

SENATE COMMITTEE ON
TRANSPORTATION

Hearing Room
Tapes - 40

MEMBERS PRESENT:

Sen. Ken Baker, Chair
Sen. Mae Yih, Vice-Chair
Sen. Marylin Shannon
Sen. Dick Springer

MEMBER EXCUSED:

Sen. John Lim

STAFF PRESENT:

Janet Adkins, Committee Administrator
Gina Rumbaugh, Committee Assistant

MEASURES HEARD:

SB 647 Public Hearing and Work Session
Informational: ODOT Studded Tire Pavement Damage Report

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

003 CHAIR BAKER: Calls the meeting to order (1:24PM).
-Introductory remarks

PUBLIC HEARING ON SB 647

Witnesses: Don Schellenberg, Oregon Farm Bureau
Norman Meyers, Motor Carrier Compliance Division, PUC
Joanne Peterson, Manager, Driver and Motor Vehicle Services
Bob Russell, Assistant Commissioner, Transportation Program, PUC
Sharon Schrenk, Junction City, Oregon
Wally Eichler, Eichler Hay Company, Corvallis, Oregon
Phil Ward, Oregon Department of Agriculture
Marshall Coba, Oregon Trucking Associations

010 ADMINISTRATOR ADKINS: Explanation of SB 647-1 amendments [EXHIBIT A] that replace SB 647.

040 DON SCHELLENBERG, OREGON FARM BUREAU: Sponsor of SB 647; supports SB 647-1. Submits and summarizes testimony [EXHIBIT B].

115 NORMAN MEYERS, MOTOR CARRIER COMPLIANCE DIVISION, PUC: Supports SB 647-1. Submits and reads testimony [EXHIBIT C].

165 JOANNE PETERSON, MANAGER, DRIVER AND MOTOR VEHICLE SERVICES: Submits testimony regarding the effect of SB 647-1 on DMV [EXHIBIT D], and confirms it can be implemented.

CHAIR BAKER: Does DMV anticipate any financial cost to the agency?

PETERSON: No.

SEN. SPRINGER: What's the advantage of a farm plate versus a commercial plate?

SCHELLENBERG: There's not as much record keeping. We pay our cost responsibility at the pump with fuel tax, while a PUC plate pays cost responsibility through weight-mile tax.

SEN. SPRINGER: Do you see farming becoming incidental to a trucking operation?

SCHELLENBERG: No, not because of these changes.

215 ADMINISTRATOR ADKINS: Please explain how the combination of gas tax and weight-mile tax is going to work for record keeping.

BOB RUSSELL, ASSISTANT COMMISSIONER, TRANSPORTATION PROGRAM, PUC: There's a provision in the weight-mile tax laws that allows the carrier to take a credit for fuel tax paid and offset that against their weight-mile taxes; we check to make sure the fuel taxes they're taking credit for is reasonably approximate to the number of travel miles.

260 SEN. YIH: Asks Mr. Schellenberg if the record keeping requirement in the bill, page 3, line 23, is going to be burdensome for the farmer.

SCHELLENBERG: If a farmer chooses to haul for-hire and get the PUC plate, then they have to do the record keeping; there is no record keeping required for a farm plated truck.

SEN. YIH: Is the advantage of this bill for when they transport for-hire, does it still have to be products that they grow on the farm or will ownership alone suffice?

SCHELLENBERG: The advantage is they can haul any product for-hire; when they haul on a farm plate, then it's restricted to products that they own.

SEN. YIH: Even if they didn't grow it, they can transport it under a farm plate?

SCHELLENBERG: There is controversy regarding the words grown, raised, and produced; that is a separate issue which is not covered under this bill.

-Explains difference of grown and raised; gives example

325 MEYERS: The farm exemption applies to commodities that are grown or raised on the farmers own farm, and also includes products that have been manufactured or otherwise processed. It allows transportation from a location that is off the farm site as long as the product continues to be owned by the farmer. It does not allow one farmer to haul the straw from

another farmer's farm with a farm plate, even though the baler has ownership of the straw. This issue has already been tested in the courts.

360 SHARON SCHRENK, JUNCTION CITY, OREGON: Proposes additional amendment to SB 647-1. Submits and reads testimony, and references included material [EXHIBIT E].

TAPE 40, SIDE A

015 SCHRENK: Continues reading testimony; amendment regarding transporting straw.

060 WALLY EICHLER, EICHLER HAY COMPANY, CORVALLIS, OREGON: Supports Ms. Schrenk's proposed amendment and urges favorable consideration.

080 SEN. YIH: Grass seed straw is not recognized in statute as an agricultural product?

SCHRENK: No, not at this time.

-An argument during the 1993 session was that straw is considered garbage; we feel it is an agricultural commodity because it's used as feed

105 SEN. YIH: Perhaps Phil Ward can tell us why it's not recognized as an agricultural product.

115 PHIL WARD, OREGON DEPARTMENT OF AGRICULTURE: There are over 200 agricultural commodities in Oregon, very few of which are specifically identified legally as such; however, we would consider them as legitimate commodities in terms of Oregon's agricultural production. Straw would fit into that category, particularly as it is used and marketed as a feed.

135 SEN. SPRINGER: References Exhibit E, letter to Rep. VanLeeuwen, page 2, and paraphrases charge regarding DMV; requests DMV respond.

- What you describe sounds like trucking is the major activity of baling and shipment of straw

SCHRENK: Our two trucks are not a source of income, they are a tool of the trade like all other farming equipment.

SEN. SPRINGER: How large are the trucks?

SCHRENK: They are truck trailers.

SEN. SPRINGER: It sounds as if use of these trucks is evolving into something different in terms of impact on roads.

SCHRENK: There is wear and tear on the roads with usage, just as with other vehicles; much of the time, however, these trucks are parked on the farm, not being driven out on the roads.

205 MARSHALL COBA, OREGON TRUCKING ASSOCIATIONS: Opposes amendment proposed by Ms. Schrenk. Currently supports SB 647-1, but would oppose it should Ms. Schrenk's proposed amendment be adopted.

SEN. YIH: Why do you say the amendment liberalizes the use of a farm plate

when this is restricted to hauling of straw only?

COBA: Straw is a by-product of another crop, and it does not meet the definition for what the farm plate was originally intended.

250 CHAIR BAKER: Asks Mr. Schellenberg, Mr. Meyers, and Ms. Peterson to address Ms. Schrenk's proposed amendment.

SHELLENBERG: We support Ms. Schrenk's amendment, but don't want it to drag the bill down.

MEYERS: We support SB 647-1, but would oppose it should Ms. Schrenk's amendment be adopted. Believe it would result in an unjustifiable extension of the farm exemption, which is to further the operation of a farmer's own farm.

PETERSON: An issue the amendment does not address is whether or not one can justify the need for trucks, or actually operate a separate business which is totally for baling straw and hauling for other farmers.

335 SEN. YIH: I feel straw is a farm product, so if they can transport straw they should be able to use the farm plate. Why should they be different?

MEYERS: The farmer doing the transporting is not the farmer that raised the product.

SEN. YIH: They're just transporting from one farm to the next farm.

MEYERS: They need to get a PUC plate and pay taxes, have insurance, and comply with safety regulations like everyone else that operates on the highway.

SEN. YIH: They own the product and are moving their own farm product.

MEYERS: That's not a reason to get out from under tax, insurance, and safety regulation.

SEN. YIH: At a time when we're phasing out field burning, we need to give incentive for the transport of straw to use for feed and other purposes; it's not a profit-making business.

400 SCHRENK: Responds on Marshall Coba's testimony. We aren't trying to go into the trucking business, we are farmers.

SEN. SHANNON: Were you in this business before the field burning laws were passed?

SCHRENK: Yes.

TAPE 39, SIDE B

WORK SESSION ON SB 647-1

035 MOTION: SEN. YIH MOVES TO ADOPT MS. SCHRENK'S PROPOSED AMENDMENT
[EXHIBIT E]

VOTE: IN A ROLL CALL VOTE, SENS. SHANNON AND YIH VOTE AYE; SENS. BAKER AND SPRINGER VOTE NO; SEN. LIM IS EXCUSED; THE MOTION FAILS

MOTION: CHAIR BAKER MOVES TO ADOPT 647-1 AMENDMENTS DATED 3/17/95 [EXHIBIT A]

SEN. SHANNON: Can Ms. Schrenk's proposed amendment be reconsidered when Sen. Lim is present?

CHAIR BAKER: If it's passed out, it can be addressed on the House side.

SEN. SHANNON: Is there a quorum if I leave?

CHAIR BAKER: Yes, there's still a quorum.

-SB 647-1 has original support from the Farm Bureau, the PUC, and the trucking industry

-Does the committee want to move forward on this?

SEN. SHANNON: No.

INFORMATIONAL: ODOT STUDDED TIRE PAVEMENT DAMAGE REPORT

Witness: Ken HUSB Y, Deputy Director, Oregon Department of Transportation (ODOT)

J. B. Boyd, Oregon

075 KEN HUSB Y, DEPUTY DIRECTOR, ODOT: Submits testimony [EXHIBIT F] and financial material [EXHIBIT G]; shows informational video produced by the Alaska Department of Transportation.

255 HUSB Y: Begins summary of testimony, Exhibit F.

340 -Cost responsibility study, page 5, Exhibit F

395 -Safety, page 7, Exhibit F

420 -Alternatives to studs, page 7, Exhibit F

TAPE 40, SIDE B

015 HUSB Y: Addresses issue of tax on studded tires.

-In Oregon, there are 1.6 million studded tires in use; the industry sells 360,000 studded tires annually

SEN. SHANNON: I value the life-saving ability of studded tires.

050 SEN. YIH: Would it be helpful to limit the time people can use studded tires?

HUSB Y: Last year I closed the season for studded tires early, immediately to have some of the worst snowstorms we've had in Oregon. Generally, in the right conditions, studs are very effective; the problem is that 98% of people drive with them when they're not needed.

SEN. YIH: Have you proposed a bill to cover these fees?

HUSB Y: We have not proposed a bill, but I'm told there are three bills that have been written to address the issue.

065 CHAIR BAKER: Is there a reason truck drivers don't use studs?

HUSB Y: I don't know for certain, except perhaps because of their

tremendous weight.

080 J. B. BOYD, OREGON: Submits and briefly summarizes material [EXHIBIT H].

CHAIR BAKER: Adjourns the meeting (2:54PM).

Submitted by, Reviewed by,

Gina Rumbaugh Janet Adkins
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

- A - SB 647-1 amendments -- Staff -- 16 pages
- B - Testimony on SB 647-1 -- Don Schellenberg -- 1 page
- C - Testimony on SB 647-1 -- Norman Meyers -- 2 pages
- D - Testimony on SB 647-1 -- Joanne Peterson -- 1 page
- E - Testimony and material on SB 647 -- Sharon Schrenk -- 14 pages
- F - Testimony on studded tire pavement damage -- Ken HuSB y -- 9 pages
- G - Financial information on studded tire pavement damage -- Ken HuSB y -- 30 pages
- H - Informational material re studded tires -- J. B. Boyd -- 1 page
- I - Testimony on SB 647 -- Mike Sims -- 1 page