

HOUSE COMMITTEE ON
COMMERCE
SUBCOMMITTEE ON
TRADE AND ECONOMIC DEVELOPMENT

April 11, 1995 Hearing Room H170
1:30 p.m. Tape 41-42

MEMBERS PRESENT: Rep. Chuck Carpenter, Chair
Rep. Michael Fahey
Rep. Cynthia Wooten

MEMBERS EXCUSED: Rep. Gail Shibley, Vice-Chair

STAFF PRESENT: Joseph Cortright, Executive Officer
Jeri Chase, Office Manager
Bobby Sullinger, Committee Assistant

WITNESSES: William Nessly, Oregon Department of Justice
Brian Doherty
Ron Adams, Representative, District 27
Bob Jenkins, CUB
Steve Marks, Governor's Senior Policy Advisor
Ron Eachus, Commissioner, Public Utilities Commission
Alan Bushong, Executive Director and Chair, Alliance for
Public Policy Committee
Shawn Miller, Northwest Payphone Association
Eugene Organ, Executive Director, Oregon Disabilities Commission
Fred Peterson, Telecommunications Rate-Payers Associations for
and Equitable Rates
Marsha Spellman, Co-Chair, Oregon Telecommunications Forum
Guy Alvis, Business Development Consultant
Jim Williams

MEASURES HEARD: HB 2957 -- Limits maximum prize paid to any one winner in
certain lottery games to \$7 million -- WS
HB 3281 -- Establishes Oregon Telecommunications Policy Board --

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 41, SIDE A

001 CHAIR CARPENTER: Brings the committee to order at 1:35 p.m.

HB 2957 -- Limits maximum prize paid to any one winner in certain lottery
games to \$7 million -- Work Session

011 CHAIR CARPENTER: Opens WORK SESSION on HB 2957.

012 CORTRIGHT: Overviews Proposed Amendments to House Bill 2957-6 [EXHIBIT
A].

029 BILL NESSLY: Overviews language relating to the possibility of adverse
tax consequences of HB 2957 on lottery prize winners.

048 BRIAN DOHERTY: Overviews proposed amendments to HB 2957-6 amendments.
On page 5, line 24 and 25 delete "not be subject to further judicial
review." and insert "be final and shall remain in effect unless or until
overturned or modified by a subsequent court order or the order of a
reviewing court.".

073 MOTION: REP. FAHEY: MOVES to ADOPT HB 2957-6 amendments and further
amend HB 2957-6 amendments on page 5, lines 24 and 25, delete " not be
subject to further judicial review." and insert "be final and shall remain
in effect unless or until overturned or modified by a subsequent court
order or the order of a review court.".

076 VOTE: CHAIR CARPENTER: Hearing no objections the amendments are
ADOPTED. REP. SHIBLEY is EXCUSED.

080 MOTION: REP. FAHEY: MOVES HB 2957 to the Full Commerce Committee with
a DO PASS AS AMENDED recommendation.

081 VOTE: PASSES: In a roll call vote, all members present vote AYE. REP.
SHIBLEY is EXCUSED.

085 REP. FAHEY will lead the discussion on the floor of the Full Commerce
Committee.

086 CHAIR CARPENTER: Closed WORK SESSION on HB 2957.

HB 3281 -- Establishes Oregon Telecommunications Policy Board -- Public
Hearing

085 CHAIR CARPENTER: Opens PUBLIC HEARING on HB 3281.

086 CORTRIGHT: Overviews Staff Measure Summary for HB 3281 [EXHIBIT B].

099 REP. WOOTEN: Overviews Oregon Telecommunication Forum and the creation of HB 3281.

110 REP. WOOTEN: Overviews Proposed Amendments to House Bill 3281-1 [EXHIBIT C].

136 REP. WOOTEN: Continues to present testimony relating to the importance of telecommunications in Oregon.

148 REP. WOOTEN: Overviews differences between SB 888 and HB 3281.

156 CHAIR CARPENTER: Do you have a preference for SB 888 as opposed to HB 3281.

157 REP. WOOTEN: They are very different bills.

173 REP. RON ADAMS: Present testimony in favor of HB 3281.

202 REP. ADAMS: Continues to present testimony relating to the importance of telecommunication.

232 REP. ADAMS: Continues to present testimony relating to the grass roots effort associated with HB 3281.

247 CHAIR CARPENTER: Why can't the private sector initiate this telecommunications effort.

249 REP. ADAMS: Responds to committee discussion.

277 CHAIR CARPENTER: What is the level of funding needed for this project?

278 REP. WOOTEN: This could cost billions of dollars.

288 REP. ADAMS: Responds to committee discussion relating to cost of telecommunication lines in the state of Oregon.

343 BOB JENKINS: Presents testimony in favor of HB 3281.

TAPE 42, SIDE A

009 REP. WOOTEN: How do you assess standards relating to equal and universal access given the cost of telecommunications hardware.

023 JENKINS: Responds to committee discussion.

071 STEVE MARKS: Presents written testimony in favor of HB 3281 [EXHIBIT D].

104 RON EACHUS: Presents Background Information for Testimony on HB 3281-01 Amendments [EXHIBIT E].

122 EACHUS: Continues to present testimony relating to the shift in communications employment for the future and its relation to an information based economy.

156 EACHUS: Continues to present [EXHIBIT D] (Changing Nature of Oregon's Economy).

203 EACHUS: Continues to present [EXHIBIT D] (Speech to Oregon Telecommunications Forum).

220 EACHUS: Presents Report to the Governor -- From the Oregon Telecommunications Forum Coordinating Committee [EXHIBIT F].

241 EACHUS: Continues to present [EXHIBIT D] (Basic Objectives and Assumptions).

310 EACHUS: Continues to overview [EXHIBIT E] (Role of Economic Development Department).

386 REP. ADAMS: Who are the 17 members of the new policy board?

387 EACHUS: The Governor is Chair, 4 telecommunications providers, 5 customers, 5 state agencies (Department of Administrative Services, Economic Development Department, Superintendent of Public Construction, Higher Education, and Public Utilities Commission), 2 legislators.

410 REP. ADAMS: Why would the state agencies not be made voting members?

421 EACHUS: The forum did want to make it seem as though it was state agency driven.

TAPE 41, SIDE B

024 REP. WOOTEN: Another reason why state agencies will not be given voting authority is that states agencies have an interest in telecommunications in Oregon.

037 EACHUS: I do not want to leave the impression that these amendments create what amounts to a policy board. It was clear at the OTF these amendments create a board that is in a position of recommending policy and providing advise to the Governor, to the legislature, and to agencies. It is not a policy setting board.

046 REP. ADAMS: It would be wrong to turn the policy board into a state

government planning group.

060 ALAN BUSHONG: Presents testimony in favor of HB 3281.

141 SHAWN MILLER: Presents written testimony in support and HB 3281 and proposes amendments [EXHIBIT G].

183 REP. ADAMS: How many telephone lines do you have in Oregon?

191 MILLER: Responds to committee discussion.

226 EUGENE ORGAN: Presents written testimony in favor of HB 3281 [EXHIBIT H].

304 FRED PETERSON: Presents testimony in favor of HB 3281.

352 PETERSON: Continues to present testimony relating to the structure of the telecommunications movement.

419 REP. ADAMS: Mr. Peterson has been a very good telecommunications resource.

TAPE 42, SIDE B

010 MARSHA SPELLMAN: Presents testimony in favor of HB 3281.

057 SPELLMAN: Overviews extent of involvement by various entities in and outside of Oregon.

107 REP. ADAMS: It was very difficult to gather 500 people together for the Telecommunications Forum.

123 GUY ALVIS: Presents testimony in favor of HB 3281.

178 JIM WILLIAMS: Presents testimony in favor of HB 3281.

237 CHAIR CARPENTER: Closed PUBLIC HEARING on HB 3281.

240 CHAIR CARPENTER: Adjourns subcommittee meeting at 3:15 p.m.

Submitted by

Bobby Sullinger
EXHIBIT LOG

EXHIBIT A - Proposed Amendments to House Bill 2957-6, Presented by Joseph Cortright, 5 pages.

EXHIBIT B - Staff Measure Summary for HB 3281, Presented by Joseph Cortright, 1 page.

EXHIBIT C - Proposed Amendments to House Bill 3281-1, Presented by Rep. Wooten, 6 pages.

EXHIBIT D - Written testimony in favor of HB 3281, Presented by Steve Marks, 2 pages.

EXHIBIT E - Background Information for Testimony on HB 3281-01 Amendments, Presented by Ron Eachus, 7 pages.

EXHIBIT F - Report to the Governor -- From the Oregon Telecommunications Forum Coordinating Committee, Presented by Ron Eachus, 11 pages.

EXHIBIT G - Presents written testimony in support and HB 3281 and proposes amendments, Presented by Shawn Miller, 1 page.

EXHIBIT H - Written testimony in favor of HB 3281, Presented by Eugene Organ, 2 pages.