

HOUSE COMMITTEE ON GENERAL GOVERNMENT

June 15, 1993      Hearing Room 357 10:00 a.m.    Tapes 56 - 57

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 Julie Dow,  
Committee Researcher Kathy Taylor, Committee Clerk

MEASURES CONSIDERED:            SB 567 HB 3623 SB 133 SB 59

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 56, SIDE A

006    CHAIR HAYDEN:    Calls meeting to order at 10:00 a.m.

WORK SESSION ON SB 567

012    REP. EDMUNSON:    Reviews -1 amendments (EXHIBIT A). Proposes  
the -1 amendments.

CHAIR HAYDEN:    The amendments are placed, is there discussion?

022    REP. MILNE:    How are these currently hauled?

REP. EDMUNSON: My guess is they are hauled both ways, packaged or bulk.  
The point of regulation where it is appropriate is to make sure the cost  
of transportation is not a cost of production and would not be passed  
directly to consumer. Packaged material should be considered suitable  
for retail sale.

050    REP ROBERTS: We are talking the difference between the finished  
product ready on the market and bulk. This a good balance between the  
folks who want an exemption and the trucking industry who for good  
reason, feel

every time government does something negative to their industry they  
have a terrible time.

REP. MILNE:    Is there anyone here who could respond about what the  
market is like now.

063    MICHAEL MEREDITH, OREGON TRUCKING ASSOCIATION: They haul it both  
ways. Have only talked with those who put it in a package.

REP MILNE: If we are focusing on the retail ready this would not be a remedy for a number of people who were here supporting the bill.

MEREDITH: Wrong person to respond to this question, they are asking for something that is going to upset the applecart.

090 REP. NORRIS: Somewhere early on in this bill, not in transportation someone reported to me that the typical load would have been prepackaged 40 pound bags ready for retail as one of the ways it was transported.

What about 80 pound bags of fertilizer or anything else that's ready for retail. How do we cut that pie to make it fair for one, fair for all.

If there is anyone here from the pellet industry that would care to comment, I would be pleased to hear it.

100 ALEX SIFFORD, OREGON DEPARTMENT OF ENERGY: The majority of wood pellets in this state are shipped in 40 pound sacks on pallets in units

typically of a half ton or ton. Very little bulk pellet transportation occurs in this state.

REP. PARKS: From the mill to the distributor, is it unusual that it be in bulk?

SIFFORD: Correct, the mills actually do the packaging at the point of production. Klamath Falls is one of the few areas where they do bulk transportation.

113 REP. BAKER: No matter if it is rolled oats or hog feed you have got to transport it someway. I see no distinction between a bundle of shingles with a strap around them versus 40 pounds of pellets. We are talking

about a product not packaging.

REP. ROBERTS: We are talking about the transportation mode. There is a lot of difference between bulk and packaged. What we are trying to do is find some kind of balancing ground.

137 CHAIR HAYDEN: We will now have a roll call vote on Rep. Edmunson's amendment.

141 MOTION: Rep. Edmunson moves to adopt SB 567 -1 amendments dated 6/14/93

VOTE: The motion PASSES in a roll call vote with Rep. Baker and Rep. Milne voting NAY all others voting AYE

ACTION: Administrator is instructed to have this in draft form and returned to committee as soon as possible.

PUBLIC HEARING HB 3623

142 JULIE DOW, COMMITTEE RESEARCHER: Reviews HB 3623 and submits staff measure summary (EXHIBIT B)

150 REP. TIERNAN: Submits for the record from Nina Johnson (EXHIBIT C) Relates background of implementing a fraud, waste and abuse program at

the national relations board in Washington D.C. People need a mechanism to report situations they feel should be changed to be able to save the government money. Gives overview of the bill. It sets up a hotline for

people to call in when they notice something irregular. The state of

Washington has a similar program, the costs are about \$ 80,000 a year.

This is a very inexpensive way to allow public input on their government and tax dollars. Secretary of the State's office will investigate and

administer the program.

265 REP. ROBERTS: In a letter dated June 15, 1993 from Secretary of State's office talking about an estimated \$160,000 to \$200,000. What is the

financial impact, does this need to go to appropriations?

REP. TIERNAN: My hope is it passes this committee with a recommendation of do pass to the appropriation committee. The \$160,000 is the cost of

the program for a biennium. It should get a favorable recommendation in appropriations also.

290 REP. WYLIE: Suggestions that might strengthen the bill and make it easier to find funding. The assumption is that there would be savings

and some of those would be identifiable. Could this be funded with a

loan where 50 percent of identified cost savings would be used to pay

the loan and then 50 percent would go into the intended program. Would

you be in favor of a two year sunset for purposes of evaluating the

standards of success? Can we ask Secretary of State's office to come

back within six months of the end of the session with a work plan. It

should explain the measurement and investigation criteria and

procedures. They should also explain employee's right to due process.

REP. TIERNAN: All three of those are excellent ideas, in favor of amending the bill to include them.

350 REP. NORRIS: My concern is that anyone can make an accusation, then your guilty until proven innocent. This could be an axe grinders paradise.

REP. TIERNAN: Most axe grinders will be anonymous. Any protections the committee would want to put in are welcome. Nothing should be made public until the investigation has been concluded.

REP. NORRIS: It should be part of the legislation that there will be no public releases until a final investigation was made.

390 REP. HOSTICKA: Could this be expanded to allow people to report positive comments?

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015 REP. TIERNAN: Agreed, positive feedback is important but it should be keep separate.

REP. BAKER: Do we have any information concerning how much money has been saved with the state of Washington's program?

REP. TIERNAN: No, just speculation. The Secretary of State's office has a proposal to audit agency by agency. However much of the public does not know which agency are responsible for which programs. The people want to respond immediately, not wait until that particular agency is being audited.

047 REP. ROBERTS: Could the Secretary of State's office mail us reports twice a year showing how the program is working?

REP. BAKER: Secretary of State's office could include information about the hotline in the voters pamphlet at a minimal cost.

WORK SESSION ON HB 3623

082 REP. WYLIE: Would like a chance to develop the amendments.

REP. ROBERTS: We need a way to show results, and more information on financial impact.

119 REP. PARKS: What about the change of phone lines, will that effect the figure shown on impact statement?

CHAIR HAYDEN: This will later go to appropriations.

130 CHAIR HAYDEN: Directs Rep. Baker, Rep. Wylie to work with Rep. Tiernan to develop changes and report back soon.

OPENS WORK SESSION ON SB 133

150 DOW: Reviews SB 133 submits staff measure summary (EXHIBIT D) and petty cash fund regulations from Oregon accounting manual (EXHIBIT E).

173 JIM LAMKA, EXECUTIVE DEPT: Submits and reads written testimony (EXHIBIT F)

REP. ROBERTS: Could we put in maximum limit of 500 dollars?

LAMKA: A 500 dollar limit would not work for agencies that have a lot of locations.

270 REP. PARKS: We give the executive department the right to establish the limit?

LAMKA: Yes, but within our guidelines. Some agencies may need 5 or 10 thousand dollars.

320 REP. PARKS: Why not go back and amend the existing bill if it is not working?

333 LAMKA: The intent of this bill is to make this system more efficient and less costly.

REP. PARKS: This is better handled on an agency by agency basis.

349 REP. NORRIS: There is nothing wrong with the principle of this, can you define what you mean by agency, does that mean department?

LAMKA: Yes, although CSD has several agencies within. Different locations can establish a petty cash fund based on need without waiting and coming back to the legislature.

REP. NORRIS: Are the petty cash funds still within their appropriations?

LAMKA: Yes, it is established and reimbursed through their approved budget.

REP. BAKER: Is it \$500 dollars at any time or total during the biennium?

475 LAMKA: The account maintains the \$500 dollars through periodontic reimbursements.

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025 REP. BAKER: What is the total amount that might go through that account? Is there a way that shows how much agencies spend through petty cash.

LAMKA: No

044 REP. WYLIE: Most agencies that have a need already have one, what is the range of money in those now?

LAMKA: \$125 to \$7,920.

081 REP. WYLIE: What problem is this bill solving?

LAMKA: When new situations are created such as group home establishments, they have to wait until the next legislative session.

093 REP. WYLIE: What are the cost of not having a petty cash fund.

LAMKA: They have to prepare a voucher, process it through our system to have a state check cut, take the check to make the purchase. The time if mailed back and forth and the cost to go through our process is wasted for very minor purchases.

105 REP. MILNE: How many agencies do not have a petty cash fund?

LAMKA: Approximately 40 to 50 do have them and 70 do not. We are trying to provide for the future.

WORK SESSION ON SB 133

140 REP. ROBERTS: It should help these agencies run more effectively

REP. HOSTICKA: This is a good idea at this time with so much reorganization going on.

150 REP. WYLIE: Can the E board take care of this? Changes should be reported every six months to the E board for legislative oversight.

REP. PARKS: The time to get the petty cash fund is when they get their budget.

171 REP. MILNE: There is a budget process in place.

REP. NORRIS: I understand the concern, however the word petty is appropriate in this case.

191 MOTION: Rep. Roberts moves SB 133 with a DO PASS RECOMMENDATION.

VOTE: In a roll call vote Rep. Parks, Rep. Milne, Rep. Edmunson, & Chair Hayden voting NAY all others voting AYE.

ACTION: The motion CARRIES with a DO PASS RECOMMENDATION Rep. Roberts will carry.

OPENS PUBLIC HEARING ON SB 59 A

273 DOW: Reviews SB 59 A and submits senate trade & economic development staff measure summary (EXHIBIT G), senate revenue staff measure summary (EXHIBIT H), revenue analysis (EXHIBIT I), fiscal Analysis (EXHIBIT J).

291 SUSAN SCHNEIDER, CITY OF PORTLAND: Speaks in support of SB 59 as amended. It is the result of the governors taskforce on local

government that met last summer. The thrust of the bill is to ease mergers and a more efficient provision of services. Much has happened in water supply planning in the Metro region, an intergovernmental agreement has been negotiated to conduct a two year study.

340 BURTON WEAST, SPECIAL DISTRICTS ASSOCIATION: Gives history of bill, speaks in support of SB 59 A. The study will be brought back to the

legislature in two years. Bill sends boundary commission a message that they are to be helping us. Board of newly merged districts may keep two members from previous board, majority must be elected. SB 59 A makes

some minor changes in local governments meeting to coordinate their tax levies. Citizen representative involved in the formation unit of local

government may participate in developing tax coordination plan for the year.

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044 WEAST: Continues to review components of SB 59 A. Bill extends practice currently used in eastern Oregon's fire districts to be used in western Oregon. They have the ability to district themselves, and levy

taxes on a differential basis.

REP. ROBERTS: Are Wood Village, Gresham, Troutville and Portland all in accord with this.

071 WEAST: To the best of my knowledge, yes. The Tri-County water districts association which represents the 22 water districts in the

Tri-County all support this amended bill.

REP. WYLIE: Does that include Rockwood?

080 WEAST: Yes, Rockwood participated in the study and in is support.

REP. NORRIS: What is meant by single river basin or other regions?

WEAST: The Portland metro area includes several basins, the bill was worded to make that clear.

106 JANET ADKINS: The extension to 1996 from 1994, why wouldn't you want these to be ongoing beyond that?

WEAST: This is an evolving process, we wanted to see how is works and be able to make changes in coordination.

125 LARRY TROSI, OREGON FARM BUREAU: Our concerns are with the coordination of all types of land use. Wish to raise committees awareness that are

other studies that are looking at water availability, planning and uses. The studies are not limited to the Portland area. The next legislative session information from the studies will be available to for all types of basin use planning.

159 CLOSES PUBLIC HEARING ON SB 59

Adjourns at 11:40

Submitted by: Reviewed by:

Kathy Taylor Janet Adkins Committee Clerk Administrator

EXHIBIT LOG:

A - SB 567 -1 Amendment - Staff - 1 page B - HB 2623 SMS - Staff  
- 1 page C - HB 3623 Testimony - Tiernan / Johnson - 2 pages D -  
SB 133 SMS - Staff - 1 page E - SB 133 Oregon Accounting Manual,  
staff - 4 pages F - SB 133 Testimony - Lamka - 2 pages G - SB 59  
Senate SMS - Staff - 2 pages H - SB 59 SMS - Staff - 1 page I -  
SB 59 Revenue Impact statement - Staff - 1 page J - SB 59 Fiscal  
Analysis - Staff 1 page