HOUSE COMMITTEE ON NATURAL RESOURCES

April 1, 1993 Hearing Room D 4:00 p.m. Tapes 23 - 24

MEMBERS PRESENT: Rep. Ray Baum, Chair Rep. Sam Dominy Rep. Bill Fisher Rep. Tim Josi Rep. Dennis Luke Rep. Bill Markham Rep. Chuck Norris R MEMBER EXCUSED: Rep. Marilyn Dell Rep. Carl Hosticka, Vice-Chair Rep. Nancy Peterson STAFF PRESENT: Kathryn Van Natta, Committee Administrator Catherine Fitch, Committee Administrator Karen McCormac, Committee Clerk MEASURES CONSIDERED: Work Session - HB 2054 - HB 2109 - HB 2129 - HB 2487 - HB 3095 - HB 2652 WITNESS: MICHAEL GRAINEY, Department of Energy

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These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation

TAPE 23, SIDE A

005 CHAIR BAUM: Calls meeting to order at 4:07 p.m. Appoints Rep. Tim Josi as a voting member of the Subcommittee on Environment and Energy until the return of Rep. Nancy Peterson. OPENS WORK SESSION ON HB 2054 024 KATHRYN VAN NATTA, Committee Administrator: Explains HB 2054 (EXHIBIT A), which allows state agencies to make investments in energy number of amendments were added since the initial bill was drafted. There is no revenue impact (EXHIBIT B), and the fiscal analysis (EXHIBIT C) shows indeterminate fiscal impact, which is not anticipated in Governor's budget. 049 REP. VanLEEUWEN: Why can these projects only be sited at state agency locations? 053 MICHAEL GRAINEY, Department of Energy: The program is limited to state agencies because there are already incentive programs for the sector and for local government, schools and hospitals. The "on-site" language was added to develop cooperative operations on-site in conjunction with utilities and other energy developers. 106 REP. BAUM: It is an attempt to encourage state agencies to be more efficient and save taxpayer dollars. 110 REP. REPINE: State agencies are not currently eligible to participate in some of the other credit programs that are offered to industry. 124 MOTION: REP REPINE moves HB 2054 to the floor with a DO PASS AS AMENDED RECOMMENDATION, as amended by the HB 2054-2 AMENDMENTS 933, dated 3-4-93 by the Subcommittee on Environment and Energy. 130 CHAIR BAUM: Restates motion and calls for discussion. 134 REP. NORRIS: Has a similar program already been established in other states? 136 GRAINEY: Yes. This has been tried in other states, and has been successful. 137 REP. NORRIS: Requests clarification of cogeneration used by state agencies. 139 GRAINEY: These would be small facilities, with one or two meqawatts. VOTE: REPS. DOMINY, FISHER, JOSI, LUKE, MARKHAM, NORRIS, REPINE, VanLEEUWEN and CHAIR BAUM vote AYE. REPS. DELL, HOSTICKA and PETERSON are EXCUSED 153 CHAIR BAUM: The motion CARRIES. REP. HOSTICKA will lead discussion on the floor. 162 REP. REPINE: Thanks Michael Grainey for his assistance in coordinating agreements between state agencies and utilities. Additions to the record: HB 2054 Hand-Engrossed with HB 2054-2 Amendments (LC 933) dated 3-4-93 (EXHIBIT D) HB 2054 Testimony (EXHIBIT E) CLOSES WORK SESSION ON HB 2054 OPENS WORK SESSION ON HB 2109 173 CATHERINE FITCH, Committee Administrator: House Bill 2109 gives the Water Resources Department the authority to negotiate with an tribe water rights which have been allowed under a reserved water rights claim. There is no fiscal impact (EXHIBIT F) or revenue impact (EXH 185 REP. NORRIS: One of the reasons we need a specific statute is that tribes are recognized as sovereign entities. I support t because I fear severe litigation. The West is replete with cases filed by tribal entities, usually against the state. Typically, they are successful. 216 MOTION: REP NORRIS: Moves HB 2109 to the floor with a DO PASS RECOMMENDATION, as recommended by the Subcommittee on Water.

217 CHAIR BAUM: Restates motion and calls for discussion. VOTE: REPS. DOMINY, FISHER, JOSI, LUKE, MARKHAM, NORRIS, REPINE, VanLEEUWEN and CHAIR BAUM vote AYE. REPS. DELL, HOSTICKA and PETERSON are EXCUSED 225 CHAIR BAUM: The motion CARRIES. REP. NORRIS will lead discussion on the floor. Additions to the record: HB 2109 Preliminary Staff Measure Summary (EXHIBIT H) CLOSES WORK SESSION ON HB 2109 OPENS WORK SESSION ON HB 2129 229 VAN NATTA: House Bill 2129 is an agency bill from the State Fire Marshal's Office, which modifies their program on the iss liquified petroleum gas licenses. Currently all licenses are renewed annually on January 15 regardless of their issuance date. This bill allows a staggered expiration, with licenses issued quarterly. 244 MOTION: REP. DOMINY: Moves HB 2129 to the floor with a DO PASS RECOMMENDATION, as recommended by the Subcommittee on Environme 247 CHAIR BAUM: Restates motion and calls for discussion. 258 VOTE: REPS. DOMINY, FISHER, JOSI, LUKE, MARKHAM, NORRIS, REPINE, VANLEEUWEN and CHAIR BAUM vote AYE. REPS. DELL, HOSTICKA and P are EXCUSED. 273 CHAIR BAUM: The motion CARRIES. REP. DOMINY will lead discussion on the floor. Additions to the record: HB 2129 Preliminary Staff Measure Summary (EXHIBIT I) HB 2129 Fiscal Analysis (EXHIBIT J) HB 2129 Revenue Impact An CLOSES WORK SESSION ON HB 2129 OPENS WORK SESSION ON HB 2487 276 MOTION: REP. NORRIS moves HB 2487 to the floor with a DO PASS AS AMENDED RECOMMENDATION, as amended by the HB 2487-4 AMENDMENT 408, dated 3-29-93 by the Subcommittee on Water. 279 CHAIR BAUM: Restates motion and calls for discussion. 284 FITCH: House Bill 2487 establishes an "Adopt-a-River" program in Oregon. The bill's sponsor is Rep. Peter Courtney. The committe to amend the original legislation to include a provision that coordination of any Adopt-a-River activities would include private landowners, and that there would be a report to the Sixty-Eighth Legislative Assembly regarding the success and administration of this program. This bill received a unanimous vote from the Subcommittee on Water. The vote shown in the Staff Measure Summary (EXHIBIT L) is incorrect. 307 REP. LUKE: If a person adopts a section of the river which has private property on both sides, are they allowed to go on that private 311 REP. NORRIS: They would need the permission of the landowner. 316 CHAIR BAUM: An amendment states that the Board shall "coordinate and cooperate" with private landowners. This is not a license to t If someone wants access to the river, they will need the consent of the private landowner. REP. NORRIS: Basically, it's a litter patrol bill. 326 331 REP. LUKE: I have some concerns, because the planning group in Deschutes County had clear intention of allowing public access points along the river. 336 CHAIR BAUM: On Lines 23 and 24 of the -4 amendments, it states that "the Board shall coordinate and cooperate with affected state VOTE: REPS. DOMINY, JOSI, MARKHAM, NORRIS, REPINE, VanLEEUWEN and CHAIR BAUM vote AYE. REPS. FISHER and LUKE vote NO. REPS. DELL, HOSTICKA and PETERSON are EXCUSED. 351 CHAIR BAUM: The motion CARRIES. We will offer REP. COURTNEY the option of leading discussion on the floor. Additions to the record: Proposed Amendments to HB 2487 (EXHIBIT M) HB 2487 Fiscal Analysis (EXHIBIT N) HB 2487-4 Revenue Impact Analysis (E CLOSES WORK SESSION ON HB 2487 OPENS WORK SESSION ON HB 3095 009 FITCH: Explains HB 3095, which will allow farm equipment used for sorting and packaging of crops prior to storage to be exempt valorem taxation. MOTION: REP. DOMINY moves HB 3095 to the floor with a DO PASS RECOMMENDATION, as recommended by the Subcommittee on Agriculture and Forestry, and that the bill be REFERRED to the COMMITTEE ON REVENUE

by prior reference. 044 CHAIR BAUM: Restates motion and calls for discussion. 046 VOTE: REP. DOMINY, FISHER, JOSI, LUKE, MARKHAM, NORRIS, REPINE, VANLEEUWEN and CHAIR BAUM vote AYE. REPS. DELL, HOSTICKA PETERSON are EXCUSED 054 CHAIR BAUM: The motion CARRIES. There will be no carrier for this bill because it is being referred to the Committee on Revenue. Additions to the record: HB 3095 Staff Measure Summary (EXHIBIT P) HB 3095 Fiscal Analysis (EXHIBIT Q) HB 3095 Notice of Possible Revenue Im CLOSES WORK SESSION ON HB 3095 OPENS WORK SESSION ON HB 2652 057 FITCH: Explains effects of HB 2652. The Fiscal Analysis (EXHIBIT S) shows the increased revenues collected by agents appointed Department of Fish and Wildlife, since the measure increases the fee for licenses, tags or permits from \$.50 to \$1.00. Agents which issue m than 3,000 documents per year to will be required to use the state computerized licensing system. 090 MOTION: REP. JOSI: Moves HB 2652 to the floor with a DO PASS AS AMENDED RECOMMENDATION, as amended by the HB 2652-2 AMENDMENTS 2368, dated 3-30-93 by the Subcommittee on Agriculture and Forestry. 095 CHAIR BAUM: Restates motion and calls for discussion. 099 VOTE: REPS. DOMINY, FISHER, JOSI, LUKE, MARKHAM, NORRIS, REPINE, VanLEEUWEN and CHAIR BAUM vote AYE. REPS. DELL, HOSTICK PETERSON are EXCUSED. 103 CHAIR BAUM: The motion CARRIES. REP. JOSI will lead discussion on the floor. Additions to the record: HB 2652-A Preliminary Staff Measure Summary (EXHIBIT T) HB 2652-2 Revenue Impact Analysis (EXHIBIT U) HB 2652 Hand 3-30-93 (EXHIBIT V) HB 2652-A Testimony (EXHIBIT W) 109 CLOSES WORK SESSION ON HB 2652 Adjourns meeting at 4:52 p.m.

Submitted by:

Reviewed by:

Karen McCormac Kathryn Van Natta Assistant Administrator

A - HB 2054 Preliminary Staff Measure Summary - Staff - 2 pages B - HB 2054 Revenue Impact Analysis - Staff - 1 page C - HB 2