

HOUSE COMMITTEE ON GENERAL GOVERNMENT

January 21, 1993 Hearing Room 357 8:30 a.m. Tapes 2 - 4

MEMBERS PRESENT: Rep. Cedric Hayden, Chair Rep. Jim Edmunson,  
Vice-Chair Rep. Ken Baker Rep. Carl Hosticka Rep. Patti Milne Rep. Chuck  
Norris Rep. Del Parks Rep. Lonnie Roberts Rep. Sharon Wylie

STAFF PRESENT: Janet Adkins, Committee Administrator Kimberly  
Burt, Committee Assistant

MEASURES CONSIDERED: HB 2186 HB 2205 HB 2198 HB 2188 HB 2096 HB  
2158 [--- Unable To Translate Graphic ---]

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.

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TAPE 2, SIDE A

005 CHAIR HAYDEN: Calls meeting to order. (8:35 a.m.)

\_ We will not hear HB 2270 today.

WORK SESSION ON HB 2186

020 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2186,  
submits preliminary staff measure summary and fiscal impact statement,  
(EXHIBIT A).

033 REP. ROBERTS: This will save \$34,000 and cut out some  
inconvenience?

ADKINS: Yes.

037 REP. NORRIS: We had testimony from the Aeronautics Division and  
there was no objection.

040 MOTION: REP. NORRIS MOVES HB 2186 TO THE FLOOR WITH A DO  
PASS RECOMMENDATION. 048 VOTE: IN A ROLL CALL VOTE THE MOTION  
CARRIES UNANIMOUSLY. REP. BAKER WILL CARRY THE BILL ON THE FLOOR.

WORK SESSION ON HB 2205

055 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2205,  
submits fiscal statement and Preliminary Staff Measure Summary, (EXHIBIT  
B).

075 REP. ROBERTS: What is meant by minimum revenue impact?

REP. NORRIS: The testimony was limited; the industry was in the room  
and didn't object.

090 MOTION: REP. PARKS MOVES THAT HB 2205 BE SENT TO THE FLOOR WITH A DO PASS RECOMMENDATION.

095 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. REP. ROBERTS WILL CARRY THE BILL ON THE FLOOR.

WORK SESSION ON HB 2198 Witness: Claudia Howells, Public Utility Commission, (PUC), Transportation Program

104 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2198, submits fiscal statement and Preliminary Staff Measure Summary, (EXHIBIT C).

REP. PARKS: What is the source of the grade crossing protection account?

REP. NORRIS: Part of it is federal funding with a local match.

ADKINS: Registration fees on cars; it is from the highway funding.

REP. PARKS: I'm concerned about places like the City of Eugene; are they going to have to pay this money?

ADKINS: No, the account is state funds only.

CLAUDIA HOWELLS, PUC, TRANSPORTATION PROGRAM: When we use the term "local", it actually means state; the grade crossing protection account is a mechanism to make sure that local authorities don't have to pick up that match.

\_ The grade crossing protection account comes from motor vehicle fees.

REP. NORRIS: Do the railroads participate?

HOWELLS: No; the railroads pick up the cost of the Federal Rail Administration Program to some extent, but this comes out of federal highway funds.

183 REP. HOSTICKA: Is this going to be a pattern we will see from the feds in a number of areas in which they are upping the requirements for local matches to reduce their expenditures? HOWELLS: This particular program, we felt lucky to keep at all; in some cases the federal portion has increased, but in this case we were lucky to keep it, so we are happy to make up another 5%.

HOWELLS: The money also allows for other kinds of improvements, such as highway safety improvements.

215 CHAIR HAYDEN: We could limit the amount and still get the federal match?

HOWELLS: We could still get the federal match, but someone would have to pay for it and we would be unable to under state law so it would fall

back on the local road authority.

REP. MILNE: Regarding the 5% difference, the same safeguard is currently reflected in the 15% statutory limit for what was a 10% match; there is still that difference, how often was that 5% needed?

HOWELLS: Not very often; in some cases an installation may have required a special surfacing and the feds weren't going to pick that up, but often the local road authority wanted that and we were able to pay for that out of the grade crossing protection account even though that extended it beyond the 10% match.

REP. MILNE: If the additional 5% wasn't available we would have gone without that part of that project?

HOWELLS: Or the local road authority would have had to pay for it.

REP. ROBERTS: I think it is clear, the federal government made an adjustment and we have to make an adjustment to match it.

264 MOTION: REP. ROBERTS MOVES THAT HB 2198 BE SENT TO THE FLOOR WITH A DO PASS RECOMMENDATION.

REP. MILNE: Where is this 5% now and how much money are we talking about?

HOWELLS: The grade crossing protection account is held in the Department of Transportation, (DOT), and we charge to that account; over the last 15 years we have used that 5% rarely.

\_ \$600,000 is paid into that account each year; the balance can fluctuate.

305 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. REP. HOSTICKA WILL CARRY THE BILL ON THE FLOOR.

WORK SESSION ON HB 2188

316 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2188, submits Preliminary Staff Measure Summary and fiscal statement, (EXHIBIT D).

REP. ROBERTS: Commercial licenses have been restricted for a long time; one year isn't very long and I would like to see two years, but I've been told it would cause havoc.

REP. NORRIS: We had limited testimony and the industry had no objection.

368 MOTION: REP. ROBERTS MOVES HB 2188 TO THE FLOOR WITH A DO  
PASS RECOMMENDATION.

375 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. REP. NORRIS  
WILL CARRY THE BILL ON THE FLOOR.

WORK SESSION ON HB 2096

385 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2096,  
submits Preliminary Staff Measure Summary and an Attorney General,  
(AG),

opinion, (EXHIBIT E).

416 REP. ROBERTS: We had something similar years ago and went  
through a miserable time; it looks simple, but I don't want to see  
the local

police and State Police separated.

REP. PARKS: The State Police and the BPSST Director testified that  
today we have two sets of standards; the benefit for Oregon in this bill  
is that if State Police officers are laid off they will be qualified to  
be hired by local government.

REP. ROBERTS: That is what we argued over some sessions ago; the  
training is different and the State Police didn't want to get involved  
with the other police.

467 CHAIR HAYDEN: Would that apply to retired officers that  
wished to continue in local law enforcement?

REP. PARKS: Yes, it would.

485 REP. HOSTICKA: Is there no fiscal impact?

ADKINS: Our fiscal office said it has determined that there was no  
fiscal impact; the agency fiscal impact indicated, for paper work  
changes, about \$1100.

TAPE 3, SIDE A

040 REP. EDMUNSON: BPSST now funds the training for the State Police,  
so it is really an accounting change; there will be transitional costs,  
but

beyond that nothing changes.

056 MOTION: REP. NORRIS MOVES HB 2096 TO THE FLOOR WITH A DO  
PASS RECOMMENDATION.

065 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. REP. WYLIE  
WILL CARRY THE BILL ON THE FLOOR.

REP. ROBERTS: I realize the hearings are conducted in subcommittee, but

what if someone didn't have a chance to make it to subcommittee, but has someone who wants to testify, will you allow some testimony before the full committee?

CHAIR HAYDEN: According to our rules testimony shall be taken only in subcommittee; we will not repeat the full public hearing.

REP. ROBERTS: There are times when we get into complicated issues and possibly, at least selective testimony should be given before the full committee.

CHAIR HAYDEN: It would be my intention to do that at the request of a committee member.

REP. PARKS: I don't agree.

CHAIR HAYDEN: The Chair will take this under advisement with the Subcommittee Chairmen.

WORK SESSION ON HB 2158

105 JANET ADKINS, COMMITTEE ADMINISTRATOR: Describes HB 2158, submits Preliminary Staff Measure Summary, a fiscal statement and an amendment, (2158-1), (EXHIBIT F).

129 REP. ROBERTS: This is a state funded program?

ADKINS: Yes.

CHAIR HAYDEN: It is a small program; they currently spend about \$9,000 a year and this bill would increase that to \$10,000 or \$11,000 a year.

REP. NORRIS: Will there be an expansion of the farm and home loan benefit to this same group?

REP. PARKS: Not as a result of this bill.

ADKINS: This is for veterans who served overseas in a conflict.

REP. WYLIE: We asked and we told that the majority of people who use this are displaced timber workers and sometime school teachers and the amount of people is small and it is usually used when other programs have been exhausted.

164 REP. HOSTICKA: The amendment increases the scope of people who are eligible by eliminating the one year resident requirement and the

requirement of previous residency, so it seems it would increase the

amount that could potentially be utilized?

ADKINS: I'll check the previous fiscal impact statement, but fiscal did look at the amendment.

173 MOTION: REP. WYLIE MOVES HB 2158 AS AMENDED TO THE FLOOR WITH A DO PASS RECOMMENDATION.

178 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. REP. MILNE WILL CARRY THE BILL ON THE FLOOR.

WORK SESSION ON HB 2220

JANET ADKINS, COMMITTEE ADMINISTRATOR: We have not received the fiscal impact statement from our fiscal office, we are still waiting; submits written testimony from the Advocate for the Office of Minority Women and Emerging Small Business, (EXHIBIT G).

MOTION: REP. PARKS MOVES THAT HB 2220 BE DEFERRED TO A FUTURE HEARING PENDING A FISCAL IMPACT STATEMENT.

215 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

CHAIR HAYDEN: That concludes our voting for the day; you are welcome to stay for the overview.

228 ADKINS: HB 2158 was sent to the floor as amended and I'm not sure that the full committee adopted the amendment.

REP. EDMUNSON: I moved that; it was by reference.

OVERVIEW OF OREGON DEPARTMENT OF TRANSPORTATION, (ODOT) Witnesses: Don Forbes, Director, Oregon Department of Transportation

260 DON FORBES, DIRECTOR, OREGON DEPARTMENT OF TRANSPORTATION, (ODOT): Submits and summarizes informative material, (EXHIBIT H).

345 REP. NORRIS: More than two million pilots and aircraft in a state of 2.9 million people; is that a combination of pilots and aircraft?

FORBES: It is a combination; I'll check; continues with informative material.

420 FORBES: Covers major change initiatives, see (Exhibit H).

TAPE 2, SIDE B

040 FORBES: Going over structure, see Exhibit H.

\_ Preliminary restructure result; (see Exhibit H).

060 FORBES: Highways efficiency earned; (Exhibit H).

\_ Monthly effectiveness; see (Exhibit H).

OREGON TRANSPORTATION PROGRAM, (OTP) Witnesses: Don Forbes, Director,  
Oregon Department of Transportation, (ODOT)

080 DON FORBES, DIRECTOR, OREGON DEPARTMENT OF TRANSPORTATION,  
(ODOT): Submits and summarizes Oregon Transportation Plan, (OTP),  
concepts, (see Exhibit H).

150 FORBES: Describes initiatives and goals of the OTP, (see Exhibit  
H).

173 REP. NORRIS: We have growing concern and publicity with mass  
transit; are we looking at a forum for having other modes available or  
are we

looking down the road at some enforcement to mandate what people can do?

FORBES: I think it will take both; we need to make the alternate modes  
attractive so they clearly are a substitute for the private automobile;  
they have to be secure, comfortable and convenient and if they have  
those attributes people will be more willing to use them.

\_ We may need pricing incentives in some areas; we may have to do  
congestion pricing, we may have to have congestion fees; to do those by  
themselves isn't the right thing, that is to tax people or impose fees  
on congestion or emission and not having the alternative modes  
available; it takes both in my mind.

196 REP. NORRIS: Are you thinking of toll gates on I-205?

FORBES: I wouldn't think it would look like that, but there are other  
ways to price for congestion.

222 REP. WYLIE: The needs of Rural Oregon are different from the  
needs of the I-5 corridor; I'd like to hear strategies for dealing  
with those  
needs.

\_ There is probably a limit on how much the I-5 corridor can rely on  
inter state and federal kinds of help; what are some of the strategies  
to balance those needs and to maybe invest equally and appropriately in  
both parts of the state so other parts of the state can feel comfortable  
supporting dealing with congestion and pollution in areas of the state  
that they don't visit very much?

FORBES: Clearly the Cascades alter the way we do business; what we need  
to do in transportation on the West side of the Cascades is different  
than on the East side.

\_ On the West side it is capacity and on the East side it is the condition of the system and inner city travel.

275 REP. MILNE: On your initiatives and goals you have to develop a high speed service between Eugene and Portland by 1999; is work being done

now, does that seem realistic and also, what is the status of the securing of long term resources?

FORBES: I've asked our people to tell me what it would take to do it in six years; we started this conversation around last August or September and there is a tremendous amount of work to do to find out if in fact that is feasible.

\_ We know what the technology would be, we believe the swedish model, the X-2000 tilt train which allows you to run on existing tracks is the right system for Oregon and we know the cost of that system would be around 450 million dollars; if we aren't aggressive we won't get there.

325 REP. BAKER: You are contracting projects, but holding in house the planning functions; what thought have you given to contracting out your planning functions as well?

FORBES: Of all the things we do, I believe that planning shouldn't go out; I think we are in a better position to provide you the answers; we do about 10% to 14% of our design by consultants.

365 REP. BAKER: Spans of control, can that be reduced to four or three?

FORBES: For an example, the Department of Motor Vehicles, (DMV) has between 900 and 1000 employees has three levels of managers; they've got the head of DMV, the regional managers and office managers; I think it is tough to collapse that much more.

\_ Between DMV up to me is two other levels; we have a Deputy Director who manages the day to day part of our organization, helps assist DMV and the highway regions.

\_ Given the nature of my job, which is largely external, largely long range, to cut out that step and have me both worry externally long range and worry about the day to day operations would be tough.

PUBLIC UTILITY COMMISSION - TRANSPORTATION PROGRAMS OVERVIEW Witnesses: Commissioner Ron Eachus, Chairman, Public Utility Commission, (PUC) Commissioner Roger Hamilton, Public Utility Commission, (PUC)



436 COMMISSIONER RON EACHUS, CHAIRMAN, PUBLIC UTILITY COMMISSION,  
(PUC): We are a three person commission; Commissioner Smith is unable to  
be here

today, and we have the second commissioner.

COMMISSIONER ROGER HAMILTON, PUBLIC UTILITY COMMISSIONER: Introduces  
himself.

445 EACHUS: I understand that you'd like an overview primarily  
of our transportation related programs; I will give an overview of our  
basic

organization, focus on the transportation program and the information  
packets we provided you and then review our legislative agenda, which to  
some extent is related to our budget.

\_ Submits and summarizes informative materials, see (EXHIBIT I).

TAPE 3, SIDE B

030 EACHUS: Going over major functions of the PUC.

\_ Describes transportation functions, (see organizational chart, Exhibit  
I).

\_ Introduces PUC staff to committee.

060 EACHUS: Describes what the PUC does, (see page 1, Exhibit I).

\_ Continues with testimony, going over goals of the PUC.

173 EACHUS: Refers to charts, (see Exhibit I).

\_ Describes agency budget disbursement pie chart, (see Exhibit I).

293 EACHUS: The elimination of log and dump truck authority  
includes the elimination of another hearings officer; there is a list of  
reductions, (see Exhibit I).

\_ Discusses legislative proposals and their impact on the PUC, (see page  
21, Exhibit I).

343 EACHUS: One of our biggest concerns is that a substantive  
committee may decide that they don't want to eliminate the program or  
the statutory

responsibility, but a decision to cut the fifteen people is still  
maintained, we think that in the operation of our agency we would end up  
with a lot of programs not operating effectively.

388 HAMILTON: I would reiterate that we are in a difficult position,  
coming with legislation to cut programs, yet feeling that the  
programs are

essential.

\_ The railway crossing program is integral to putting high speed rail in place and yet we are coming here saying we can cut that program.

445 REP. NORRIS: Referring to page 6, Exhibit I; all your funding is "other" or federal funding, there is no general funds?

HAMILTON: There is no general funding.

REP. BAKER: It strikes me that essentially what you are is an Executive Department agency; why do we have commissioners?

469 EACHUS: By statute we are an independent regulatory agency, for budgetary purposes, we are an Executive Department agency; we exist in

the energy and utility sector as there are private utilities who are essentially providing monopoly services in allocated territories and there needs to be public regulation of the rates and the terms and conditions of service.

TAPE 4, SIDE A

044 EACHUS: In essence, the public of the State of Oregon, through a ballot measure in 1987 hired a three person public utility commission to

regulate utilities; the legislature has given us statutory responsibilities in transportation, they have given us the responsibility to regulate intrastate trucking and other functions.

REP. BAKER: You aren't constitutionally based?

EACHUS: We aren't constitutionally based, we are statutorily based.

REP. BAKER: The legislature could change the statute to eliminate your function?

EACHUS: Yes, they could.

060 CHAIR HAYDEN: There being no announcements or further business before this committee we are adjourned. (10:35 a.m.)

Submitted by, Reviewed by,

Kimberly Burt Janet Adkins Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - HB 2186: Preliminary Staff Measure Summary and fiscal statement submitted by staff, pp 2 B - HB 2205: Preliminary Staff Measure Summary and fiscal statement submitted by staff, pp 2 C - HB 2198: Preliminary

Staff Measure Summary and fiscal statement submitted by staff, pp 2 D -  
HB 2188: Preliminary Staff Measure Summary and fiscal statement  
submitted by staff, pp 2 E - HB 2096: Preliminary Staff Measure Summary  
and Attorney General Opinion submitted by  
staff, pp 10 F - HB 2158: Preliminary Staff Measure Summary, fiscal  
statement and (-1) amendments submitted by staff, pp 4 G - HB 2220:  
Preliminary Staff Measure Summary and written testimony from Faye  
Burch, submitted by staff, pp 2 H - Overview: Oregon  
Department of Transportation overview submitted by Forbes, pp 16 I -  
Overview: Oregon Public Utility Commission overview submitted by EACHUS,  
pp 62