HOUSE COMMITTEE ON GENERAL GOVERNMENT AND REGULATORY REFORM April 24, 1995 Hearing Room 357 1:00 pm Tapes 111 - 113 MEMBERS PRESENT: Rep. Bob Tiernan, Chair Rep. Mike Lehman, Vice Chair Rep. Jerry Grisham Rep. Cedric Hayden Rep. Bryan Johnston Rep. Bill Markham Rep. Lonnie Roberts Rep. Charles Starr Rep. Ken Strobeck Rep. Sharon Wylie MEMBER EXCUSED: Rep. Bev Clarno Rep. Barbara Ross STAFF PRESENT: Greg Moore, Committee Counsel Anne Tweedt, Committee Counsel Kay C. Shaw, Committee Assistant MEASURES HEARD: HB 2105 - Work Session HB 2134 - Reconsideration & Work Session HB 2187 - Reconsideration & Work Session HB 2385 - Work Session HB 2390 - Work Session HB 2722 - Work Session HB 2863 - Work Session HB 2890 - Work Session HB 2874 - Reconsideration & Work Session HB 3392 - Work Session HB 3419 - Work Session HB 3422 - Work Session HB 3447 - Work Session 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 111, A 009 CHAIR TIERNAN: Calls meeting to order at 1:20 pm. REPS. CLARNO and ROSS are EXCUSED. > Announcements. CHAIR TIERNAN: Opens work session on HB 2874 (see tape at 058). HB 2874 - WORK SESSION 048 ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary. The Preliminary Staff Measure Summary is hereby made a part of these Minutes (EXHIBIT A). MOTION: REP. STROBECK moves for unanimous consent to suspend the rules 058 for the purpose of reconsideration of the vote on HB 2874. REP. HAYDEN: Requests explanation for suspension of the rules. CHAIR TIERNAN: Due to a subsequent referral to Ways and Means. CHAIR TIERNAN: Hearing no objection the MOTION PASSED. MOTION: REP. JOHNSTON moves for reconsideration of HB 2874 and referral to the Committee on Ways and Means in accordance with its prior referral.

CHAIR TIERNAN: Hearing no objection the MOTION PASSED.

072 MOTION: REP. JOHNSTON moves HB 2874, as amended, to the Floor with a DO

PASS recommendation and that it be referred to the Committee on Ways and Means in accordance with its prior referral.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, STROBECK, WYLLE and CHAIR TIERNAN vote AYE. REPS.

CLARNO and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION PASSED.

CHAIR TIERNAN: Closes work session on HB 2874 and opens work session on HB

2134.

HB 2134 - WORK SESSION

ANNE TWEEDT, Committee Counsel: The Preliminary Staff Measure Summary is hereby made a part of these Minutes (EXHIBIT B).

086

MOTION: REP. STARR moves for unanimous consent to suspend the rules for

the purpose of reconsideration of the vote on HB 2134.

CHAIR TIERNAN: Hearing no objection, declares the MOTION PASSED.

MOTION: REP. STARR moves for reconsideration of HB 2134 with a referral to

the Committee on State and School Finance.

CHAIR TIERNAN: Hearing no objection, declares the MOTION PASSED.

093 MOTION: REP. STARR moves HB 2134, as amended, to the Floor with a DO PASS recommendation and that it be referred to the Committee on State and School Finance.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, STROBECK, WYLLE and CHAIR TIERNAN vote AYE. REPS.

CLARNO and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION PASSED.

CHAIR TIERNAN: Closes work session on HB 2134 and opens work session on HB

2187.

HB 2187 - WORK SESSION

ANNE TWEEDT, Committee Counsel: The Preliminary Staff Measure Summary is hereby made a part of these Minutes (EXHIBIT C).

104 MOTION: REP. MARKHAM moves for unanimous consent to suspend the rules for the purpose of reconsideration of the vote on HB 2187.

CHAIR TIERNAN: Hearing no objection, declares the MOTION PASSED.

MOTION: REP. MARKHAM moves for reconsideration of HB 2187 and referral to the Committee on Ways and Means in accordance with its prior referral.

CHAIR TIERNAN: Hearing no objection, declares the MOTION PASSED.

108 MOTION: REP. MARKHAM moves HB 2187, as amended, to the Floor with a DO PASS recommendation and that it be referred to the Committee on Ways and Means in accordance with its prior referral.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, STROBECK, WYLLE and CHAIR TIERNAN vote AYE. REPS.

CLARNO and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION PASSED.

125 CHAIR TIERNAN: Closes work session on HB 2187 and open work session on HB 2863.

HB 2863 - WORK SESSION

127 ANNE TWEEDT, Committee Counsel: Mr. Chair, Members of the Committee, House Bill 2863 initially heard on April 18, would require auto dealers to inform purchasers in writing if a vehicle has been used in transportation or manufacture of controlled substances, illegal drugs. The -1 amendments,

the -3 amendments mirror the -1 amendments that this committee discussed on

the 13th, except that after going to a consensus group, of the auto dealers

and the tow truck operators and then with consent from the Manufactured Home Dealers Association, the -3 amendments do still amend the Unlawful Trade Practices Act as the -1

did and do require a dealer to notify a purchaser, in writing. They would exempt a manufactured home dealer, not recreational vehicle dealers from the requirement, and also amend the language. There was some concern about

the language whether a dealer had reasonable grounds to believe that a vehicle was used in such drug trade. The -3 amendments return the bill to the original language which say a dealer who actually knows that such happened would be required to inform and the -3 amendments also. The -2 amendments require posting on the vehicle itself. So the -2 and -3 amendments are up for discussion. The Preliminary Staff Measure Summary and HB 2863-3 amendments are hereby made a part of these Minutes (EXHIBIT D).

CHAIR TIERNAN: Rep. Johnston do you have comments to make?

149 REP. JOHNSTON: Yes, please, if I may Mr. Chair. Two things about this.

One we met with those folks most likely to be concerned and we are suggesting the -2 and the -3 amendments as ways to alleviate their concern.

If you'll remember, this was a situation where the dealership actually knew that the car had been used in this respect and failed to give notice.

This becomes increasingly important. The individual has a civil remedy in and it would have been my legal opinion that a civil remedy did not depend upon this statute and that's still my legal opinion, but it's not the legal

opinion shared by one of the members of the Marion County Judiciary who granted a summary verdict for the defendant auto dealer in this case and said there is no statute preventing basically what he did. I don't there needs to be. I think there is some common law requirements that would allow this, but it just brought home again the need to put this statute out

there. At least to give notice to people. We don't want to have, we don't

want our citizens having to resolve this issue in court. It should be real

clear, real simple. We protected the dealers by replacing the words "should have known". We are not asking them to become detectives with the word "new". So, if they get actual notice. If the police department says "This car was used this way", that's when their obligation starts. It's not a question of their having to sniff through the car and find precursor chemicals. We tried to be as fair to the industry as we can and they're acceptable to that and frankly, with the manufactured homes dealers, it's our expectation that not many of those are going to be stolen from the lot and used in the same way that occurs with the automobiles. Hence, we decided to exempt them.

174 REP. ROBERTS: I'm going to agree with Rep. Johnston except one thing that bothered me about the case that was presented to us, is that the dealer did not report that automobile stolen and I think they have a responsibility to themselves and to the general public. They're worried about their insurance rates going up, but it gave these people two or three

days with that automobile to setup their drug lab and I think if they had reported it, we might have probably prevented some problems at that point.

That's just a postscript to what you said.

REP. JOHNSTON: Good point.

CHAIR TIERNAN: Further comments? Okay.

184 REP. JOHNSTON: I move the -2 and -3 amendments.

CHAIR TIERNAN: You move the -2 or -3?

REP. JOHNSTON: Can we move both of them or do you want to do it one at a

time?

187

CHAIR TIERNAN: Let's do one and a time to make sure.

MOTION: REP. JOHNSTON moves the ADOPTION of HB 2863-2 amendments.

CHAIR TIERNAN: Rep. Johnston moves the -2 amendments to HB 2863. Is there

any further discussion?

REP. STROBECK: I have a question for Rep. Johnston. Did you discuss how many vehicles this has, this would have applied to in the past and how many

it may apply to in the next couple of years?

REP. JOHNSTON: There's no evidence of past vehicles that we're aware of falling under this category other than the instant case that brought this matter to us. It was the expectation of the Portland Police Department that there'll be considerably more in the future.

196 REP. STROBECK: But we're still only talking about a handful essentially, right?

REP. JOHNSTON: Right.

REP. STROBECK: So, my question then regarding the -2 amendments is, are you defining what this notice looks like? Is it a form, a standard, you know, some sort of a, can it be handwritten on, with a felt pen on a piece of cardboard or what?

REP. JOHNSTON: That's an interesting surmise. Currently, we don't, we simply say that you have to do two things. You have to give written notice

and post it. We want it in both places. Currently they post a sticker on each vehicle that is for sale and it's our expectation that there's where it would occur, but you're right, we don't give direction on that.

208 REP. STROBECK: Well, it'd be my opinion that since we are talking about

a handful of cars, since we're talking about a situation in which the dealer is required to notify the purchaser in advance of purchasing this vehicles that I think it's unnecessary and redundant to have, to also say that you have to put a sticker or sign or something in the window.

REP. JOHNSTON: Let me tell you Rep. Strobeck why we did that. The fear we

had was that if we didn't require it on the vehicle, it would come up before the purchase, but it would be the last thing done before the signature was affixed to the contract. Oh, by the way there was a problem with the car and we've calculated that into the dollars we're willing to accept. You know, we wouldn't take that last offer ordinarily, but based upon this car and this time, because we want to also share with you this, that's the problem that we're trying to alleviate with it posted in the window.

REP. STROBECK: But on the other hand, if you have a posted car in the window that says "Warning, this car had dangerous precursor chemicals in it

and might be contaminated", how many people do you think would be coming up

to buy it?

223 REP. JOHNSTON: My guess is that that's not how they're going to phrase it.

REP. STROBECK: And that gets into another question. What are you saying has to be contained in the what you describe as "notice"?

REP. JOHNSTON: Notice is a legal concept and it simply means that the purchaser needs to be made aware. And since we say notice on the window, that's a question of fact. Was the notice sufficient to make someone aware. You know they could.

REP. STROBECK: Can the notice say "Attention, this vehicle was used in the

transportation or manufacture of illegal drugs"? Can it just say that and then that doesn't get into the implication of "and, therefore, may be hazardous to your health" -- you know?

REP. JOHNSTON: I think you're right. We tried to take the course least restrictive for the industry rather than most restrictive. We're just

trying to give notice. If you'd like it to be more stringent, suppose we could do that.

REP. STROBECK: No, in the interest of less regulation. All I'm suggesting

is this notice part needs a little more work to say what it should say or how it should say it, if it even says it at all and I'm not convinced that it needs to be there.

REP. ROBERTS: You've got the Senate side to work it. CHAIR TIERNAN: Okay, is there any further discussion?

REP. STROBECK: Always comes down to regulation doesn't it?

245 REP. LEHMAN: Want to charge a fee too?

CHAIR TIERNAN: Any further discussion on the amendments?

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, WYLIE and CHAIR TIERNAN vote AYE. REP. STROBECK votes NAY. REPS. CLARNO, ROSS and STARR are ABSENT.

CHAIR TIERNAN: Declares the MOTION ADOPTED.

255 MOTION: REP. JOHNSTON moves the ADOPTION of HB 2863-3 amendments.

CHAIR TIERNAN: Rep. Johnston moves the $\mbox{-3}$ amendments to 2863. Is there any discussion?

[Unidentified]: What do they do?

CHAIR TIERNAN: Is there any objection?

[Unidentified]: They should go on record of what they.

258 REP. JOHNSTON: HB 2863 simply exempts the manufactured home dealers and

it requires that the potential purchaser receive the, in writing, notice as

well.

CHAIR TIERNAN: Hearing no objection from ALL MEMBERS PRESENT, declares MOTION ADOPTED. REPS. CLARNO, ROSS and STARR are EXCUSED.

MOTION: REP. JOHNSTON moves HB 2863, as amended, to the Floor with a DO PASS recommendation.

CHAIR TIERNAN: Rep. Johnston moves House Bill 2863 to the Floor as amended

by the -2 and the -3 to the Floor with a DO PASS recommendation. Is there further discussion? Rep. Strobeck, want to make a pitch?

REP. STROBECK: Well, I just think there ought to be something that's a little more clear in what this notice entails, because, and maybe you can, representative, if you say that the notice is a legal concept, but whether it says "used in the manufacture or transportation of illegal drugs" or whether it says "may be contaminated by precursor chemicals", I think are two very different things.

REP. JOHNSTON: Mr. Chair, if I may. I think Rep. Strobeck makes a good point -- it's not a point that we gave much consideration to in the process

of this bill so far and I would represent to the representative that I will

take that message over to the Senate should this get out of our side.

277 REP. HAYDEN: Mr. Chairman, I'll just take the "bull by the horns" and say that the notice shall state quote "the vehicle was used in the unlawful

manufacture, transport of controlled substances" unquote.

REP. JOHNSTON: I would view that as a friendly amendment.

CHAIR TIERNAN: Does that satisfy?

REP. STROBECK: Well, I don't think it addresses what the original, your neigHB or, the complaintee had regarding the fact that this maybe contaminated. Just because it was used in the transport, does not necessarily \sim

REP. ROBERTS: [Inaudible].

REP. STROBECK: have a connotation that it was, that there is something contaminated in the vehicle.

REP. JOHNSTON: Which is why I think this is not, I think that's well thought of, but this is not the best place to find that right wording. I'd

be more than willing to prepare it, but I'd recommend we do it for the Senate side. I simply don't think the times going to allow us to do it here.

REP. STROBECK: I would accept that assurance if you would pursue that on the Senate side.

REP. JOHNSTON: I will.

CHAIR TIERNAN: Okay. We have a motion to move House Bill 2863 to the floor with a do pass recommendation as amended by -2 and -3. Any further discussion? Clerk call the roll.

296 VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STROBECK, WYLIE and CHAIR TIERNAN vote AYE. REPS. CLARNO,

ROSS and STARR are ABSENT.

CHAIR TIERNAN: Declares the MOTION PASSED. Carrier of the bill is REP. JOHNSTON.

CHAIR TIERNAN: Closes work session on HB 2863 and opens work session on HB

2390.

HB 2390 - WORK SESSION

313 ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary and HB 2390-4 amendments. The Preliminary Staff Measure Summary, including the HB 2390-4 amendments, is hereby made a part of these Minutes (EXHIBIT E).

326 MOTION: REP. LEHMAN moves the ADOPTION of HB 2390-4 amendments.

CHAIR TIERNAN: Hearing no objection from ALL MEMBERS PRESENT, declares MOTION ADOPTED. REPS. CLARNO, ROSS and STARR are EXCUSED.

MOTION: REP. MARKHAM moves HB 2390, as amended, to the Floor with a DO PASS recommendation.

333 REP. ROBERTS: Refers to discussion about the definition of "physician."

Was the definition of "physician" taken care of?

COUNSEL TWEEDT: The subcommittee included nurse practitioners and physician assistants. Points out there was an Attorney General's opinion on

the issue.

344 REP. HAYDEN: Has the fee question been resolved?

COUNSEL TWEEDT: The fees were removed by HB 2390-4 amendments.

CHAIR TIERNAN: The Committee has now adopted HB 2390-4 amendments.

348 REP. STROBECK: Disagrees with the concept of removing these fees, because it doesn't reflect the true cost of the issuance of these certificates. Refers to other Committee action and the position that the cost be reflective of the "true amount that it's costing the agency." Points out in this case other drivers will underwrite the cost of issuing these permits. Opines it is not wise to reverse that position.

REP. HAYDEN: Does not understand that as the concept. Explains that the concept was that DMV would not use such expensive materials to ensure the fee would be the same as that currently charged. This is not elimination of fee, this is just extending the current fees.

365 REP. ROBERTS: Says DMV was already at a point of not collecting enough to cover the cost. Agrees with Rep. Strobeck that customers are not complaining about paying for what it costs to service the concerns. Expresses concern about charging beyond the cost of producing the placard. CHAIR TIERNAN: Comments about complaints over the increased fee.

REP. MARKHAM: Refers to disabled veterans who testified they wanted to pay their fair share and inquires of Committee members whether or not that is a fair statement.

394 REP. GRISHAM: Also received letters from other disabled people who say any increase would be a hardship on them. If this amendment is defeated and the bill is not passed out, then offers a friendly amendment that would

waive all fees for these parking permits. Strongly recommends that fees should not be more than double simply because there is a request for a change in the procedure.

CHAIR TIERNAN: Remarks about the lack of discussion about the question that fees for anything should take care of government services. The current status of the bill is there is no increase in fees and a continuation of the fees based upon the past year's costs. Requests Committee Counsel to explain the main purpose of the bill.

TAPE 112, A

OO5 COUNSEL TWEEDT: Explains the bill revises some of the disabled parking laws. Basically, the amendments permit the issuance of one individual placard and one temporary or trip placard to respond to some concerns. There is recognition of placards from state to state; therefore, the trip permit was designed to solve the problems involving travel. The amendments

also restore a provision authorizing family permits which the original bill

would have repealed, adds nurse practitioners and physician assistants to the list of those who are able to certify disabilities, and gives ODOT rule

making authority to determine display location of disabled parking permits.

CHAIR TIERNAN: The purpose of the bill was to make it easier for portability of the disabled parking permit and flexibility for truly disabled people.

023 REP. HAYDEN: Suggests the same status quo without this bill and is satisfied with HB 2390-4 amendments -- will vote either "up or down".

REP. STROBECK: Requests an explanation about the issuance media of the permits.

REP. HAYDEN: Refers to discussion with DMV about finding a less expensive material than that proposed material.

REP. STROBECK: Continues inquiries about fees.

052 $$\rm MOTION:\ REP.$ GRISHAM moves HB 2390, as amended, to the Floor with a DO PASS recommendation.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STROBECK, WYLIE and CHAIR TIERNAN vote AYE. REPS. CLARNO, ROSS and STARR are EXCUSED. Carrier of the bill is REP. JERRY GRISHAM.

CHAIR TIERNAN: Declares MOTION PASSED.

CHAIR TIERNAN: Closes work session on HB 2390 and opens work session on HB

3422.

HB 3422 - WORK SESSION

088 ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary and HB 3422-2 amendments. The Preliminary Staff Measure Summary, including HB 3422-2 amendments, is hereby made a part of these Minutes (EXHIBIT F).

REP. WYLIE: Was there any resolution to the problem about bike pack members being stopped to check for stickers?

117 COUNSEL TWEEDT: No. Remarks that Oregon State Police were aware of concerns and that the U.S. DOT is currently promulgating a list of helmets that are legal to sell, but until the list is complete the subcommittee felt that is should not be codified in statute.

124 REP. STROBECK: Adds that the original thrust of the bill was to ensure

that retailers would have to sell only legal helmets.

REP. ROBERTS: If the selling of helmets is legalized, the helmets should be legitimate to use. Continues comments about harassment issue.

146 MOTION: REP. MARKHAM moves the ADOPTION of HB 3422-2 amendments.

CHAIR TIERNAN: Hearing no objections, declares MOTION ADOPTED. REPS. CLARNO, GRISHAM, HAYDEN, JOHNSTON, ROSS and STARR are EXCUSED.

154 MOTION: REP. ROBERTS moves HB 3422, as amended, to the Floor with a DO PASS recommendation.

VOTE: In a roll call, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STROBECK, WYLIE and CHAIR TIERNAN vote AYE. REPS. CLARNO, HAYDEN, ROSS and STARR are EXCUSED. Carriers of the bill are REPS. ROBERTS and STROBECK.

CHAIR TIERNAN: Closes work session on HB 2722 and opens work session on HB

2722.

HB 2722 - WORK SESSION

172 ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary and HB 2722-1 amendments. The Preliminary Staff Measure Summary, including HB 2722-1 amendments, is hereby made a part of these Minutes (EXHIBIT G).

188 MOTION: REP. STROBECK moves ADOPTION of HB 2722-1 amendments.

CHAIR TIERNAN: Hearing no objection from ALL MEMBERS PRESENT, declares MOTION ADOPTED. REPS. CLARNO, HAYDEN, JOHNSTON, ROSS and STARR are EXCUSED.

MOTION: REP. STROBECK moves HB 2722, as amended, to the Floor with a DO PASS recommendation.

REP. LEHMAN: Explains intent to vote "no". Comments about helmet issue, personal choice and this is a different issue (i.e., involves the safety of

others on the waterway).

212 REP. STROBECK: Currently, the regulation does require, and this is a deregulation of a sort, at least where allowed.

VOTE: In a roll call vote, REPS. GRISHAM, JOHNSTON, MARKHAM, ROBERTS, STROBECK, WYLIE and CHAIR TIERNAN. REP. LEHMAN votes NAY. REPS. CLARNO, HAYDEN, ROSS and STARR are EXCUSED.

CHAIR TIERNAN: Declares the MOTION PASSED. Carrier of the bill is REP. BOB REPINE.

CHAIR TIERNAN: Closes the work session on HB 2722 and opens work session on HB 2105.

HB 2105 - WORK SESSION

Witness: Greg Malkasian, Public Utility Commission (PUC)

ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary and HB 2105-2 amendments. The Preliminary Staff Measure Summary, including HB 2105-2 amendments, is hereby made a part of these Minutes (EXHIBIT H).

REP. ROBERTS: Will support HB 2105-2 amendments, but once there is involvement in movement of hazardous material "they aren't going to correct

the first one, because it's going to be gone." There must be a requirement

of responsibility and where that responsibility begins (i.e., a check and balance on both sides). The proposed legislation is "long overdue."

CHAIR TIERNAN: What's the definition of hazardous material?

REP. ROBERTS: Battery acid, batteries with acid in them and any kind of chemicals. Battery acid is corrosive and adding another element, changes the whole formula. The definition is constantly changing, but it is anything that is corrosive, toxic or something considered to be harmful if swallowed, inhaled or touched.

CHAIR TIERNAN: Continues discussion about definition of and movement of "hazardous material." Do the federal regulations regulate hazardous material coming interstate?

307 GREG MALKASIAN, Administrator, Transportation & Safety Division, Public Utilities Commission (PUC): Yes, the federal regulations are pre-emptive.

This merely ensures uniformity in the regulations and assures, through the amendment, that those regulations administered by the PUC are consistent with those federal regulations.

CHAIR TIERNAN: So, PUC's regulations are going to only be for intrastate?

 $\mbox{MR.}$ MALKASIAN: They will apply to interstate and intrastate. The federal regulations are pre-emptive for intrastate as well.

CHAIR TIERNAN: PUC is not going to regulate inconsistent with the federal rules. There are federal rules for interstate and intrastate?

MR. MALKASIAN: That's correct.

CHAIR TIERNAN: PUC cannot interfere with interstate?

MR. MALKASIAN: PUC cannot regulate differently.

CHAIR TIERNAN: What is the need for the regulation? What does PUC intend to cover that is not currently covered?

325 MR. MALKASIAN: There is very little regulation over shippers in the State of Oregon. There is no agency that administers those regulations. PUC has adopted the Federal Hazardous Material Regulations, yet PUC does not have authority over a segment of the industry (i.e., the shipping community that must comply with those regulations). This proposed amendment merely ensures that they are regulated, there is PUC oversight and the amendment clarifies the interaction that PUC will have from a penalty perspective with the shipping community.

CHAIR TIERNAN: What is going to be PUC's rule about the definition of "hazardous material" since it is a very broad term?

MR. MALKASIAN: Amendment to the bill clarifies that hazardous material will be defined consistent with federal regulations. There will be no difference and it will be the same as the federal regulation.

CHAIR TIERNAN: Requests an example of somebody PUC wants to regulate in this area?

350 MR. MALKASIAN: A company that is not a motor carrier that presents into

commerce a shipment that includes hazardous materials would be a company PUC would regulate.

CHAIR TIERNAN: Continues inquiries about materials that would be included.

REP. STARR: Does this bill in any way involve regulation of the transport of materials by a farm supply dealer, handling these hazardous materials and selling them to agricultural producers?

MR. MALKASIAN: Those transportation activities that are currently not under the PUC jurisdiction would not come under jurisdiction as well for the transportation portion. It would be any shipper tendering the shipment

to a motor carrier under PUC jurisdiction.

CHAIR TIERNAN: Since there is fiscal impact, would this cause PUC to do differently than what PUC is currently doing?

MR. MALKASIAN: Currently, PUC has two hazardous materials specialists. A large proportion, 60 percent of their service to the public, is to shippers

now. The concern is there are some shippers that PUC provides services (i.e., information on correcting violations or PUC is made aware of violations). PUC goes to those shippers to try to work with them to identify the problem, but they don't correct the problem -- it is the continuing nature of that problem, that PUC is trying to avoid and that is the intent of this bill.

421 $\,$ CHAIR TIERNAN: Closes the work session on HB 2105 and opens work session on HB 3419.

HB 3419 - WORK SESSION

432 ANNE TWEEDT, Committee Counsel: Reviews the Preliminary Staff Measure Summary and HB 3419-2 amendments. The Preliminary Staff Measure Summary, including HB 3419-2 amendments, is hereby made a part of these Minutes (EXHIBIT I).

447 CHAIR TIERNAN: Was the original law that required helmets to be worn by everybody through ballot measure or through the legislature?

REP. ROBERTS: It was an initiative.

COUNSEL TWEEDT: It was referred by the 1987 Legislature and it was a ballot measure in 1988.

CHAIR TIERNAN: Was it a referral?

REP. LEHMAN: Doesn't believe it was an initiative -- believes it was a referral by the legislature.

CHAIR TIERNAN: What do the HB 3419-2 amendments do?

COUNSEL TWEEDT: Refer it back.

CHAIR TIERNAN: What do the HB 3419-1 amendments do?

COUNSEL TWEEDT: HB 3419-1 amendments say that it applies only to persons under 21 years of age -- those were not adopted by the subcommittee.

468 REP. LEHMAN: Discussion at the subcommittee, rather than to "play around with 21 to 18 that seemed inconsequential", decided to deal solely with the issue of whether or not it goes to the voters.

CHAIR TIERNAN: HB 3419-1 amendments apply to persons 21 and over?

TAPE 111, B

027 $\,$ COUNSEL TWEEDT: HB 3419-1 amendments provide that only persons 21 and under would have to wear a helmet.

REP. LEHMAN: HB 3419-2 amendments apply to persons 18 and under.

CHAIR TIERNAN: The decision to be made is who it applies to, what age, and

whether or not it is a referral.

REP. LEHMAN: The bill, as written, is age 18.

CHAIR TIERNAN: HB 3419-1 amendments are age 21.

COUNSEL TWEEDT: HB 3419-1 amendments would say that which is going to get referred to the people is the fact that if you are under 21 years old, you have to wear a helmet. If you are 21 and older, you do not.

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MOTION: REP. STROBECK moves the ADOPTION of HB 3419-1 amendments.

REP. STROBECK: That would be age 21?

CHAIR TIERNAN: Correct. If you vote for HB 3419-1 amendments, it is age 21 and under. If you don't vote for HB 3419-1 amendments, it is age 18 and

under, as it currently written.

REP. STROBECK: Is there any other motor vehicle regulation that has an age

21 limit on it?

CHAIR TIERNAN: Chauffeurs' license is age 18.

REP. LEHMAN: Recollection is that the only distinction now is that alcohol

is age 21.

050 REP. STROBECK: Will not support HB 3419-1 amendments.

REP. STROBECK: Withdraws his motion.

055 MOTION: REP. LEHMAN moves the ADOPTION of HB 3419-2 amendments.

REP. WYLIE: Was there any definitive statement about studies on what is the role of helmets in motorcycle safety?

CHAIR TIERNAN: Requests holding that discussion until it is decided whether or not there will be a referral.

REP. WYLIE: Vote on the referral depends upon the testimony and impression

of colleagues on that testimony.

072 REP. STROBECK: Yes, there was such discussion and there was much documentation presented by the bike pack people on "their scientific studies about helmets and whether they did or didn't prevent injuries." There also was material from Dr. Long, Chief of Trauma at Emanuel Hospital,

whose written material said that it was "in his opinion that people did have less severe injuries." There was a great deal of testimony on both sides.

REP. JOHNSTON: Point of order. Requests reverse call of the roll.

VOTE: In a roll call vote, CHAIR TIERNAN, REPS. WYLIE, LEHMAN and JOHNSTON

vote AYE. REPS. STROBECK, STARR, ROBERTS, MARKHAM and GRISHAM vote NAY. REPS. CLARNO, HAYDEN and ROSS are EXCUSED.

CHAIR TIERNAN: Declares MOTION FAILED.

097 $$\rm MOTION:$$ REP. ROBERTS moves HB 3419 to the Floor with a DO PASS recommendation.

VOTE: In a roll call vote, REPS. JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, STROBECK, WYLIE and CHAIR TIERNAN vote AYE. REPS. GRISHAM votes NAY. REPS. CLARNO, HAYDEN and ROSS are EXCUSED.

CHAIR TIERNAN: Declares MOTION PASSED.

CHAIR TIERNAN: Closes work session on HB 3419 and opens work session on HB

3392.

HB 3392 - WORK SESSION

GREG MOORE, Committee Counsel: Reviews Preliminary Staff Measure Summary and HB 3392-4 amendments. Preliminary Staff Measure Summary, including HB 3392-4 amendments, is hereby made a part of these Minutes (EXHIBIT J).

116 REP. HAYDEN: Currently the mega-phone companies are paying a \$6 monthly

flat rate for the use of the smaller telephones and they would like to have

a 25 cents fee for dial around. Opines there is a good deal of equities. Proposes a conceptual amendment that the first 6 would buy the first 24 calls and then any call after that would be 25 cents; therefore, the 25th call would be 6.25 and the 26th call would be 6.50.

REP. JOHNSTON: Understands that the \$6 is an FCC requirement that "compensates these folks for 800 dial arounds that are . . . interstate." When you add this theory to it, are we counting all telephone calls that are dial around or how are we doing this?

REP. HAYDEN: Concept would be that it would count all calls and the 6 covers the use of the phone for all calls. After all calls that total 24, the 25th call would be an additional quarter. There might be 1,000 calls a

month; therefore, the \$6 might be a very small proportion of the total fee.

141 REP. JOHNSTON: Requests Committee Counsel's comments. For a telephone to be used in primarily interstate calls and to accumulate 20 calls in which case the State of Oregon would authorize billing of \$2.50 above what the FCC set for compensating that owner, opines "we would run afoul under pre-emption wouldn't we?"

COUNSEL MOORE: Shares the concern.

REP. JOHNSTON: "I don't think we could do it in other words." The idea has merit, but doubt it works.

150 REP. STROBECK: If we just get away from the \$6, say we don't even factor that in,. we could still set the limit to say "the dial around quarter charge arbitrarily begins with the 25th call made on a telephone that happens to be a dial around call. . . . So, whether or not we tie it to the \$6 that's paid from the FCC order, we can establish that standard independent." CHAIR TIERNAN: Requests Committee Counsel's comment.

COUNSEL MOORE: Don't know why it wouldn't work. The pre-emption issue is gone. It does appear to be somewhat of subterfuge.

164 REP. JOHNSTON: Doesn't think the pre-emption issue is gone and the potential for a challenge as soon as someone gets "tagged". Who is this going to be billed to? Is it the 25th caller? For example, the first 24 calls all happen to be AT&T's and the 25th-30th happen to be MCI's. Is MCI

going to be billed and who will "scream 'oh we already paid. . . . We already paid our prorata share of Oregon's \$6 phone calls, \$6 per phone.'"

173 REP. STROBECK: Alternative is to start with dial around call number one

at a quarter; therefore, the long distance carriers are getting the opportunity to have the first 24 per phone without an additional charge.

REP. JOHNSTON: Opines the PUC is the proper place to consider this technical type of regulation, not the legislature. The theory in the bill is a defensible theory. Likes the other scheme as being fairer, but doubts

it could be done with federal participation. Prefers to allow PUC to resolve the issue, because the legislature does not have the answer.

201 REP. STROBECK: Explains that the bill was a compromise when it moved from the subcommittee and that it was not exclusively to be interstate calls.

REP. JOHNSTON: Explains view on the issue as being intrastate and voted to

move from subcommittee to full committee, but that it was a consent approach from a variety of interested parties although not all of them.

CHAIR TIERNAN: Rep. Johnston, would you support the version that is now before the committee or the proposed amendments?

REP. JOHNSTON: No.

226 REP. LEHMAN: Explains his understanding of the bill by providing examples. If this bill is passed and if a call around card is used, a 25-cent increase will be on the phone bill for any phone calls made at a pay phone.

REP. STROBECK: Incorrect. The pay phone operator is getting a \$6 a month per phone payment from a consortium of the long distance carriers. Theoretically, a user's call is being compensated to a limited extent. Unsure that the ability of the pay phone owner to bill the carrier for a particular call, an 800 call, a quarter for the call, and pass the charge onto the customer in the form of an additional 25 cents on the call, is firmly resolved.

REP. LEHMAN: Continues inquiries to attempt to sort out what calls would be affected.

263 REP. JOHNSTON: We don't know how companies or the marketplace will respond to this.

MOTION: REP. STROBECK moves to conceptually amend HB 3392 to include the concept that the 25-cents per call billing would not begin until the 25th dial around call on any phone in a month.

VOTE: In a roll call vote, REPS. HAYDEN, MARKHAM, STARR, STROBECK and CHAIR TIERNAN vote AYE. REPS. GRISHAM, JOHNSTON, LEHMAN, ROBERTS and WYLIE

vote NAY. REPS. CLARNO and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION FAILED.

350 MOTION: REP. STROBECK moves the ADOPTION of HB 3392-4 amendments.

CHAIR TIERNAN: Requests a brief explanation of the amendments.

COUNSEL MOORE: Explains HB 3392-4 amendments require on a per call basis an amount equal to the current pay phone rate. Amendment applies only to intrastate calls and has no impact whatsoever on interstate calls that are regulated by the FCC.

REP. GRISHAM: Didn't the subcommittee adopt these amendments?

COUNSEL MOORE: Yes, the subcommittee did adopt these amendments in concept.

REP. HAYDEN: Opines the legislature does not have the expertise to reconcile this issue and intended to extend a courtesy vote to move the bill to this discussion, but does not intend to extend that courtesy of an AYE vote.

VOTE: In a roll call vote, REPS. GRISHAM, JOHNSTON, LEHMAN, MARKHAM, STROBECK and CHAIR TIERNAN vote AYE. REPS. HAYDEN, ROBERTS, STARR and WYLLE vote NAY. REPS. CLARNO and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION FAILED.

405 REP. STROBECK: The HB 3392-4 amendments actually clarify the language insofar as what could be charged for, because the language in HB 3392 says "such compensation may be on a per call basis on a flat fee per phone basis", etc. That wasn't what, through discussions, was intended to move (i.e., have it as a specific charge per call). HB 3392-4 amendments didn't

have this 25 call threshold, etc.).

MOTION: REP. JOHNSTON moves to TABLE the bill.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR and WYLIE vote AYE. REPS. STROBECK and CHAIR TIERNAN vote NAY.

CHAIR TIERNAN: Declares the MOTION PASSED.

CHAIR TIERNAN: Closes work session on HB 3392 and opens work session on HB

3447.

TAPE 112, B

Witness: Col. L. E. Ashcroft, Oregon Military Department J. Michael Caldwell, Oregon Military Department

018 GREG MOORE, Committee Counsel: Reviews the Preliminary Staff Measure Summary and proposed conceptual amendments to HB 3447 by the Oregon Military Department to address the problem of Oregon's whistleblower statute. The Preliminary Staff Measure Summary (EXHIBIT K) is hereby made a part of these Minutes.

CHAIR TIERNAN: Asks for any questions about the original bill and the proposed conceptual HB 3447-1 amendments.

063 REP. JOHNSTON: Are the Oregon whistleblower statute and the federal whistleblower statute the same substantively or does one grant more expansive rights than another?

similar rights (e.g., the right to sue in the event of an adverse result).

OMD's position is that it is substantively the same.

REP. JOHNSTON: Are we taking anything away from an Oregonian who would have chosen to bring his/her lawsuit under Oregon's whistleblower statute by doing this?

COL. ASHCROFT: Doesn't believe so. Ultimate remedies would be similar. The need for this remedy is it places the State of Oregon and the Oregon Military Department in the position of being ordered, or directed, for example by an Oregon court or the Bureau of Labor and Industries, to grant a remedy that is inconsistent with federal regulation, Federal Law and the federal remedies. Provides example. Opines the federal remedy should be the exclusive remedy, because it is a remedy which can grant relief whereas

the state court may not be able to.

J. MICHAEL CALDWELL, Policy/Liaison Officer, Oregon Military Department:

Testifies this applies in the conceptual amendment to Title 10 and Title 32 people. There are other state employees who won't fall under this Act, but need to be under the Oregon Act that are not members of the National Guard pursuant to Title 10 or Title 32.

COL. ASHCROFT: If you are performing purely a state duty, as either a civilian employee or in a military status pursuant to the Governor's order placing you in state status, you would still have available the state remedy.

102 REP. JOHNSTON: What about an Oregon Defense Force member?

COL. ASHCROFT: Oregon Defense Force member does not fall under Title 32 or

Title 10; therefore, they would fall under Oregon statute.

REP. MARKHAM: Does this eliminate the "second bite of the apple"?

COL. ASHCROFT: Yes.

CHAIR TIERNAN: Bothersome to see the state court interpreting federal statutes or military rules/guidelines. That would place the military in a very difficult position. Does everyone understand the conceptual amendment?

REP. JOHNSTON: Inquires about the retroactivity. Views the amendment as "it pulls the rug out of whoever is suing them." If that is right on the merits, that's what should happen. Has concern about applying these sorts of laws retroactively.

COL. ASHCROFT: Not on a regular basis, but it is not unusual on a monthly basis, for separation or adverse actions to occur to service members. The statute of limitations has not expired on a number of these acts and "yes, admittedly we have an individual who currently has pending an active Bureau

of Labor (BOLI) claim." Explains that the lawsuit is against the Military Department as such. Explains the lawsuit. The conceptual amendment would merely enact the position that BOLI has always taken, put into law the position of the Oregon Military Department and would allow the Oregon Military Department to clean up those potential actions that are pending.

MOTION: REP. JOHNSTON moves the ADOPTION of the conceptual amendments to HB 3447 as follows: "ORS 659.505(2) shall not apply to members of the Oregon National Guard serving pursuant to Title 10 or 32 of the United States Code by virtue of membership in the Oregon National Guard. The provisions of this subsection shall apply retroactively."

CHAIR TIERNAN: Hearing no objection from ALL MEMBERS PRESENTS, declares MOTION ADOPTED. REPS. CLARNO and ROSS are EXCUSED.

143 MOTION: REP. JOHNSTON moves HB 3447, as amended, to the Floor with a DO

PASS recommendation.

VOTE: In a roll call vote, REPS. GRISHAM, HAYDEN, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, STROBECK, WYLIE and CHAIR TIERNAN vote AYE. REPS.

CLARNO and ROSS are EXCUSED

CHAIR TIERNAN: Declares MOTION PASSED. Carrier of the bill is REP. BRYAN JOHNSTON.

CHAIR TIERNAN: Closes work session on HB 3447 and opens work session on HB

2890.

HB 2890 - WORK SESSION

171 GREG MOORE, Committee Counsel: Reviews the Preliminary Staff Measure Summary. The Preliminary Staff Measure Summary is hereby made a part of these Minutes (EXHIBIT L).

206 REP. STROBECK: Is it correct there isn't anything that says it is limited only to manufacturers under a certain gallon level; therefore, this could be Budweiser or anybody?

COUNSEL MOORE: Correct.

213 $$\rm MOTION:\ REP.\ ROBERTS\ moves\ HB\ 2890\ to\ the\ Floor\ with\ a\ DO\ PASS\ recommendation.$

VOTE: In a roll call vote, REPS. GRISHAM, JOHNSTON, LEHMAN, MARKHAM, ROBERTS, STARR, WYLIE and CHAIR TIERNAN vote AYE. REPS. STROBECK votes NAY. REPS. CLARNO, HAYDEN and ROSS are EXCUSED.

CHAIR TIERNAN: Declares the MOTION PASSED. Carrier of the bill is REP.

LEHMAN.

CHAIR TIERNAN: Closes work session on HB 2890 and opens work session on HB

2385.

HB 2385 - WORK SESSION

Witness: Frank L. Freyer, Multnomah County Veteran's Service Officer

GREG MOORE, Committee Counsel: Reviews the Preliminary Staff Measure Summary. The Preliminary Staff Measure Summary is hereby made a part of these Minutes (EXHIBIT M). Submits proposed HB 2385-1 amendments (EXHIBIT N).

FRANK L. FREYER, Multnomah County Veteran's Service Officer, Association of

County Veterans Service Officers: Submits prepared testimony (EXHIBIT O).

262 CHAIR TIERNAN: This is a veteran's service bill that provides funding and counseling for veterans to ensure their understanding of benefits and, therefore, take advantage of any federal programs available to assist them.

Explains proposed HB 2385-1 amendments change "shall" to "may"; therefore,

it is discretionary.

REP. LEHMAN: Is the Association of Oregon Counties okay with the "mays"? Understands they had some objections to the "shalls"?

CHAIR TIERNAN: Doesn't know -- hasn't been approached by the counties. Asks whether or not Rep. Roberts has been contacted.

REP. ROBERTS: No one has contacted him. Explains that the proposed bill is an attempt to help the veterans to understand their rights.

298 REP. WYLIE: Is there any one central location that identifies where veterans may receive services?

CHAIR TIERNAN: Unknown.

REP. MARKHAM: About 35 of 36 counties have a veteran's service office and the reason Marion County is without a veteran's service office is that the main department is located in Salem.

REP. WYLIE: What prevents counties from serving veterans now? Why is the bill needed?

REP. ROBERTS: The one-eighth of one percent is already "on the books."

339 REP. MARKHAM: If the county commissioner decides the county veteran's office, there is going to be one. This is a way for the county to receive the one-eighth of one percent.

REP. WYLIE: Continues inquiries about why the bill is needed.

REP. ROBERTS: Wouldn't proposed HB 2385-2 amendments substitute the one-eighth charitable check off?

REP. HAYDEN: Refers to Staff Measure Summary. Would the new measure now say "allows counties to levy additional property tax to fund position? If the county fails to levy property tax, allows it to use the county General Fund"?

COUNSEL MOORE: Acknowledges a similar understanding, but the proposed amendments (EXHIBIT O) were submitted just immediately prior to this hearing -- they have not been fully reviewed.

362 REP. HAYDEN: Who submitted these amendments?

COUNSEL MOORE: Mr. Frank Freyer.

REP. HAYDEN: Continues inquiries about proposed amendments submitted by Mr. Freyer.

COUNSEL MOORE: The current statutes have a tax in place that can be used, but has not been used for quite sometime, dating back to the Indian Wars --

it is a small property tax. HB 2385 would basically take that concept and repeal the rest of that statutory scheme, but save the tax and use that tax

to pay for county veteran's officers.

REP. HAYDEN: Refers to Rep. Wylie's question about why the bill is needed.

COUNSEL MOORE: Clarifies. Was the question that Indian Wars tax today could be used only for an indigent veteran's fund? It could not be used to

fund county veteran's service officers.

388 CHAIR TIERNAN: How does this relate to Measure 5 and the property tax limits?

REP. STROBECK: References work on the Finance Committee. Doesn't believe there is any county that "has bumped against the maximum \$10 limit." There

aren't any counties that are in "compression", I don't believe. They all have room to do that if they wanted to do it.

REP. HAYDEN: Can counties do it under their own authority at this time? Would a vote of the people be required?

COUNSEL MOORE: The concern was expressed that the reason that it hasn't been collected in so many years was there was no statutory procedure once it was collected -- how to determine who was or was not an indigent veteran. Although it was felt it could be collected, there was concern about what to do with it.

CHAIR TIERNAN: Questions about the interrelationship to Measure 5 and the proposed amendments. Requests proponent of the bill provide testimony.

TAPE 113, A

017 FRANK FREYER, Multnomah County Veteran's Service Officer: Refers to previous testimony (See Minutes of House General Government and Regulatory Reform, Subcommittee on State and Federal Affairs, dated April 18, 1995, Exhibit C). Explains proposed amendments to HB _2385 (Exhibit O) and the use

of General Funds in Multnomah County.

CHAIR TIERNAN: Are you the only person in your office in your county?

MR. FREYER: Yes.

CHAIR TIERNAN: Since Multnomah County is the largest county in the state, how many counties would you anticipate will take advantage of this?

MR. FREYER: The only county that has said they will take advantage of the authority given is Josephine County (Exhibit M, Page 3). Doesn't believe other counties are taking advantage, except for Multnomah County, as the office is funded from General Funds and ODDA now.

034 CHAIR TIERNAN: Who brought the bill to your attention?

MR. FREYER: Not familiar with early history, but does know one of the driving forces is the fact that the tax is not aligned with anything now. The taxing authority presently exists for, essentially, the veterans of the

Indian Wars. There has been no link between a county authority and the distribution of that fund.

CHAIR TIERNAN: If a proposed amendment limited the dollars raised strictly

to your salary (i.e., salary and office supplies), would that give you any problem?

 ${\tt MR.}$ FREYER: No problem insofar as Multnomah County; however, it would be desirable to fund some indigent assistance.

CHAIR TIERNAN: Adjourns the meeting at 3:16 pm.

Submitted by, Reviewed by, Reviewed by,

Kay C. Shaw Gregory G. Moore Anne Tweedt Committee Assistant Committee Counsel Committee Counsel

EXHIBIT SUMMARY:

A - Preliminary Staff Measure Summary on HB 2874 -- Staff -- 1 Page B - Preliminary Staff Measure Summary on HB 2134 -- Staff -- 3 Pages C - Preliminary Staff Measure Summary on HB 2187 -- Staff -- 2 Pages D - Preliminary Staff Measure Summary on HB 2863 and Proposed HB 2863-3 Amendments--Staff -- 5 Pages ${\rm E}$ - Preliminary Staff Measure Summary on HB 2390 and Proposed HB 2390-4 Amendments -- Staff -- 6 Pages F - Preliminary Staff Measure Summary on HB 3422 and Proposed HB 3422-2 Amendments -- Staff -- 4 Pages ${\tt G}$ - Preliminary Staff Measure Summary on HB 2722 and Proposed HB 2722-1 Amendments -- Staff -- 2 Pages $\rm H$ - Preliminary Staff Measure Summary on HB 2105 and Proposed HB 2105-2 Amendments -- Staff -- 3 Pages I - Preliminary Staff Measure Summary on HB 3419 and Proposed HB 3419-2 Amendments --Staff -- 2 Pages $\rm J$ - Preliminary Staff Measure Summary on HB 3392 and Proposed HB 3392-4 Amendments -- Staff -- 3 Pages K - Preliminary Staff Measure Summary on HB 3447 -- Staff -- 3 Pages L - Preliminary Staff Measure Summary on HB 2890 -- Staff -- 2 Pages M - Preliminary Staff Measure Summary on HB 2385 -- Staff -- 7 Pages N - Proposed HB 2385-1 Amendments -- Staff -- 1 Page

O - Proposed Amendments entitled House Bill 2385 (Amended) -- Frank L. Freyer -- 3 Pages