

HOUSE COMMITTEE ON
NATURAL RESOURCES
SUBCOMMITTEE ON ENERGY & ENVIRONMENT

Hearing Room
Tapes - 51

MEMBERS PRESENT:

Rep. Leslie Lewis, Chair
Rep. Lisa Naito, Vice-Chair
Rep. Dennis Luke
Rep. Chuck Norris
Rep. Judy Uherbelau

MEMBER EXCUSED:

Rep. Bill Fisher
Rep. Terry Thompson

STAFF PRESENT:

Mark Bauer, Committee Administrator
Sandy Ceballos, Committee Assistant

MEASURES HEARD: HB 2590

HB 3216
HB 3144
HB 3378
HB 3044

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 , SIDE A

005 CHAIR LEWIS opens the meeting 9:03 AM

012 Opens The PUBLIC HEARING On HB 3216.

Witnesses:

Roger Martin, Oregon Dry Cleaning Assn.

Steve Young, Oregon Dry Cleaning Assn.

Young Kim, President, Korean Dry Cleaners Assn.

James Kim, Attorney, Korean Dry Cleaners Assn.

Mary Wahl, Administrator of Waste Management and Clean-

Department of Environmental Quality.

017 MARK BAUER, COMMITTEE ADMINISTRATOR: Summarizes HB 3216.

032 REP. LUKE: How does this bill relate to the other bill we're hearing down there that deals with the fees for the emergency response fees and the orphan sites and all those.

035 BAUER: This bill is somewhat related, but a much narrower bill that only applies to this industry.

038 ROGER MARTIN, OREGON DRY CLEANING ASSN: Speaks in support of HB 3216. Explains they are here as an association of dry cleaning businesses and want to introduce a new method for cleaning up dry cleaning problems, and tax themselves to provide a fund to do so..

078 Gives background on what happens when a small business is presented with toxic cleanup problems.

113 STEVE YOUNG, OREGON DRY CLEANING ASSN: Testifies in support of HB 3216.

Explains how the business owners have come together unanimously to present and support this bill.

142 YOUNG KIM, PRESIDENT, KOREAN DRY CLEANERS ASSN: Testifies in Korean, translated by JAMES KIM, ATTORNEY, KOREAN DRY CLEANERS ASSN. The reason why we're here is to support the passage of HB 3216. We would like to make this industry better for the customers and for us as businessmen.

179 MARTIN: Has everyone in the room who is in the dry cleaning business stand up.

185 CHAIR LEWIS: Has a list sent around the room for everyone who is in the dry cleaning business to sign, this list will then be part of the public record for this meeting. (EXHIBIT A).

187 BRIAN DOHERTY, ATTORNEY WITH MILLER - NASH LAW FIRM: States that Jerry Hodson, of their environmental law department drafted the bill that is

presented here. He is in Washington, D.C. and he will testify in his behalf in support of HB 3216.

200 REP. NAITO: Asks if they drafted the dash one amendments.

201 DOHERTY: Worked with legislative counsel on the dash one amendments and are supportive of them.

203 REP. NAITO: Will you be going through the bill as if it had the dash one amendments?

204 DOHERTY: Will address some of the main points in the amendment and what it accomplished.

207 REP. LUKE: Evidently you want to create a fund because there's some problems with cleaning fluid and other things in the operation of the business. Is that the purpose of the bill?

211 DOHERTY: We use perchloroethylene as a solvent. This is heavier than air, heavier than water, and falls through concrete. We have been told for

many years that if we operate a plant at 15 parts per million in the air, that we are operating a safe and sound work environment. Now the DEQ through super fund has come up with the ability to measure at a higher standard and have told us that 5 parts per billion in the ground is dirty.

They've changed the level of measurement 3000 times.

253 REP. LUKE: DEQ changed the rules on you.

254 DOHERTY: Exactly.

255 REP. NAITO: Is the problem we're talking about today the air release and the property contamination.

258 DOHERTY: It's the contamination of the ground water, the air, and the dirt underneath the plant.

260 REP. NAITO: So we're not talking about when contamination, if it does happen, and personal injury down the road?

265 DOHERTY: It's dealing with property damage and soil clean up.

270 To answer REP LUKE'S question in another way, I believe what this bill tries to do is to allow private industry to solve a problem that state government and the federal government has tried to do and we have seen very mixed success. This at least establishes a concrete fund that is able to be expended by DEQ and to start the clean up immediately, rather than arguing over whose responsible.

281 Describes the different sections of the bill of what it is intended to do.

331 Continues to describe the various sections of the bill.

347 REP. NAITO: What is the extent of the problem we're looking at?

350 DOHERTY: Believes DEQ would be best to answer that, but he believes there are three dry cleaners on the confirmed release list.

377 States it would start in January 1, 1996 and sunsets in the year 2005.

381 REP. UHERBELAU: Talks about Section 21 where the immunity is retroactive, would like to know if there are any pending actions at this time, either judicial or administrative.

370 DOHERTY: The amendment changes the retroactively of this bill to not apply to lawsuits that have been commenced prior to the effective date of this act.

377 REP. UHERBELAU: Are there any complaints threatened.

404 YOUNG: There are three or four sites where it's suspected there may be perchloroethylene in the ground. Most are next to gas stations so there's a question as to whose perchloroethylene it may be.

413 REP. UHERBELAU: And that's administratively, that's not one adjoining property owner going after another.

403 DOHERTY: No.

418 REP. NAITO: Her concern is there could be a suit by the state to require a clean up, also could be a suit if there's property contamination to an adjoining land owner and they might not have commenced a suit yet and we would be basically cutting them out from any remedy.

427 DOHERTY: Doesn't believe they are cutting them out, they are exchanging the right to sue the individual landowner for a right to make a claim against this fund.

443 REP. UHERBELAU: Thinks it will work very well in the future but is concerned about the fact that it will take a while to build up this fund. Is there actually going to be any money in the fund that can be available for these people who we're taking away the right to sue.

451 DOHERTY: The effective date will be January 1, and on that date each facility will be paying \$500 to \$1,000 per facility, they're also taxing existing supplies and any new purchases of perchloroethylene. Until the effective date of this act people can bring suit as they wish.

472 YOUNG: There are 28 states in the nation that are attempting this type of legislation. It's also being attempted as an amendment to superfund on a national level. Florida has legislation like this in effect.

489 REP. NAITO: How long has it been in effect in Florida

491 YOUNG: One year.

492 REP. NAITO: How has it worked?

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030 YOUNG: It's in effect and it's working. People are getting their sites cleaned up, they now have the ability to buy environmental insurance.

041 DOHERTY: Explains the provisions of the proposed dash one amendments line by line.

087 REP. LUKE: What happens when the fund date expires.

087 DOHERTY: Doesn't believe it's been addressed in this bill. Thinks the legislature will look at that in the year 2005 to see how the fund is doing.

096 Continues to explain the provisions of the proposed amendments.

100 REP. NORRIS: Asks questions about the twelve dollar per gallon tax.

105 DOHERTY: The intent is to increase the cost each year by a three percent multiplier.

109 REP. NORRIS: How many gallons do you have on hand, or how many do you buy per month.

111 DOHERTY: The average dry cleaner that I was talking about, which is the \$150,000 store, uses approximately 220 gallons a year. in our industry about 97% of the solvent used is perchloroethylene and is the twelve dollar tax.

121 REP. NORRIS: What is the average cost to the business per year

122 DOHERTY: \$5,000.

123 REP. NORRIS: Plus the \$500?

123 DOHERTY: The \$500 is for a drop store which doesn't have any equipment in it, but we still feel they are part of our industry.

121 REP. UHERBELAU: What is the definition of "store". Cannot find a definition of "store" in the statute. Suggests they define "store" in the bill.

130 REP. LUKE: \$5,000 per facility is a lot of money. How will that spread out to the consumer.

133 YOUNG: Shirts are not charged they're washed in water, 20 cents per sport coat.

147 REP. LUKE: How about dry cleaning pants, or sport coats, or dresses and dress suits and those kinds of things

148 DOHERTY: We figure approximately 20 cents apiece.

155 ROGER MARTIN: Earlier REP. LUKE mentioned HB 3352 which is Associated Oregon Industries large bill dealing with this. We have met with Jim Witty and he's enthusiastic about this bill. Their bill he describes as a general over all....

157 REP. LUKE: I wasn't referring to that bill.

158 MARTIN: HB 3352 is a very major piece of legislation that AOI is working to try to approach the overall methodology behind the clean up of all kinds of industries and we want to coordinate whatever standards are arrived at there are in HB 3216.

171 CHAIR LEWIS: Then as I understand it Mr. Martin you wouldn't want us to be moving this bill today because we should wait until we've had the hearing on HB 3352 and come to resolution on that bill.

174 MARTIN: Madam Chair we would love for you to move this bill today, but from a practical standpoint I think we need to coordinate them. Make sure we have the proper amendments.

178 REP. NAITO: Thanks the audience for coming and presenting an interesting proposal to the committee.

176 REP. NORRIS: Had a hazardous waste problem with his car.

197 MARY WAHL, ADMINISTRATOR OF WASTE MANAGEMENT AND CLEAN-UP, OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY: Thinks their approach is important because it focuses on prevention and clean up. Will work with them to coordinate this bill with .

238 Lists the current contaminated sites and what is being done about them.

279 Explains how HB 3352 will work in conjunction with HB 3216.

327 Lists their areas of concern with HB 3216. Believes they can work these problems out.

359 Summarizes the options that are available.

359 REP. NAITO: The balancing that this committee is, is the fund in and of itself better than the ability to go after some individual property owners.

Even if the sites do cost \$2.5 million, and it's a dry cleaning site, I'm sure most of these people would not be able to pay that amount.

400 WAHL: It's probably not going to be unlike some of the balancing we do now when we look at, for instance, perspective purchasers who come in and are willing to clean up the site. Is the state better off with somebody who will come in and at least do part of it.

430 BOB DANKO, OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY: What that program has also developed is a pilot tax credit program. The tax credit bill is up for renewal in another committee and there's a very tiny part of that that will deal with dry cleaners.

451 REP. LUKE: How is the liquid being disposed of now?

456 WAHL: Various ways, most of the hazardous waste in Oregon is being handled in compliance with hazardous waste regulations.

470 REP. LUKE: Are they dry cleaners currently paying into any fund.

475 DANKO: If a dry cleaner is what we call a large quantity hazardous waste generator or a small quantity hazardous waste generator they would fall under our hazardous waste generator fees. The fire marshall fees are a different, it's based on chemicals, and I would suspect that most of them are paying for the possession of perchloroethylene.

491 CHAIR LEWIS: Mr. Young do you know?

It's the community right to know program, toxic use reduction, orphan site funding. The fire marshall sends around a survey asking if you have more than so many gallons of

TAPE 48, SIDE B

030 YOUNG: We all fall under those guidelines. All of the perchloroethylene is recycled by the machinery.

054 DANKO: Believes that most of them would have to report under the state fire marshall program, because the gallons that they use are relatively small they would be in the lower categories of not paying the fee.

060 REP. LUKE: They talk like they have weeks to do this, we don't plan on being here for weeks.

Closes PUBLIC HEARING on HB 3216

Opens PUBLIC HEARING on HB 3144.

Witnesses: Brian Boe, National Electrical manufacturers Association
Bob Guyer, Portable Rechargeable Battery Association
Ray Balfour, Dry Battery Section, National Electrical Manufacturers Association

093 MARK BAUER, COMMITTEE ADMINISTRATOR summarizes HB 3144.

105 REP. NAITO: Gives background of her legislative efforts having to do with batteries and explains the different components of the bill.

147 BRIAN BOE, NATIONAL ELECTRICAL MANUFACTURERS ASSN: Introduces Bob Guyer and Ray Balfour.

164 RAYMOND L. BALFOUR, RAY-O-VAC CORP., SPEAKING ON BEHALF OF THE NATIONAL ELECTRICAL MANUFACTURERS ASSN., DRY CELL BATTERY DIV.: Testifies in support of HB 3144 (EXHIBIT B and B1)

214 Explains the new technology developed for batteries.

264 Continues to explain how they have been able to eliminate mercury in button batteries.

304 REP. LUKE: You keep referring to the 1991 law, is it your testimony that a law that was passed in Oregon in 1991 changed the way that manufacturers of batteries operated?

308 BALFOUR: Yes it did. It forced manufacturers to reduce the mercury content. The ultimate objective should be to achieve a no mercury battery in the batteries where that's possible.

330 REP. NAITO: Explains the 1991 law.

340 BOB GUYER, EVEREADY BATTERIES, SPEAKING ON BEHALF OF THE PORTABLE RECHARGEABLE BATTERY ASSN: Testifies in support of HB 3144 (EXHIBIT C).

393 REP. LUKE: States these batteries have really changed the construction industry.

406 REP. NORRIS: Every bill we don't need and don't pass is a plus. Industry is already reacting and already in compliance.

455 BALFOUR: Explains the bill addresses mercuric-oxide batteries.

484 BOE: The bill also repeals some requirements from the bill put into law in 1991, where they required manufacturers to report to DEQ their efforts to reach zero mercury since they are basically there.

TAPE 49, SIDE B

031 REP. NORRIS: One substantial difference between now and the phosphate issue in 1991, industry was strongly opposing it and this time industry is supporting it.

034 REP. UHERBELAU: It seems the domestic manufacturers are meeting the standards if not exceeding them, at this time, is there anything that would keep a foreign manufacturer coming in and not meeting those standards in Oregon?

040 BOE: No there is not. About 85 to 90 percent of the alkaline batteries used in the United States are produced domestically, with the remaining 10 to 15 percent being produced mostly in Japan and Europe. The major imported batteries, being Japanese and European comply with this also.

053 REP. NORRIS: Is reasonably sure that all or most of the batteries at Radio Shack are probably foreign produced.

056 BOE: That will differ from one battery to another.

059 REP. LUKE: Are they suggesting that we take out Section 2, subparagraph 3?

061 BOE: Yes that reference in Section 2 and also a drafting problem on Section 5, which before the hearing we worked out the language problem with Mr. Danko.

067 REP. LUKE: You're not ready to move it?

068 BOE: We could move it conceptually to the full committee.

067 CHAIR LEWIS: Would like Associated Oregon Industries to work with Mr. Boe, they do have some concerns.

073 REP. NORRIS: Reads the label from his pack of batteries, "environmentally improved, no mercury added, only naturally occurring trace levels remain." If we remove number three would this be suspect as a potentially illegal battery?

078 BALFOUR: No, because if you remove subsection 3, of Section 2, you're still left with 1(a)above and it says "Any alkaline manganese battery manufactured containing intentionally introduced mercury" and the statement on the package contains the statement that these don't contain any intentionally introduced mercury. When you analyze the mercury content in batteries like that today, it typically is in the range of a few hundredths to a few tenths of 1 part per million. The naturally occurring presence of mercury in rocks and soils is at as high as it is in those batteries.

091 REP. NORRIS: The environmental community is not necessarily impressed by rational relationships.

Closes the PUBLIC HEARING on HB 3144.

Opens PUBLIC HEARING ON HB 2590.

Witnesses: Bill Markham, Oregon House of Representatives, District 46.
Don Schellenberg, Oregon
Christine M. Cook, 1000 Friends of Oregon
Art Schlack, Association of Oregon Counties
Mitch Rohse, Department of Land Conservation & Development

106 BILL MARKHAM, OREGON HOUSE OF REPRESENTATIVES, DISTRICT 46:: Testifies in support of HB 2590.

157 MARK BAUER, COMMITTEE ADMINISTRATOR: Summarizes HB 2590.

189 REP. LUKE: Asks if county agricultural activities and soil conservation district activities, in many cases, have cross-over membership.

197 BAUER: Submits to committee members letter from PAULA BURGESS, GOVERNOR KITZHABER'S POLICY ADVISOR FOR NATURAL RESOURCES (EXHIBIT E).

199 DON SCHELLENBERG, ASSOCIATE DIRECTOR OF GOVERNMENTAL AFFAIRS, OREGON FARM BUREAU: Testifies in support of HB 2590 (EXHIBIT C).

267 REP. NAITO: Thinks of the metro area as a region. Feels that the bill was drafted with primarily agricultural interests.

279 SCHELLENBERG: It's a good point and they have discussed whether or not there should be a fifth region.

286 REP. LUKE: Points out to REP. NAITO that they had two bills that specifically dealt with the metro area, one with Wilsonville and one with Beaverton School District.

291 CHAIR LEWIS: Has also made that suggestion to Mr. Schellenberg, that they might want to separate the tri-county (Multnomah, Washington, Clackamas) as a separate region from the others.

296 REP. UHERBELAU: Makes comment about the make-up of the regional committees and asks why there is only one representative for wildlife or environmental activities.

309 SCHELLENBERG: The land that we're dealing with belongs to private land owners. It's not that they're not concerned with wildlife and environmental issues, but the major concern is that those lands are there for production of farm and forest, so we designed it so there would be a greater representation of those industries.

323 REP. LUKE: Would suggest that farmers are some of the best environmentalists we have in the state.

331 REP. UHERBELAU: Assures REP. LUKE she was not characterizing them one way or another.

335 REP. NAITO: Explains her feelings as to the makeup of the commission

346 SCHELLENBERG: The region is the big issue among their membership.

380 CHRISTINE M. COOK, 1000 FRIENDS OF OREGON: Testifies in opposition to (EXHIBIT F).

426 REP. NAITO: Feels there is some need in planning for a geographic component that would encompass the cities and counties. How would you suggest that could be accomplished?

447 COOK: Does not favor changing the composition of the Oregon Land Conservation and Development Commission. Their thinking on this issue is not fleshed out yet.

TAPE 50, SIDE A

032 REP. LUKE: Is it fair to say that from the Cascades East is 50% of the land mass of Oregon?

034 COOK: She can picture it be hasn't run the numbers.

036 REP. LUKE: How many people are represented on the Land Conservation and Development board come from the East side of the mountains?

036 COOK: Responds that Mr. Brogoitti is on the commission.

037 REP. LUKE: And he just got a new job.

037 COOK: Right, so we don't know who it's going to be.

038 REP. LUKE: Going back to one of the first lines in your testimony "there are several problems with this bill. It is undemocratic". There are those of us who live on the East side of the mountains who could say to you that the current board is undemocratic, because we have one representative on it, despite our very large land mass. If the composition envisioned in this bill were there, he would think there's a pretty good chance that you in the metropolitan areas wouldn't be building on the prime farm land of this state, with industry and housing, and you are now.

048 COOK: When she says it's undemocratic she is speaking of representation of people not acres. Understands why it creates a feeling of unfairness to have only one representative from a large area. Thinks that under the provisions of HB 2590 they might still end up with only one representative.

066 ART SCHLACK, LAND USE SPECIALIST, ASSOCIATION OF OREGON COUNTIES: The association supports recognition for regional differences in the states land use planning program. Speaks about the partnership language of the bill. He would suggest that they maintain the two representatives of local government on the commission. Hopes if HB 2590 goes forward they committee would entertain an amendment which would retain the two representatives from local government

108 REP. NORRIS: Asks about if the 1993 legislation Mr. Schlack made reference to, was HB 3661.

110 SCHLACK: It was in HB 3661. It started out as a separate bill and there were a lot of pieces put in it and that was one.

115 REP. NORRIS: Is it working now. Are the counties satisfied with the arrangement?

117 SCHLACK: Yes there is currently a representative of the cities and counties on the commission and he believes that is a very positive step forward and it will work.

123 REP. NAITO: States the makeup of the regional advisory committees is totally unrealistic in terms of the planning needs in her district. How does he feel about specifying those individual members.

140 SCHLACK: Has not looked at the regional aspect of the composition.

148 REP. NAITO: Why not just have regional advisory committees.

155 SCHLACK: Could be a viable option.

168 REP. LUKE: Who's the county representative on LCDC?

169 SCHLACK: Randy Franke, a commissioner from Marion County.

172 REP. LUKE: And isn't the city representative out of Corvallis

173 SCHLACK: Yes.

174 REP. NORRIS: May I interpret your remarks as reflecting an absence of support by the Association of Oregon Counties for HB 2590?

176 SCHLACK: The Association of Oregon Counties has not taken a position on HB 2590. Supports the concept.

187 REP. LUKE: Has a letter of support from REP. PETER COURTNEY on HB 2590 but thinks he was dealing with a different bill.

190 REP. NORRIS: What year was that?

194 Closes the PUBLIC HEARING on HB 2590.
Re-opens the PUBLIC HEARING on HB 2590.

196 MITCH ROHSE, COMMUNICATIONS MANAGER, DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT: Assuming the burden of staffing the regional committees would fall on the department. They think they would have to have a professional planner to support each of the regions and one-fourth of a clerical person. Roughly five people per biennium or \$500,000.

208 REP. NAITO: What steps are you taking that would accommodate increased regional planning in some of these areas.

216 ROHSE:: Current law is a regional system. The commissioners have to be appointed from congressional districts, based on population rather than geography.

242 REP. NAITO: If there were some counties that wanted to voluntarily band together to do some regional planning, could they do that? Seems to her that now they have a county city based planning system that may not make sense in some respects.

250 RHODES: Recognizes there are some problems with the existing system and they're trying to build in a regional component to periodic review, particularly for the Jackson County area.

266 Closes PUBLIC HEARING on HB 2590
Opens PUBLIC HEARING on HB 3378
Witnesses: Mark Nelson, Glass Packaging Institute
Kristen S. Mitchell, Governmental Affairs Director, Oregon Refuse & Recycling Assn.
Judy Crocket, Lobbyist for the Oregon Recyclers Assn.

270 REP. NORRIS: We speak a great deal around here about smoke and mirrors and I see our two remaining bills are about smoke and glass so we're getting close.

277 MARK BAUER, COMMITTEE ADMINISTRATOR: Summarizes HB 3378.

292 MARK NELSON, PUBLIC AFFAIRS COUNSEL, REPRESENTING THE GLASS PACKAGING INSTITUTE: Gives background of recycled content requirements for glass containers. Introduces the dash one proposed amendments to HB 3378 (EXHIBIT G). States Section 3 on page 2 should be deleted.

391 Explains language in the proposed amendment would stay enforcement of the 35% recycling, and to set out some tasks for the recycling markets development council to work with the industry. on issues of mutual concern.

428 REP. NAITO: Asks if there is agreement within the group? Is there any friction within the industry that we let somebody whose behind to catch up..

441 NELSON: The industry is together on this.

459 REP. NAITO: Do you think Owens would be supportive of expanding the bottle bill?

462 REP. UHERBELAU: All players have bought into the amendments. So many issues that come before this committee are very contentious, glad they were able to get together on this before the hearing.

486 REP. NORRIS: Basically what you've done is gutted and stuffed HB 3378. Is that done with the knowledge and concurrence of REPRESENTATIVES JOSI AND TARNO?

492 NELSON: That's correct.

TAPE 51, SIDE A

028 REP. NORRIS: What is a very brief essence of what ORS 459A.550 (2). We say not withstanding that and then go on

032 NELSON: That's the statute that requires that they meet the 35% recycled content by Jan. 1, 1995 (unintelligible).

043 KRISTAN S. MITCHELL, GOVERNMENTAL AFFAIRS DIRECTOR, OREGON REFUSE & RECYCLING ASSN.: : Testifies in support of HB 3378 including the proposed amendments.

064 JUDY CROCKETT, LOBBYIST FOR THE ASSOCIATION OF OREGON RECYCLERS: Testifies in support of HB 3378.

071 REP. LUKE: Can DEQ hold their hand up if they agree with this?

072 CHAIR LEWIS: Thank you Bob Danko from DEQ indicates his support.

074 Closes the PUBLIC HEARING on HB 3378.
Opens the WORK SESSION ON HB 3378

078 MOTION: REP. LUKE: Moves the dash one amendments to HB 3378 as they are spelled out on the first page only, from line 1 through line 24 BE ADOPTED.

084 REP. NAITO: The record could clarify that Section 3 of the dash one amendments is thus removed.

088 CHAIR LEWIS: Hearing no objections, the amendments are ADOPTED.

088 MOTION: REP. UHERBELAU: Moves HB 3378 as amended to the full committee with DO PASS recommendation.

093 VOTE: In a roll call vote, the motion CARRIES with a majority vote of 5 AYE; 0 NO; (REP. FISHER AND THOMPSON ARE EXCUSED).

102 Closes the WORK SESSION on HB 3378
Opens the PUBLIC HEARING on HB 3044.

104 MARK BAUER, COMMITTEE ADMINISTRATOR summarizes HB 3044.

118 DAVE NELSON, EXECUTIVE SECRETARY, THE OREGON SEED COUNCIL. Testifies in support of HB 3044.

179 NELSON: Reads through the bill section by section.

201 Line 20 is a substantive change in the propane flaming requirements.

235 REP. LUKE: How many acres do you think you'd be burning in 1998?

237 NELSON: Currently farming just under 400,000 acres of grass seed. In 1998 the limitation 65,000 acres, divided 40,000 acres for the valley floor and 25,000 for the steep terrain East of Salem. Expects that would result in 50,000 - 55,000 acres of the total would be propane flamed.

247 REP. NORRIS: Do we still enjoy the exemption East of the mountains on this?

249 NELSON: Yes you do, although the Eastern Oregon production areas are under a smoke management program that is generally adopted by County ordinance.

255 Basically completes what the bill does, thinks that there are economic efficiencies that are made out of this consolidation that allows more money to be residual for applications for research programs which moves us further towards accomplishing the goals of producing grass seed, and maintaining Oregon as the grass seed production leader, without losing quality and market share.

264 REP. LUKE: Are we giving the Department of Agriculture a program with no money, or where does the money come from?

266 NELSON: The money comes from a \$10.00 per acre fee on open burning that the seed farmer pays.

275 REP. LUKE: Is the Department of Agriculture going to get all of the

money or does the Department of Environmental Quality keep part of it?

277 NELSON: The Department of Agriculture currently collects all of the fees, and then transfers a portion of that money, about \$180,000, to the Department of Environmental Quality for the functions that they had been conducting. Explains the area which may require an amendment.

291 CHAIR LEWIS: Could you tell us what technical amendments you are contemplating in this bill?

295 NELSON: The only discussion he is aware of is on page 1, section 2, subsection 2, where the language says "The State Department of Agriculture shall impose any civil penalty under the section in the same manner as the Department of Environmental Quality imposes and collects a civil penalty under ORS 468.140 subsection 6.

332 GREG GREEN, DIVISION ADMINISTRATOR, AIR QUALITY DIVISION, DEPARTMENT OF ENVIRONMENTAL QUALITY: Testifies in a neutral position (EXHIBIT H).

360 CHAIR LEWIS: Would you be comfortable with us passing the bill as it is in its current form without amending it, and then having the Air Quality Division and Department of Environmental Quality get together with the Department of Agriculture and work out the details on the penalty and the monitoring?

365 GREEN: That would be fine with us.

372 CHUCK CRAIG, ASSISTANT ADMINISTRATOR OF THE NATURAL RESOURCES DIVISION, DEPARTMENT OF AGRICULTURE: Testifies that his division does not take a formal position for or against the bill, but believe it's a reasonable thing to do.

385 REP. NORRIS: Believes the Oregon Department of Agriculture budget is "on the shelf" after some hearings in the Natural Resource subcommittee. Would there be any budgetary impact here or would the fees associated with this eliminate any funding problems.

392 CRAIG: The fees that are available fully support the program now and there would be no need for additional appropriation to support the program.

394 REP. NORRIS: There would be a need then to include that in your budget program to provide expenditure authority.

399 CRAIG: Thinks that they have overall adequate expenditure authority at this time.

408 CHAIR LEWIS: Asks Mr. Craig if he would be also willing to work with the Departmental of Environmental Quality, without amending the bill, to address the civil penalties and monitoring issues.

412 CRAIG: We are.

417 Closes the PUBLIC HEARING on HB 3044.

Opens the WORK SESSION on HB 3044.

420 REP. NAITO: Asks if she understood correctly that all of the changes contemplated by the proponents of the bill, the Department of Environmental

Quality and the Department of Agriculture can be accomplished through inter-governmental agreements? Or will statutory changes be required.

428 CHAIR LEWIS: They are nodding their heads that they will be able to work up inter-governmental agreement of understand.

429 MOTION: REP. NAITO: Moves HB 3044 to the full committee with a DO PASS recommendation.

436 VOTE: In a roll call vote, the motion CARRIES with a majority of 5 AYE;

0 NO (REP. FISHER AND THOMPSON ARE EXCUSED).

457 REP. NORRIS: Going back to HB 3144 asks if they had gone into work session on that bill.

462 CHAIR LEWIS: There was some concern on some language on the back page of the bill and Brian Boe was going to work with Mr. Bauer, plus there are concerns with Association of Oregon Industries, and they will work those out.

TAPE 50, SIDE

443 CHAIR LEWIS: ADJOURNS the meeting at 11:58 AM.

Submitted by, Reviewed by,

Sandy Ceballos Mark Bauer
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A -- List of Oregon Dry Cleaners Assn. Members in Attendance -- 1 page
B.-- Testimony on HB 3144-- Raymond L. Balfour -- 5 pages

B1 -- Brochure "The Declining Presence of Mercury in Batteries and
Municipal Solid Waste -- 12 pages
C -- "Comments of the Portable Rechargeable Battery Assn." on HB 3144 by
Robert L. Guyer
D.-- Testimony on HB 2590 -- Don Schellenberg
E.-- Testimony on HB 2590 -- Paula Burgess
F.-- Testimony on HB 2590 -- Christine Cook, 1000 Friends of Oregon
G.-- HB 3378; Proposed Amendments (-1) -- Staff --2 pages
H.-- Testimony on HB 3044 -- Greg Green