<b><u>SB 76 - PUBLIC HEARING</u></b>		
022	David Yandell	Operations Manager, Office of Emergency Management, submits and presents survey report in support of SB 76 ( <b>EXHIBIT B</b> ).
075	Yandell	Continues with testimony on intent and reimbursement fees.
095	Sen. Dukes	Refers to fiscal report, member handout, and asks about the potential limitation increase to cover administrative expenses deducted by ODOT ( <b>EXHIBIT C</b> ).
113	Sen. Yih	Refers to the fiscal report and asks why the request for funds for the next biennium (1999-2001) is less than the 1997-1999 request.
115	Yandell	Explains that the lesser amount requested represents anticipated dollars which would be collected.
133	Sen. Yih	Question on the primary purpose for authority to be transferred over to the state police.
140	Sen. Yih	Question whether it would be less expensive to transfer authority.
157	Phil Groshong	Former Civil Air Patrol Wing Commander, presents testimony in support of SB 76.
186	Jane Schlappi	Columbia Helicopters, submits proposed amendment to SB 76 ( <b>EXHIBIT D</b> ).

220	Chair Shannon	Confirms that proposed amendment was discussed at 2/3/97 meeting at which committee had asked that amendments be submitted in written form for possible work session and adoption.
223	Sen. George	Question on amendment language: "... services normally provided."
233	Chair Shannon	Closes public hearing on SB 76 and opens work session on SB 76.
<b><u>SB 76 - WORK SESSION</u></b>		
244	Sen. Yih	<b>MOTION: Moves SB 76 to the floor with a DO PASS AS AMENDED recommendation.</b>
245	Sen. Baker	Voices opposition to amendment and explains that it would hamper the State Police's ability to utilize volunteers effectively.
265	Chair Shannon	<b>VOTE: 1-4</b> <b>AYE: 1 - Shannon</b> <b>NAY: 4 - Baker, Dukes, George, Yih</b>
270	Chair Shannon	<b>The motion FAILS.</b>
272	Sen. BAKER	<b>MOTION: Moves SB 76 to the floor with a DO PASS recommendation.</b>
273	Chair Shannon	<b>AYE: In a roll call vote, all members present vote Aye.</b>
275	Chair Shannon	<b>The motion CARRIES.</b> <b>Sen. SHANNON will lead discussion on the floor.</b>
282	Chair Shannon	Closes work session on SB 76 and opens public hearing on SB 438.
<b><u>SB 438 - PUBLIC HEARING</u></b>		
310	Mike Derman	Executive Director, Aerospace Industry of Oregon, submits and provides testimony in support of SB 438. <b>(EXHIBIT E)</b> .
360	Derman	Continues with testimony on aircraft manufacturing facilities.
405	Carrie Novick	Airport Manager and President of the Airport Management Association, provides testimony in support of SB 438.
<b><u>TAPE 30, B</u></b>		
036	Sen. Yih	Question whether division would grow rapidly if separated from the Oregon Department of Transportation (ODOT).
049	Chair Shannon	Question whether department should be completely removed from ODOT or placed under the direction of the Commission on Transportation.

065	Bill Shea	Former airline associate, provides testimony in support of SB 438.
083	Sen. Dukes	Asks if the department should be completely removed from ODOT or placed under the direction of the Commission on Transportation.
085	Shea	Explains that the Commission would be acceptable but eventually the department would have to be separated.
094	Paul Meyerhoff	Director of Corporate Development, PAPE Group and former manager with ODOT, submits and provides testimony in support of SB 438 ( <b>EXHIBIT F</b> ).
157	Sen. Baker	Asks if it is Mr. Meyerhoff's opinion to have the aeronautics department be a stand-alone agency.
164	Paul Meyerhoff	Explains that in his opinion, the bill moves the aeronautics section out from ODOT; actually establishes a department of aviation and just has it reporting to the Commission.
167	Sen. Dukes	States that aeronautics will face similar issues that he faced in 1993 when he was not allowed to break out the division on his own.
169	Meyerhoff	Explains that as a separate department they would be allowed to bring their bills forward and advocate for their bills separately.
171	Sen. Dukes	Clarifies that the Commission has to approve everything that goes to the Executive branch.
172	Meyerhoff	Agrees that aeronautics department should be advocated for total separation.
170	J. Rion Bourgeois	Pilot, submits testimony in support of SB 438 ( <b>EXHIBIT G</b> ).
187	Ray Costello	Northwest Regional Representative for Aircraft Pilots Association, presents testimony in support of SB 438.
235	Phil Groshong	Pilot, mirrors Mr. Costello's testimony in support of SB 438.
236	Dave Wiley	States that he is representing three aviation organizations in support of SB 438 who would like to see the bill passed out of committee.
237	Chair Shannon	Invites Joan Plank to provide testimony on SB 438.
239	Joan Plank	Manager, Government Relations, ODOT, states that ODOT does not support SB 438 and provides explanation.
245	Sen. Dukes	Asks if the Commission has taken a formal position on SB 438.
247	Plank	Explains that the Commission has not taken a formal position, they have only had discussion.
263	Sen. Dukes	Asks for clarification on department discussion.
		Clarifies that the director, in a discussion that the Commission

265	Plank	had held, said they would not support the move because they had not been made aware of the issues.
270	Sen. Dukes	Asks for clarification that the Commission had addressed this issue at a meeting; had an opportunity to formally come out in opposition of the bill - but chose not to.
280	Plank	Clarifies that they did not take formal action.
287	Sen. Dukes	Goes on record to say that if bill passes, she is interested in going after transit and transportation safety and rail in order to get them out of special assessments and the transportation development branch.
290	Plank	Explains that the director is looking at the assessments.
297	Chair Shannon	Closes public hearing on SB 438 and opens work session on SB 438.
<b><u>SB 438 WORK SESSION</u></b>		
305	Sen. Baker	Reviews provisions of the SB 438 proposed amendments submitted by Rep. Markham which makes aviation a stand-alone agency.
345	Sen. Baker	Continues with explanation of SB 438 amendment.
370	Sen. Dukes	Refers to page 2 of amendment and asks about deletion notations on lines 29, 30, and 31.
379	Chair Shannon	Comments that she chose to delete lines because she wanted to give the department freedom to choose the best person as their own director:
400	Sen. Baker.	<b>MOTION: Moves to AMEND SB 438 -1 AMENDMENTS on page 2, delete " Lines 29, 30 and 31 of SECTION 5 (2) ".</b> <b>AYE: In a roll call vote, all members present vote Aye.</b>
400	Chair Shannon	<b>The motion CARRIES.</b>
401	Sen. Baker	<b>MOTION: Moves SB 438 to the floor with a DO PASS AS AMENDED recommendation.</b>
<b>TAPE 31, B</b>		
024	Sen. Yih	Expresses concern on separating aeronautics from ODOT.
026	Sen. Baker	Clarifies that SB 438 has a subsequent referral to Ways & Means Committee for further discussion.
038	Sen. Yih	Question on the ratio of dollars projected.
055	Sen. Yih	Asks Ms. Johnson to identify the savings.
059	Betsy Johnson	Manager, Aeronautics Section of ODOT, submits budget information and identifies savings for 1997-99 and 1999-2001 biennium ( <b>EXHIBIT H</b> ).
074	Sen. Yih	Question on whether the director salary figures were included in

		the estimate of savings.
105	Sen. Yih	Question on aviation fuel tax.
115	Chair Shannon	<b>VOTE: 4-1</b> <b>AYE: 4 - Baker, Dukes, George, Shannon</b> <b>NAY: 1 - Yih</b> <b>The motion CARRIES.</b>
127	Chair Shannon	Adjourns meeting at 3:02 p.m.

Submitted By, Reviewed By,

Nora Carlson, Lin Ludwick,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A - ODOT Rail Section, agency overview, Claudia Howell, 16 pp**

**B - SB 76, survey and response report, David Yandell, 14 pp**

**C - SB 76, Legislative Fiscal report, Committee Staff, 2 pp**

**D - SB 76, proposed amendments, Jane Schlappi, 1 p**

**E - SB 438, testimony, Mike Derman, 2 pp**

**F - SB 438, testimony, Paul Meyerhoff, 1 p**

**G - SB 438, testimony, Rion Bourgeois, 2 pp**

**H - SB 439. budget report, Betsy Johnson, 4 pp**