

HOUSE COMMITTEE ON
COMMERCE SUB-COMMITTEE ON BUSINESS

Hearing Room
Tapes - 43

MEMBERS PRESENT:

REP. LYNN LUNDQUIST, Chair
REP. TONY FEDERICI, Vice-Chair
REP. LARRY WELLS
REP. LYNN SNODGRASS

MEMBER EXCUSED:

STAFF PRESENT:

DANIEL JARMAN, Committee Administrator
JODIE HALL, Committee Assistant

MEASURES HEARD:

HB 2238 - Work Session
HB 2367 - Work Session
HB 2659 - Work Session
HB 2165 - Public Hearing
HB 2846 - Public Hearing

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE , A

000 OPENS MEETING AT 1:30 PM.

004 OPENS WORK SESSION ON HB 2238.

WITNESSES:

REP. LUKE, District 54
STEVE HAWES, Real Estate Agency

003 REP. LUKE, District 54: Testifies on the -2 amendments to HB 2238. Several parties drafted the -2 amendments to address concerns brought up in

the public hearing on March 28 by the Real Estate Agency and the Treasurer's Office. All parties are in support of the amendments. Exhibit A.

007 STEVE HAWES, Real Estate Agency: Real Estate Agency supports amendments.

026 HAWES: In response to Rep. Federici: The -1 amendments were discussed in the work group

032 DAN JARMAN, Committee Administrator: Briefly explains HB 2238 and the -2 Amendments. Creates regulations for Real Estate Marketing Organizations. Creates bonding requirements for the organizations. Explains real estate marketing.

041 REP. LUKE: Clarifies further the referral to Ways and Means.

058 REP. WELLS: Clarifies further that the committee is not considering the
-1 amendments, but instead the -2 amendments

061 MOTION: REP. FEDERICI: Moves to ADOPT the -2 Amendments, dated 4/4/95
submitted by Rep. Dennis Luke.

063 CHAIR LUNDQUIST: Hearing no objections, the MOTION is ADOPTED.

064 CLOSSES WORK SESSION ON HB 2238.

066 OPENS WORK SESSION ON HB 2367.

WITNESSES:

FRED VANNATTA, Oregon Home Builders Association

067 DAN JARMAN, Committee Administrator: Summarizes HB 2367 and the -1
Amendments.

089 FRED VANNATTA, Oregon Home Builders Association: Explains further the
-1 amendments for the Committee.

129 -In response to Rep. Wells: Explains further the costs to local
governments in preparing the statement. Is not an unfunded mandate from
the perspective of the Oregon Home Builders Association.

151 -Responds further to Rep. Wells' concerns about the implications of an
unfunded mandate.

170 REP. WELLS: Explains his concerns in creating unfunded mandates.

174 CHAIR LUNDQUIST: Responds to Rep. Wells' concerns. Explains that the
fiscal office will outline the impacts of the bill.

180 JARMAN: Fiscal impact will address costs to the counties.

187 MOTION: REP. FEDERICI: Moves the adoption of the -1 amendments dated
4/4/95.

190 CHAIR LUNDQUIST: Hearing no objections, MOTION is ADOPTED.

192 CLOSSES WORK SESSION ON HB 2367.

194 OPENS WORK SESSION ON HB 2659.

195 DAN JARMAN, Committee Administrator: Summarizes HB 2659 and the -1
amendments.

231 MOTION: REP. WELLS: Moves the adoption of the -1 Amendments dated
3/30/95.

233 CHAIR LUNDQUIST: Hearing no objections, the MOTION is ADOPTED.

235 MOTION: REP. WELLS: Moves to send HB 2659, AS AMENDED, to the Full
Committee on Commerce.

237 VOTE: In a roll call vote, all members present vote AYE.

239 CHAIR LUNDQUIST: The MOTION is ADOPTED.

241 REP. FEDERICI will carry HB 2659 to the Full Committee on Commerce.

243 CLOSSES WORK SESSION ON HB 2659.

248 CHAIR LUNDQUIST: Explains that the Committee is going to recess for
purposes of the Floor Session. Will re-adjourn after the Floor Session is
over. (2:00 PM)

252 -Brings the meeting back to order at 2:30 PM.

258 OPENS PUBLIC HEARING ON HB 2165.

WITNESSES:

MICHAEL SKEELS, PhD, MPH, Acting Administrator, Oregon Department of Human
Resources, Oregon Health Division

TOM JOHNSON, Oregon Health Division
JEFF DAVIS, Chairperson, Coalition of Local Health Officials, Administrator

BOB WILSON, Coalition of Local Health Officials
MIKE MCCALLUM, Director Government Relations, Oregon Restaurant Association
BOB RICE, Executive Director, Oregon Restaurant Association
ROBERT HALL, Environmental Services Manager, Oregon Health Division

259 MICHAEL SKEELS, Phd, MPH, Acting Administrator, Oregon Department of
Human Resources, Health Division: Submits testimony in SUPPORT of HB 2165.

(Exhibit B) Makes reference to the -1 Amendments. (Exhibit C)
380 -Explains further that this is a statewide program, with statewide
versus local emphasis on the program.
421 -Concludes his testimony.

030 TAPE 43, SIDE A

032 TOM JOHNSON, Oregon Health Division: Refers to the -1 Amendments.
Problems with the drafting of the amendments:
1. Page 2, line 30 "standards shall be" is not necessary
2. Page 3, line 5 may "set and" collect fees
3 Page 3, line 6 after the period insert: "On a quarterly basis, the county
shall remit 15 percent of the state licensing fee for temporary restaurants

or 15 percent of the county licensing fee for temporary licenses, whichever
is less, to the division for consultation services and maintenance of the
statewide program."

060 -In response to Chair Lundquist: Yes, have eleven counties. A couple
are not the least populated.

062 SKEELS: Comments further on Chair Lundquist.

077 JEFF DAVIS, Chairperson, Coalition of Local Health Officials,
Administrator, : In support of HB 2165, have concerns about the
amendments.

-Health Departments around the states support:
1. Need for increased license fees food service facilities in
non-delegated counties
2. Civil penalties for licensing violations
3. More frequent inspections of poorly performing restaurants
4. Strong Health Division role
5. Statewide food handler training program

-Concerns:
-Has concerns about the amendment moving fee from the county level to the
state level.
-"In what way do County Board and Commissioners have to bring forward their
concerns and their issue when they don't feel they have the resources to do
so."

138 BOB WILSON, Coalition of Local Health Officials: Concurs with Mr.
Davis on concerns about the funding levels to the counties. Supports
amendment allowing the counties to continue to set and collect fees.
154 -Briefly defines temporary restaurants for Rep. Federici: Usual reflect

a 1-5 day event with a booth set up for the public.
-Refers Rep. Federici to Page 3, line 5 of the -1 Amendment: May "set and"

collect fees. Supports language currently in statute referred to in Mr.
Johnson's testimony.

177 DAVIS: Responds to Chair Lundquist: Addresses the concerns of
counties, what recourse would counties have if resources are found to be
inadequate? Trying to bring something into the amendments that would
alleviate this concern of counties.

195 MIKE MCCALLUM, Director Government Relations, Oregon Restaurant
Association: Submits testimony in SUPPORT of HB 2165 -1 Amendments.
(Exhibit D) Comments on the concerns of Mr. Davis and Mr. Wilson in
reference to counties and the state level applications of HB 2165.
Explains that the discrepancies from county to county are a major roadblock

and HB 2165 attempts to fix this by creating a statewide program.

306 -Explains the need for the fee increases for Oregon Health Division.
-Important to provide consistency with fees all across the state.
-Application of the program statewide is necessary.

359 BOB RICE, Executive Director, Oregon Restaurant Association: Advocates from the Small business perspective for higher fees and employer mandates to achieve a statewide standard. SUPPORT HB 2165 and the -1 amendment.

409 -In response to Rep. Federici: Clarifies everyone within his industry should obtain a food handlers permit, or receive adequate training.

429 MCCALLUM: Responds to Chair Lundquist referring him to Section 13 of the -1 Amendment. Explains that an employer, after meeting state criteria,

can offer food handler training.

TAPE 42, SIDE A

030 RICE: In response to Rep. Federici: Yes, the food handler's permit is in written form, it is a card.

040 MCCALLUM: Responds further to Rep. Federici.

052 -In response to Chair Lundquist: Explains that the training program would protect the public against further outbreaks of food born disease such as E-coli.

070 -In response to Rep. Wells: Explains changes within the bill; new fee schedule and mandatory food handling training program within the amendment.

Explains that the fees are increased within the amendment but compared to current costs at the county level, not as dramatic as they seem. Fees are not being doubled.

115 -Explains the changes of the delinquency fee for Rep. Wells in the bill at the top of page 3. Attempts to answer Rep. Well's concerns over the increases in the commissary and vending machines.

134 REP. WELLS: Has concerns about the new fee schedule amended into the bill.

163 ROBERT HALL, Environmental Services Manager, Oregon Health Division: Explains the changes in the fees for vending machines for Rep. Wells. Explains what a commissary is and the fees involved in having one. Explains that the Health Division inspects approximately 10 percent of the facilities.

200 CHAIR LUNDQUIST: Suggests that Mr. Hall come back with figures from the county to justify the fee increases in the -1 amendments.

215 CLOSES PUBLIC HEARING ON HB 2165.

218 OPENS PUBLIC HEARING ON HB 2846.

WITNESSES:

DAVE HOFFMAN, PacifiCorp

BRUCE HELLEBUYCK, Manager of Economic Regulation, PacifiCorp

CATHERINE MCDOWELL, Counsel for PacifiCorp

KEN CANON, Industrial Customers of NW Utilities (ICNWU)

BILL WARREN, Administrator, Energy Division, Public Utility Commission

PAUL GRAHAM, Oregon Department of Justice

220 DAVE HOFFMAN, PacifiCorp: Submits testimony in SUPPORT of HB 2846. (Exhibit E)

323 BRUCE HELLEBUYCK, Manager of Economic Regulation, PacifiCorp: Submits further testimony in SUPPORT of HB 2846. (Exhibit F)

433 CATHERINE MCDOWELL, Counsel for PacifiCorp: Here to answer questions on the amendment.

440 HELLEBUYCK: In response to Rep. Federici: Currently discussing alternate forms of rate regulation with BPA. BPA is concerned with the impacts of HB 2165 on a regional exchange program they are working on.

445 CHAIR LUNDQUIST: Comments that BPA did not about the hearing and they chose not to attend.

TAPE 43, SIDE B

045 HOFFMAN: Responds to Rep. Wells concerning the changing market within public utilities. Explains the technological changes fostering competition

in the market. Explains that the market is aggressive especially in the area of wholesale prices.

073 HELLEBUYCK: Responds further to Rep. Wells explains that the PUC is not interested in proposing a system where cost based system is replaced with a generic market price. Explains scenario in California. Need a reasonableness check.

106 KEN CANON, Industrial Customers of NW Utilities (ICNWU): Explains ICNWU and its members. Testifies in SUPPORT of HB 2846. Explains that ICNWU would like to see the public utility industry move away from a monopoly towards a more competitive market.

146 BILL WARREN, Administrator, Energy Division, Public Utility Commission: Submits testimony in SUPPORT of HB 2846. (Exhibit G)

201 PAUL GRAHAM, Oregon Department of Justice: Explains that he has no testimony yet can answer Rep. Federici's question concerning the position of Bonneville. Bonneville will have the authority to review rates.

218 WARREN: Responds to Rep. Wells: Explains that there is a statutory provision for the Telecommunications industry.

228 GRAHAM: Responds further to Rep. Wells: The telecommunications industry is moving beyond this bill. They are looking at a system that would not be based on returns of investments.

239 WARREN: Explains further for Rep. Wells the similarity between the telecommunications industry moving to a more competitive market and the utilities industry doing the same.

254 -In response to Rep. Wells: HB 2846 is not necessarily looking at price

caps, may consider them later. Price cap might apply, haven't gotten that far.

268 -In response to Chair Lundquist: Responds in his opinion that Oregon has some of the lowest electric rates in the country. California has some of the highest and has been a leader in supporting the move to a more competitive market to try and move their prices down. HB 2846 is a more low key than some states, but other states are not doing anything.

300 CLOSES PUBLIC HEARING ON HB 2846.

301 ADJOURNS MEETING AT 3:55 PM.

Submitted by, Reviewed by,

JODIE HALL DANIEL JARMAN
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - HB 2238 -2 Amendment - Rep. Luke, District 54 - 1 page
B - Testimony on HB 2165 - Michael Skeels, Phd, MPH, Acting Administrator, Oregon Department of Human Resources, Health Division - 4 Pages
C - HB 2165 -1 Amendments - Skeels - 5 Pages
D - Testimony on HB 2165 -1 Amendments - Mike McCallum, Director Government Relations, Oregon Restaurant Association - 4 Pages

E - Testimony on HB 2846 - Dave Hoffman, PacifiCorp - 5 pages
F - Testimony on HB 2846 - Bruce Hellebuyck, Manager of Economic
Regulation, PacifiCorp - 2 Pages
G - Testimony on HB 2846 - BILL WARREN, Administrator, Energy Division,
Public Utility Commission - 3 Pages