

HOUSE COMMITTEE ON NATURAL RESOURCES

May 6, 1993 Hearing Room D 4:00 p.m. Tapes 31 - 32

MEMBERS PRESENT: Rep. Ray Baum, Chair Rep. Carl Hosticka, Vice-Chair
Rep. Marilyn Dell Rep. Sam Dominy Rep. Bill Fisher Rep. Tim Josi Rep.
Dennis Luke Rep. Bill Markham Rep. Chuck Norris Rep. Nancy Peterson Rep.
Bob Repine Rep. Liz VanLeeuwen

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

MEASURES CONSIDERED: Work Session - HB 2440 - HB 2551 - HB 2211
- HB 2865 - SB 470 - HB 3087

WITNESSES: CHUCK CRAIG, Department of Agriculture

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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 31, SIDE A

005 CHAIR BAUM: Calls meeting to order at 4:13 p.m.

OPENS WORK SESSION ON HB 2440

This bill transfers the responsibility of determining whether forestland
is properly managed for forest taxation purposes from the State Forester
to the county assessor.

010 MOTION: REP. JOSI: Moves HB 2440 to the House Committee on
Revenue without recommendation.

012 CHAIR BAUM: Restates motion and calls for discussion.
Hearing no objection, the motion CARRIES.

013 CLOSES WORK SESSION ON HB 2440

014 OPENS WORK SESSION ON HB 2551

House Bill 2551 doubles the forest products harvest tax rate if forest
products are from timber which is less than 50 years of age and
harvested on a clearcut basis.

016 MOTION: REP. JOSI: Moves HB 2551 to the House Committee on

Revenue without recommendation.

017 CHAIR BAUM: Restates motion and calls for discussion.
Hearing no objection, the motion CARRIES.

018 CLOSES WORK SESSION ON HB 2551

OPENS WORK SESSION ON HB 2211

022 CATHERINE FITCH, Committee Administrator: House Bill 2211 deals with smoke management by the Department of Environmental Quality and the

Department of Agriculture. It makes grass seed straw the responsibility of the person who is contracting for its purchase, removes existing law requirement for advanced registration of stack and pile burns, institutes a twenty-five cent fee to be paid by the state to fire protection districts, modifies the timing of a permit fee payment to within ten days of the permit issuance, allows the prorating of the burning permit depending on what portion of ground the straw is taken from, and directs both agencies to adopt a simplified registration system.

047 CHAIR BAUM: Requests explanation of fiscal impact.

057 FITCH: During the 1993 - 1995 biennium, an additional \$75,930 will be available to the Department of Agriculture for research purposes.

During the 1995 - 1997 biennium, \$185,890 will be available to the Department of Agriculture. Currently, the department is required to pay approximately eight-three cents per acre for all stack and pile burning acres. This measure reduces the amount of money to twenty-five cents per acre, which will make more money available to the department for research.

055 CHAIR BAUM: Does it increase revenue to the department? The revenue statement says there is no impact on state or local revenue.

053 FITCH: I believe the amount of money which is reflected here would be available to the department for research is money which already added to the budget.

066 REP. VanLEEuwEN: The change is that the agents in the local fire districts who schedule and register the burning will receive less income because they will not receive the fees for the stack burning, since it

will no longer have to be registered.

080 CHAIR BAUM: The Department of Agriculture's budget is already

in the process of being moved from the House Appropriations Committee to the

floor of the House. What is the status of this money in that budget?

086 CHUCK CRAIG, Department of Agriculture: This money is already collected by the Department of Agriculture, and is in the current budget. The

only change is that it will be spent in research and development instead of being used as payments to the permit agents.

094 REP. PETERSON: Where do the payments go?

095 CRAIG: Currently, the Department of Agriculture is required to pay the permit agents about eighty cents per acre to register stack burning.

This bill changes that, and pays them on an "as-burned basis" at the rate of twenty-five cents per acre. The Department of Agriculture still collects all of the funds and distributes them to the research program, permit agents and other organizations which are involved in the program, so this doesn't reflect a change in our budget, except that the money will be spent on research and development instead of administration.

150 REP. DOMINY: There is currently no way to collect that money if a stack is burned away from the premises. This way, we're bringing in revenue

we were not able to collect before, and that extra revenue enables us to lower the registration fee. The fire districts are ending up with the same revenue.

163 FITCH: Because the registration requirement has been deleted, the districts no longer have the expense of registration.

169 REP. NORRIS: The bill summary states that it "allows the Department of Agriculture to designate districts for the purpose of administering

smoke management program." Where do I find that in the bill?

171 FITCH: That portion was deleted from the bill in an amendment.

175 CHAIR BAUM: But the bill summary was not amended.

179 MOTION: REP. VanLEEUEWEN: Moves HB 2211 to the floor with a DO PASS AS AMENDED RECOMMENDATION, AS AMENDED BY THE HB 2211-4 AMENDMENTS, LC 518, dated 4-19-93, by the Subcommittee on Agriculture and Forestry.

182 CHAIR BAUM: Restates motion and calls for discussion.

190 REP. REPINE: Will that incorrect summary be eliminated with the next draft of the bill, or do we have to strike that now?

192 FITCH: The bill summary is not considered to be a portion of the bill, but is for the convenience of people who are trying to discern

the

intent of the bill. It's not the relating clause. 196 REP.
VanLEEUEWEN: Will the final draft be changed?

197 FITCH: Yes, it will be rewritten.

208 VOTE: REPS. DELL, DOMINY, FISHER, JOSI, LUKE, MARKHAM,
NORRIS, PETERSON, REPINE, VanLEEUEWEN and CHAIR BAUM vote AYE. REP.
HOSTICKA

is ABSENT.

215 CHAIR BAUM: The motion CARRIES. REP. VanLEEUEWEN will lead
discussion on the floor.

Additions to the record: HB 2211 Hand-Engrossed by Staff with HB 2211-4
Amendments (LC 518),

dated 4-19-93 (EXHIBIT A) HB 2211 Preliminary Staff Measure Summary
(EXHIBIT B) HB 2211 Fiscal Analysis (EXHIBIT C) HB 2211 Revenue Impact
Analysis (EXHIBIT D)

CLOSES WORK SESSION ON HB 2211

OPENS WORK SESSION ON HB 2865

224 FITCH: Current law prohibits the cutting and transporting of
certain minor forest products in excess of 27 cubic feet without a
permit from

the property owner. House Bill 2865 adds a number of products to the
minor forest products list, and renames them "specialized forest
products."

There is a fiscal impact statement (EXHIBIT E), although the effect on
expenditures is minimal. 262 REP. PETERSON: Does this apply to
individuals who gather these items on public land?

276 FITCH: Yes. There is a provision in the bill which recognizes
that federal permits which would supersede the state permit.

282 REP. VanLEEUEWEN: It is similar to the wood permit.

295 REP. NORRIS: What is bear grass?

300 REP. VanLEEUEWEN: It's a grass used in decorative floral
displays.

307 KATHRYN VAN NATTA, Committee Administrator: It's an
ornamental, plume-like flower which people collect and sell to florists.

317 REP. DELL: Was there a question on social security requirements?

319 FITCH: The bill has a provision which requires that the permit
include the name, address, telephone number, and social security
number.

Because there is a concern about unreported money changing hands, adding the social security number would allow for audit tracking. According to legislative counsel, the tax act of 1976 allows for a social security number to be used in instances such as this.

338 MOTION: REP. JOSI: Moves HB 2865 to the floor with a DO PASS AS AMENDED RECOMMENDATION, AS AMENDED BY THE HB 2865 -1 AMENDMENTS, LC

2575, dated 5-4-93, by the Subcommittee on Agriculture and Forestry.

341 CHAIR BAUM: Restates motion and calls for discussion.

343 REP. VanLEEUEWEN: On other versions, was the addition of the social security requirement amended into the bill?

346 FITCH: Yes. It was hand-amended into the bill, and perhaps the -1 amendment ought to include that addition.

351 MOTION: REP. JOSI: Moves HB 2865 to the floor with a DO PASS AS AMENDED RECOMMENDATION, AS AMENDED BY THE HB 2865 -1 AMENDMENTS, LC

2575, dated 5-4-93, and that the words "social security number" be added to Page 1a Section 1, Subsection (2), Subparagraph (b) of the Hand-Engrossed version of HB 2865 between the words "address" and "and."

385 CHAIR BAUM: Restates motion and calls for discussion.

417 VOTE: REP. DELL, DOMINY, FISHER, HOSTICKA, JOSI, LUKE, MARKHAM, NORRIS, PETERSON, REPINE, VanLEEUEWEN and CHAIR BAUM vote AYE.

433 CHAIR BAUM: The motion CARRIES. REP. TARNO will lead discussion on the floor.

Additions to the record: HB 2865 Hand-Engrossed by Staff with HB 2865-1 Amendments (LC 257 5), dated 5-4-93 (EXHIBIT F) HB 2865 Preliminary Staff Measure Summary (EXHIBIT G) HB 2865 Revenue Impact Analysis (EXHIBIT H)

CLOSES WORK SESSION ON HB 2865

OPENS WORK SESSION ON SB 470

443 FITCH: Before a hydroelectric project can operate in Oregon, a preliminary permit must first be obtained from the Water Resources

Department. This is a two-year permit, with a provision for a one-year extension. A permit from the federal Energy Regulatory Commission permit covers a three-year period. This bill would extend the state

permit to three years, to be consistent with the federal permit.

461 MOTION: REP NORRIS: Moves SB 470 to the floor with a DO PASS RECOMMENDATION.

468 VOTE: REPS. DELL, DOMINY, FISHER, HOSTICKA, JOSI, LUKE, MARKHAM, NORRIS, PETERSON, REPINE, VanLEEUEWEN and CHAIR BAUM vote AYE.

480 CHAIR BAUM: The motion CARRIES. REP. NORRIS will lead discussion on the floor.

Addition to the record: SB 470 Preliminary Staff Measure Summary (EXHIBIT I)

CLOSES WORK SESSION ON SB 470

OPENS WORK SESSION ON HB 3087

It is the desire of the Chair of the House Committee on Natural Resources and the Chair of the Subcommittee on Agriculture and Forestry to move HB 3087 back to the subcommittee for improvement in the hope of receiving a constitutional majority on the floor of the House of Representatives.

TAPE 32, SIDE A

Hearing no objection, so ordered.

042 MOTION: REP. REPINE: Moves to suspend the rules to allow REP. HOSTICKA to vote on HB 2211.

057 CHAIR BAUM: Hearing no objection, so ordered.

Several committee members were not present when HB 2440 and HB 2551 were discussed, and a roll call vote was not taken. Does anyone object to those bills being referred to the House Committee on Revenue? There are no objections from the committee members who were not present when HB 2440 and HB 2551 were initially discussed.

061 REP. HOSTICKA: Objects to the suspension of rules to be allowed to vote on HB 2211, and requests that he be declared absent.

064 CHAIR BAUM: CLOSES WORK SESSION ON HB 3087

065 REP. REPINE: Announces agenda for following week for the Environment and Energy Subcommittee.

071 CHAIR BAUM: Adjourns meeting at 4:42 p.m.

Submitted by:

Reviewed by:

Karen McCormac
Administrator

Kathryn Van Natta Assistant

EXHIBIT LOG:

A - HB 2211 Hand-Engrossed by Staff with HB 2211-4 Amendments (LC 518), dated 4-19-93 - Staff - 7 pages B - HB 2211 Preliminary Staff Measure Summary - Staff - 1 page C - HB 2211 Fiscal Analysis - Staff - 2 pages D - HB 2211 Revenue Impact Analysis - Staff - 1 page E - HB 2865 Fiscal Analysis - Staff - 1 page F - HB 2865 Hand-Engrossed by Staff with HB 2865-1 Amendments (LC 257 5), dated 5-4-93 - Staff - 16 pages G - HB 2865 Preliminary Staff Measure Summary - Staff - 1 page H - HB 2865 Revenue Impact Analysis - Staff - 1 page I - SB 470 Preliminary Staff Measure Summary - Staff - 1 page