

HOUSE COMMITTEE ON
GENERAL GOVERNMENT AND REGULATORY REFORM
SUBCOMMITTEE ON TRANSPORTATION

Hearing Room
Tapes - 4

MEMBERS PRESENT:

Rep. Cedric Hayden, Chair
Rep. Lonnie Roberts, Vice-Chair
Rep. Jerry Grisham
Rep. Mike Lehman
Rep. Bill Markham
Rep. Ken Strobeck

STAFF PRESENT:

Anne Tweedt, Committee Counsel
Annetta Mullins, Committee Assistant

MEASURES HEARD: HB 2026 - Work Session
SB 123 - 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

NOTE: THIS MEETING IS CONVENED IMMEDIATELY FOLLOWING A JOINT MEETING OF THIS SUBCOMMITTEE AND THE SENATE COMMITTEE ON TRANSPORTATION.

003 CHAIR HAYDEN: Calls meeting to order at 3:00 and opens the public
hearing on SB 123.

SB 123 - PUBLIC HEARING

Witnesses: Gregg Dal Ponte, Public Utility Commission
Marshall Coba, Oregon Trucking Association

011 ANNE TWEEDT, Counsel, reviews provisions of the bill.

018 GREGG DAL PONTE, Administrator, Motor Carrier Services, Public Utility
Commission, submits and reviews a prepared statement (EXHIBIT A).

050 REP. ROBERTS: They will choose a renewal date for a truck, and it
will come up on that quarter each year.

057 MR. DAL PONTE: That is correct but we have not worked out the details
on how the process will work. Each registration will be good for a

12-month period, but they will not necessarily fall due as they do today on December 31.

064 REP. ROBERTS: Would a company have to have the registration come due on the entire fleet?

066 MR. DAL PONTE: The fleets would fall due on the same date. If a truck were added to the fleet during the year, the statute would need to be cleaned up to address the staggered registration scenario. A schedule of fees due would be provided for the addition of new vehicles.

080 REP. MARKHAM: Can carriers currently register on a quarterly basis?

086 MR. DAL PONTE: When we speak of registration, we speak of commercial vehicle registration tax registration and pro-rate registration. Commercial carriers have the option and ability to register by quarter; that does not apply to pro-rate or to tax. Commercial registration is for intra-state carriers, those operating solely within the borders of Oregon.

Tax registration is for interstate carriers based outside of Oregon doing business within the borders of Oregon. Apportioned registration is for Oregon based companies operating in other states as well as Oregon. Commercial registration can be renewed on a quarterly basis.

101 REP. MARKHAM: Will they continue to be able to do that as well as get registered around the clock?

101 MR. DAL PONTE: I would imagine we would not delete any versatility that exists in the current system; this is designed to provide additional convenience. The answer is, yes.

110 MR. DAL PONTE: Adds that the bill does have a fiscal impact and should be referred to Ways and Means.

119 Explains fiscal impact for nine temporary staff for six months is approximately \$106,000 compared to three permanent staff at the Administrative Specialist I, salary range of 17, second step level, plus the cost of other personnel expense and benefits which totals approximately \$87,000. In addition, there are services and supplies expenses.

146 The Fiscal Analysis (EXHIBIT B) reflects higher personal services costs; these are prepared by our business office. I was attempting to illustrate the approximate numbers for the question.

146 REP. HAYDEN: Will we save \$33,000?

MR. DAL PONTE: That is correct. The fiscal impact is a costs savings.

156 REP. HAYDEN: Unless you can really make a strong case for it, I intend to vote no on adding three more state employees.

161 REP. ROBERTS: If we are saving money, why should we send it down to Ways and Means?

173 REP. STROBECK: Why do you believe people will spread their registrations out over the full year?

181 MR. DAL PONTE: We have yet to identify the exact mechanism by which work would be distributed. Our preference would be to allow trucking companies to take maximum advantage of this opportunity to coincide the registration expense with the cash flow realities of their business. We

recognize it may amount to some kind of mechanism to limit the number of parties that can choose a given quarterly expiration date. The intent is to move, distribute evenly, the work load.

199 MARSHALL COBA, Oregon Trucking Association: Testifies in support of SB 123.

225 CHAIR HAYDEN: It seems the bill is beneficial, but I am concerned about the FTE. Can we amend out the staffing and not do harm to the bill?

233 MR. DAL PONTE: No. Perhaps we could accomplish the task but the service would be eroded.

246 CHAIR HAYDEN: Closes public hearing on SB 123 and opens work session on HB 2026

HB 2026 WORK SESSION

250 MS. TWEEDT reviews the Preliminary Staff Measure Summary, references the proposed amendments and distributes copies of the Legislative Fiscal Impact Statement on the HB 2026-1 amendments (EXHIBIT C)

270 MS. TWEEDT: Explains the proposed committee amendments (EXHIBIT C, pages 2 and 3):

- > would extend the current optional commemorative plate program through December 31, 1997 to ensure continued funding to the Oregon Trail Coordinating Council (OTCC)

- > would eliminate the disincentive to choose the Trail plate by reducing the replacement fee from \$11 to \$1.50

- > would ensure the OTCC would continue to receive its funding which is a \$5 surcharge on plates through December 31, 1997

- > amendments remove all provisions which indicate the Oregon Trail plate will become "the current issue plate."

287 CHAIR HAYDEN:: To clarify, the amendment says we will continue the voluntary program; it won't be the official plate. People can voluntarily get it if they want to and it will cost them less money but the OTCC will still get their \$5 per set.

292 REP. MARKHAM: What will end up being the official license plate, the Christmas tree?

295 CHAIR HAYDEN: If we accept the amendment, we are not deciding. If we reject the amendment, it will be the Oregon Trail plate.

308 REP. ROBERTS: Would the proposed amendment make the Oregon Trail plate, after the two year extension, "the plate"?

314 KELLY TAYLOR, Division of Motor Vehicles, Oregon Department of Transportation: The way the current statutes read, "the current issue plate" is the green tree, blue sky graphic plate. The statutes do not say it is the official plate, but it is the current plate of issue. The original HB 2026 says that the Oregon Trail plate would replace the green tree plate as being the current issue plate. It also allows people with the green tree plate to transfer that to another vehicle. It also maintains the current law that allows people with other plates, such as the

yellow-blue combination or the light tree, yellow-sky plate to also transfer if they were considered custom plates. It doesn't force anyone to give up their plates.

342 REP. ROBERTS: What if we accept the amendments?

343 MS. TAYLOR: With the proposed amendments, for two more years we will continue to issue the Oregon Trail plate and then it will cease to be in production. We will continue with the green-tree blue-sky plate being "the plate" we issue from then on, and the only one available.

351 CHAIR HAYDEN: Why would we stop producing the Oregon Trail plate in two years?

352 MS. TAYLOR: Because it only extends the program for two years.

353 CHAIR HAYDEN: But if we extend it another two years.

353 MS. TAYLOR: It would take legislative action.

356 REP. STROBECK: Is it true that it costs more to issue the Oregon Trail plate than the green-tree plate?

360 MS. TAYLOR: Graphic-to-graphic, tree versus Oregon Trail, it is the same. The little bit of difference is for the non-graphic plates.

367 REP. STROBECK: Will reducing the fee have an adverse impact on the operating dollars of DMV?

369 MS. TAYLOR: The fiscal we did showing the difference between plate replacement fees of \$11.00 versus \$1.50 at time of renewal will reduce revenue by about \$200,000. The \$1.50 we collect, the plate manufacturing fee we collect, covers our costs. It will not affect us. It may reduce the Highway Fund.

383 REP. ROBERTS: If we accept HB 2026 without the amendments, we would retain the Oregon Trail plates as "the plate".

390 MS. TAYLOR: The original bill, HB 2026, would make it "the plate".

TAPE 4, SIDE A

004 CHAIR HAYDEN: I would not want to see the Oregon Trail plate go away in two years. How can we get at that with an amendment?

006 MS. TWEEDT: You could extend the program.

006 MS. TAYLOR: The Oregon Trail Council suggested they want to collect the \$5 for a couple more years. But there was also the feeling that perhaps we should have the Oregon Trail plate be "the plate". With the amendment they had suggested, you would extend the sunset for two years. Then they suggested that the Oregon Trail plate would become "the plate" six months later.

023 REP. GRISHAM: Announces that he previously served on the Oregon Trail Advisory Council, the predecessor of the Coordinating Council and for the last 10 years has been active in fundraising for the Oregon Trail activities.

033 MS. TWEEDT: If the bill, as drafted, passes, the Oregon Trail Coordinating Council is cut off; they lose their funding because our Constitution requires that any fee charged on a vehicle goes to the Highway Fund.

038 REP. HAYDEN: I would like to maintain the current program, as amended, as it is until the legislature changes it.

042 MS. TWEEDT: That would be to simply eliminate the December 31, 1997 deadline.

042 CHAIR HAYDEN: Yes.

043 REP. ROBERTS: What you are saying is if the 1997 legislature wants to do something, they would have that option because the program would still be running in January 1997. Will the amendment allow the two year extension and the \$5 to the OTCC?

048 MS. TWEEDT: The amendment, as he proposes it, would not just be two years, it would be unlimited--on-going, until the next legislature decides if they want to amend it.

050 REP. STROBECK: How long will the Oregon Trail Coordinating Council be working on developing Oregon Trail exhibits, continuing to be in business, etc.? I don't like putting it in forever. I don't think December 1997 is an unreasonable date.

054 CHAIR HAYDEN: I don't want to lose the plate. The law automatically sunsets.

090 REP. GRISHAM: If we push it out two additional years, it gives two legislatures time to look at it. If they don't, then perhaps it should sunset. We could extend it to 1999.

091 CHAIR HAYDEN: We will hand-engross the HB 2026-1 amendments to extend the sunset to 1999.

093 MOTION: REP. GRISHAM moves that the HB 2026-1 amendments, as hand-emended with the sunset date of 1999, BE ADOPTED.

094 VOTE: CHAIR HAYDEN, hearing no objection, declares the amendments adopted. All members are present.

094 MOTION: REP. ROBERTS moves that HB 2026, as amended, be sent to the Full Committee with a DO PASS recommendation.

VOTE: CHAIR HAYDEN, hearing no objection to the motion, declares the motion PASSED. All members are present

106 REP. ROBERTS will carry the bill in Full Committee.

104 CHAIR HAYDEN: Declares the meeting adjourned at 3:36 p.m.

Submitted by, Reviewed by,

Annetta Mullins Anne Tweedt
Committee Assistant Committee Counsel

EXHIBIT SUMMARY:

- A - SB 123, prepared statement, Gregg Dal Ponte, 3 pp
- B - SB 123, Legislative Fiscal Statement, staff, 1 p
- C - HB 2026, Preliminary Staff Measure Summary, HB 2026-1 amendments and
Legislative Fiscal Statement, staff, 4 pp