

HOUSE COMMITTEE ON NATURAL RESOURCES ENVIRONMENT AND ENERGY SUBCOMMITTEE

February 1, 1993 Hearing Room D 1:30 p.m. Tapes 9 - 12

MEMBERS PRESENT: Rep. Bob Repine, Chair Rep. Marilyn Dell Rep. Sam Dominy Rep. Bill Fisher Rep. Carl Hosticka Rep. Dennis Luke Rep. Bill Markham Rep. Nancy Peterson Rep. Ray Baum

MEMBER EXCUSED: Rep. Ray Baum

VISITING MEMBERS: Rep. Josi Rep. VanLeeuwen

STAFF PRESENT: Kathryn Van Natta, Committee Administrator Karen McCormac, Committee Clerk

MEASURES CONSIDERED: Public Hearing - HB 2471 - HB 2147 - HB 2054

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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. [--- Unable To Translate Graphic ---]

TAPE 9, SIDE A

005 CHAIR REPINE: Calls meeting to order at 1:35 p.m.

PUBLIC HEARING HB 2471

013 KATHRYN VAN NATTA, Committee Administrator: Introduces material from committee folders, including testimony from Rep. Van Leeuwen (EXHIBIT

A), a Staff Measure Summary, a Revenue Impact Analysis, copies of pertinent 1991 statutes on which the present bill is based, copies of DEQ budget note from the 1991 Oregon Legislative Session, and copies of DEQ's pertinent administrative rules (EXHIBIT B).

028 REP. VanLEEUEWEN: Presents written testimony (EXHIBIT A) in favor of HB 2471.

145 MARY WAHL, DEQ: Since DEQ has no money for drug cleanup in its 199 3-95 budget, there is concern that sole reliance on asset forfeiture funds

would not provide adequate funds for safe cleanup.

245 REP. FISHER: How are those forfeiture funds currently used?

251 WAHL: DEQ is currently not receiving that money.

277 ED WILSON, DEQ: Presents written testimony (EXHIBIT C), and describes current DEQ meth lab cleanup duties.

TAPE 10, SIDE A

062 REP. VanLEEuwEN: Since the number of drug labs has lessened and DEQ has developed expertise at this type of cleanup, it seems DEQ should be able to handle this responsibility.

067 WAHL: DEQ would continue the cleanups if there was funding. Without funding, it is not a high environmental priority.

071 DOMINY: What is DEQ's position on this bill?

075 WAHL: Our preferred position is that DEQ should be required to do these cleanups if funding available.

090 REP DELL: Is there a correlation between the income by county from forfeiture?

091 WILSON: There is not enough data from the Asset Forfeiture Council, but law enforcement officials know which counties participate in asset

forfeiture fund generation. DEQ would not change its administrative rules to require counties to participate in asset forfeiture, but would still continue to help in cleanup.

165 ROBERT W. MILLER, Oregon State Police: Presents written testimony (EXHIBIT D). Oregon State Police has taken a neutral stand on this

bill. Clarifies measure's new requirements regarding seized property and defines the OSP Forfeiture Account. Although measure mandates the transfer of 10% of forfeiture proceeds into drug lab cleanup, OSP already deposits 35 - 40% from forfeiture funds into a special crimes and forfeiture account, which could be used for drug lab cleanup.

375 CHAIR REPINE: Are those funds specifically allocated?

378 MILLER: The account was set up to be used "for law enforcement purposes, prosecution, drug treatment, drug education," but there are no clear guidelines for this account.

TAPE 9, SIDE B

042 RUSS SPENCER, Oregon State Sheriff's Association: Testifies in opposition to measure. Local agencies should not have to donate five

percent of desperately needed funds for drug lab cleanup. Expresses

concern with language which expands definition of "illegal drug lab site." 062 REP. LUKE: Who should pay for site cleanup?

065 SPENCER: It is a statewide concern, and should be the state's responsibility.

079 REP. VanLEEUEWEN: How is money from confiscated property used?

081 SPENCER: This depends upon the jurisdiction and the inter-governmental agreements. In some counties, portions go to drug treatment programs,

others fund inter-agency narcotics task forces, and still others use these funds for a myriad of items, such as overtime, equipment, or surveillance vehicles.

140 RONALD HALL, Manager of Environmental Services, Oregon Health Division: Presents written testimony (EXHIBIT E). OHD supports the measure

concept which ensures adequate state capacity to clean up clandestine drug lab sites.

120 CHAIR REPINE: Has your agency's money for cleanup been eliminated?

125 HALL: Yes.

300 TROY CORBIN, Environmental Health & Safety Professional, M & ET: Presents testimony in favor of measure (EXHIBIT F). Discusses residual

cleanup which is done after DEQ emergency cleanup.

TAPE 10, SIDE B

CORBIN: Continues testimony.

132 KATHRYN VAN NATTA, Committee Administrator: Introduces Robert Bonaparte's faxed testimony (EXHIBIT G).

136 PAUL SNIDER, Association of Oregon Counties: Expresses concerns about new language in measure. Recommends stronger relationship between

amount of money taken from forfeitures and actual cleanup costs. Civil forfeiture law is scheduled to sunset June 30, 1993.

216 REP. VanLEEUEWEN: Is there currently a bill which would repeal that sunset?

222 SNIDER: Yes, there is one.

235 REP. PETERSON: Would the counties be more amenable to the measure if funding was available?

244 SNIDER: I believe so. Measure 5 will cause great damage to state and local governments.

Local governments will acquire new responsibilities previously performed by the state, but without the necessary resources.

255 VALERIE PAULSON, League of Oregon Cities: We would like to see the five percent in forfeiture assets committed for DEQ cleanup and not expanded to encompass total health assessment and detailed site cleanup. Because some areas of Oregon need this service more than others, it is not

equitable to burden a local jurisdiction with cleanup.

293 KATHRYN VAN NATTA, Committee Administrator: Introduces for the record a letter in support of the measure from Jacqueline Bloom, City of Portland (EXHIBIT H), and a letter from Ruth Bascom, City of Eugene in support of the concept behind the bill (EXHIBIT I).

305 CHAIR REPINE: Closes public hearing on HB 2471. Adjourns meeting for recess at 3:08. Reconvenes meeting at 3:20.

PUBLIC HEARING HB 2147

340 KATHRYN VAN NATTA, Committee Administrator: Committee staff has prepared notebook with background information on land use topics, and

contains presentation material from the Department of Land Conservation and Development on secondary lands for the informational meeting on February 3.

353 CORINNE SHERTON, Chief Referee, Land Use Board of Appeals (LUBA): Recommends bill with proposed amendment (EXHIBIT J).

432 REP. DOMINY: What is the benefit provided by this bill if there is no financial gain by contracting out the printing?

442 SHERTON: The publication expenditures and revenues cancel each other out - this measure would save the staff time needed to manage the

publication process.

TAPE 11, SIDE A

009 REP DOMINY: Would the entire process be contracted out?

013 SHERTON: Clarifies publishing procedures.

024 CHAIR REPINE: Explains LUBA's publishing history. LUBA reacquired those duties around 1978, but the amount of work required to produce the publications has grown. LUBA is now requesting to contract out these

duties with the publisher.

033 REP. DOMINY: So the savings will be in staff time?

037 SHERTON: LUBA currently uses a private contractor only for editorial and typesetting services. We still have to negotiate contracts, make

arrangements with the state printer, contract for binding, keep track of subscriptions received, and prepare the budget. LUBA would like to turn everything over to an outside publisher because it would then be

publisher's business to produce volumes and sell them to the public.

056 REP. DOMINY: Questions impact statement which shows no financial impact. Requests information which shows the state would save money

with the bill's passage.

062 CHAIR REPINE: We could arrange for LUBA to provide that information.

064 REP. LUKE: Are enough volumes sold to make this profitable for the publisher?

065 SHERTON: Volumes are sold for \$185 apiece. There are currently approximately 90 subscribers. Costs are currently recovered through the price charged, so the process is self-supporting. We have discussed

with a publisher and Legislative Counsel the possibility of their willingness to take over the process.

090 REP. DELL: Would the volume price be lower if this measure passes?

093 SHERTON: It would be in the interest of a private publisher to try and market the publication to increase the number of subscribers, thereby

reducing the cost.

103 REP. MARKHAM: Requests information about LUBA staff size.

104 SHERTON: We have three referees and two administrative staff.

108 CHAIR REPINE: Would it be fair to say that when the volumes are priced, only publication costs are included, but invested staff time is not?

118 SHERTON: That is correct. Describes specific costs to produce publication.

141 REP. DOMINY: Requests amount of FTE used by LUBA and by the state printer to produce the publication.

145 REP. HOSTICKA: If contract occurs, who would be liable for errors?

148 SHERTON: I do not think the state would be liable.

162 REP. DELL: Can this information currently be accessed by computer?

164 SHERTON: We make our pre-publication opinions available on disk, but they lack headnotes as well as volume and page numbers for the

citations.

205 CHAIR REPINE: If this measure passes, would you no longer appreciate any proceeds from the sales?

214 SHERTON: LUBA would not receive proceeds from the sales of new volumes, but there is a supply of already-published volumes for which we receive requests, and we would collect moneys from those sales.

221 CHAIR REPINE: Do we need to change the charge of the account into which LUBA would be putting money?

226 SHERTON: We did not do that because we still need the authority to use money in that account to reprint older volumes which are out of print.

Also submitted for the record: - Staff Measure Summary on HB 2147 (EXHIBIT K) - Revenue Impact Analysis on HB 2147 (EXHIBIT L) - Fiscal Analysis on HB 2147 (EXHIBIT M) - Proposed Amendments to HB 2147 (EXHIBIT N)

225 CHAIR REPINE: Closes public hearing on HB 2147. Opens public hearing on HB 2054.

PUBLIC HEARING HB 2054

260 MIKE GRAINEY, DEPARTMENT OF ENERGY: Summarizes written testimony in support of HB 2054 (EXHIBIT O), including amendment recommendations from the Department of Justice.

380 REP. MARKHAM: Do you believe this will work?

382 GRAINEY: It has worked in other states. The program has just started in Oregon. No projects have gone through the Share-the-Savings Program

yet. We have had a substantial number of state agency conservation projects that have been funded which save energy.

389 REP MARKHAM: Why is it not mandatory for state agencies to get in the act?

391 GRAINEY: We felt it made sense to see how it works first. Our other conservation programs which offer incentives to the private sector or

local governments are not mandatory either. There might be a dramatic change in philosophy if it were mandatory.

409 REP. HOSTICKA: Does this bill allow state agencies to become energy prospectors?

411 GRAINEY: No. These are on site at existing structures. The most likely result would be recaptured waste heat. A number of campuses have central heating systems which use waste heat.

TAPE 12, SIDE A

001 REP. HOSTICKA: I would like to make sure that's clearly on the record and if we need to amend the bill to make that even clearer, I think we

ought to do that. If a state agency wants to sell its excess energy, are they required to go through the least-cost planning process like general utilities, or would they only have to prove that they could make a profit? What would happen if the energy was not efficient or did not meet other criteria

which has been required for energy-generating facilities? 007 GRAINEY: There are safeguards in the current program to preclude that. There is the utility option of "right of first refusal." In order for

an agency to proceed, they must first obtain the Executive Department's approval, and if they want financing from the Department of Energy, they need our approval, and we also have cost-effective standards. In

addition, they would have to get Emergency Board approval or Ways &

Means approval if the legislature is in session. At each step, there's

the opportunity to ensure that these projects make sense both from an

energy and an economic point of view.

026 CHAIR REPINE: Are renewal resource definitions already in the statutes?

033 GRAINEY: "Renewal resources" are defined in the Oregon Revised Statutes. We have defined "conservation" by rule. "Co-generation" has

not yet been defined. There is a common definition, in the energy

industry, which could be added to administrative rules or drafted to be included in the statutes.

043 REP. HOSTICKA: If the bill does not pass, is it still possible for Oregon State University to put a co-generation facility on their heating plant and sell the power?

047 GRAINEY: The Attorney General has told us this would vary with the type of state agency. If OSU wanted a power plant, there is currently no

information regarding the potential revenue stream. This provides

certainty that agencies can enter into such contracts and have a share

in the revenues from the Share-the-Savings Program.

063 GEORGE RICHARDSON, Northwest Natural Gas: Originally we

had no opposition to this bill. Representative Hosticka raises the issue that

perhaps state agencies would not be allowed to sell the by-products. If that is the case, we have a concern.

076 REP. HOSTICKA: Under current law, agencies get to keep all moneys from these sales. With this measure, they must give half to the General

Fund. I do not know whether they're currently authorized to do that.

083 RICHARDSON: We would be supportive of the measure if an agency wished to deliver steam but maintain electricity. We would not be supportive

if they cannot deliver a by-product to a private entity. We need to get that clarified.

097 KATHRYN VAN NATTA: Introduces into the record a letter from the Oregon Department of Corrections in support of HB 2054 from Assistant Director Sally Anderson, dated February 1, 1993 (EXHIBIT P).

Also submitted for the record: - Staff Measure Summary on HB 2054 (EXHIBIT Q) - Revenue Impact Analysis on HB 2054 (EXHIBIT R) - Fiscal Analysis on HB 2054 (EXHIBIT S)

106 CHAIR REPINE: Adjourns meeting at 4:13 p.m.

Submitted by:

Reviewed by:

Karen McCormac
Administrator

Kathryn Van Natta Assistant

EXHIBIT LOG:

A - HB 2471 Testimony - Rep. Liz VanLeeuwen - 4 pages B - HB 2471 Staff Measure Summary, Revenue Impact Analysis, Pertinent Statutes and Rules - Staff - 39 pages C - HB 2471 Testimony - Ed Wilson - 14 pages D - HB 2471 Testimony - Robert W. Miller - 3 pages E - HB 2471 Testimony - Ronald Hall - 2 pages F - HB 2471 Testimony - Troy Corbin - 2 pages G - HB 2471 Testimony - Robert Bonaparte - 2 pages H - HB 2471 Testimony - Jacqueline Bloom - 1 page I - HB 2471 Testimony - Ruth Bascom - 1 page J - Testimony on HB 2147 - Corrinne Sherton - 3 pages K - Staff Measure Summary on HB 2147 - Staff - 1 page L - Revenue Impact Analysis on HB 2147 - Staff - 1 page M - Fiscal Analysis on HB 2147 - Staff - 1 page N - Proposed Amendments to HB 2147 - Staff - 1 page O - HB 2054 Testimony - Michael Grainey - 13 pages P - HB 2054 Testimony - Sally Anderson - 1 page Q - Staff Measure Summary on HB 2054 - Staff - 1 page R - Revenue Impact Analysis on HB 2054 - Staff - 1 page S - Fiscal Analysis on HB 2054 - Staff - 1 page