

SENATE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

DATE: March 24, 1993 TAPES: 85 - 86 PLACE: Hearing Room C TIME:
8:00 AM

MEMBERS PRESENT: Senator Ron Cease, Chair Senator Joyce Cohen Senator
Bob Kintigh Senator Bob Shoemaker Senator Shirley Gold MEMBERS EXCUSED:
Senator Jim Bunn, Vice-Chair Senator Gordon Smith

STAFF PRESENT: Peter Green, Administrator Chris Warner, Research
Associate Kus Soumie, Clerk MEASURES HEARD: SB 170 PUB SJM7 PUB SB
1015 PUB SB 392 WRK

THESE MINUTES CONTAIN MATERIALS WHICH PARAPHRASE AND/OR SUMMARIZE
STATEMENTS MADE DURING THIS SESSION. ONLY TEXT ENCLOSED IN QUOTATION
MARKS REPORTS A SPEAKER'S EXACT WORDS. FOR COMPLETE CONTENTS OF THE
PROCEEDINGS. PLEASE REFER TO THE TAPES,

TAPE 86 SIDE A 005 CHAIR CEASE CALLS MEETING TO ORDER 8:00 AM PUBLIC
HEARING ON SJM7

WITNESSES: Sen Bob Kintigh, Senate District 14 Joe Easley, Oregon
Trawl Commission Joe Bohleder, Oregon Fish Forever Rod Harder, Oregon
Sportsmen Defense Liz Frenkel, Oregon Sierra Club

010 SEN BOB KINTIGH, State Senate District 14, offers testimony on
SJM7, and presents overview of EXHIBIT A.

113 JOE EASLEY, Oregon Trawl Commission, offers testimony on SJM7.
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117 JOE BOHLEDER, Vic - President, NW Region Guides and Packers, Oregon
fish Forever, offers testimony in favor of SJM7.

039 ROD HARDER, Executive Director, Oregon Sportsmen Defense Fund,
offers testimony in favor of SJM7. 070 SEN COHEN: If we had a
management program who would pay for it? 173 HARDER: We cannot affect
the Federal Government's non management of the sea lion. 085 LIZ
FRENKEL, Oregon Sierra Club, offers testimony in opposition to SJM 7. -
there are many ways the state should have influence - many options are
written into the Act - please look at a copy of the Act before you take
action 106 SEN KINTIGH: The Act is up for renewal, and we are trying
to influence the Federal Government to change the Act. 114 FRENKEL:
There is a provision in the Act for return of control to the state.
There is a state assumption provision in the Act now.

PUBLIC HEARING ON SB 170 and SB 1015

WITNESSES: Ann Squier, Governor's Natural Resource Policy Advisor
Colleen Bennett, Oregon Heat and Energy Assistance Team Brian Boe, OPMA
(Oregon Petroleum Marketers Association) Neal Arntsen, Vice President,
OPMA

143 ANN SQUIER, Governor's Natural Resource Policy Advisor, offers
testimony on SB 170, and presents overview of EXHIBIT C. - current
public sentiment and Measure 5 (1991) realities mandate more efficient
government oversight. 213 COLLEEN BENNETT, Oregon Heat and Energy
Assistance Team, offers testimony in i opposition to SB 190, and
presents overview of EXHIBIT D. - families helped are both elderly and
poverty cases 259 SEN SHOEMAKER: Could you describe what your

educational programs focus on and how you help your clients? 286SEN
SHOEMAKER: You provide them with oil? 290 BENNETT: No. We help them
afford their fuel source. - it is up to the agencies to determine
whether they may qualify for this service - 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. Senate Agriculture and Natural Resources March 24, 1993 Page 3

- we are committed to help people long term - there is no networking
system with oil vendors

385 BRIAN BOE, Oregon Petroleum Marketers Association, offers testimony
in opposition to SB 170 and in favor of SB 1015, and presents overview
of EXHIBIT E.

TAPE 87 SIDE A

005 BOE: - continues testimony on SB 170 & 1015, and overview of
EXHIBIT E. 079 SEN COHEN: How much money has come from the
unobligated funds? 084 BOE: All funds are obligated.

089 NEAL ARNTSEN, President, Albina Fuel, Chair, Oil Heat Commission,
Vice President, OPMA, offers testimony in opposition to SB 170 and in
favor of SB 1015. - we have done an efficient job of dealing with this
program - please do not pass this bill

112 SEN SHOEMAKER: Series of questions from Sen Shoemaker to Boe and
Arntsen.

1) What is the amount of assessment on the dealers, as a percentage of
their revenues? 2) You are presently at the 2 percent gross, would you
expect that same rate to continue under the new public corporation? 3)
Since this is imposed on everyone, it is automatically included, if the
price of oil goes up at least that 2 percent. 4) If the cost is shared
by all....

115 BOE: - answers questions from Sen Shoemaker:

1) It is presently capped at 1.25 percent for education conservation,
1.25 percent for remedial action plan (EPA plan). We are presently
assessing at .75 percent on the environmental coacervation at the cap
level for the environmental. 2) There is a backup of claims now, I think
that would require consensus of the industry before we could move up
from that percentage. I can't answer until we talk to those paying the
bill. 3) In some instances depending on competition in the market. 4) It
is an equal pass through but.....

130 ARNTSEN: 4) I would say some can and some can't. It is not listed
as a direct expense. It is an expense to the oil dealer, and probably
the purchaser.

136 CHAIR CEASE: If you had a preference would you leave the commission
as it is or make it a public corporation?

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Resources March 24, 1993 Page 4

140 ARNTSEN: I believe the public corporation would be the most cost effective way to deliver this service.

160 CHAIR CEASE: - the method of assessment would be different - we will need to go over this bill section by section This industry is fading away is that correct? 161BOE: Yes. 171 GEORGE RICHARDSON, Northwest Natural Gas, offers testimony on SB 1015 & SB 170. - questions with proposed amendments SB 1015 (section by section) - we have concerns for a public body that may want to get into comparative advertising around other energy choices 206 SEN COHEN: How can we regulate a public corporation? - discussion with SEN CEASE on regulatory authority of the state 214RICHARDSON: - continues testimony on SB 1015 & 170 - decommissioning of oil tanks - concern this may prevent oil customer from changing energy sources 228SEN SHOEMAKER: Why does the Governor's office prefer SB 170 to SB 101S? 231 SQUIER: The reasons for the Gov's office wanting to abolish the commission is the hidden costs and whether this is a poor function of Government. - assessment of users of oil products - the elimination of the commission is the best course fiscally 255 SEN SHOEMAKER: If the commission is moved to a public corporation financed solely by the industry, cost passed to the consumer, it is not government anymore. It is true there is a consumer cost involved, however if contributions from industry are used for education, conservation and environmental protection, this would seem to be important for public purposes. 279 SQUIER: I understand and there are other commodities that are not slated for sunset. - we suggest that you look at these options and decide which is the proper course

WORK SESSION ON SB 392

WITNESSES: Dale Blanton, DLCD Burton Wiest, DLCD Sue Hanna, Legislative Counsel

322 DALE BLANTON, Policy Analyst, DLCD, offers testimony on and overview of proposed

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389 BURTON WIEST, DLCD, offers testimony on SB 392, and overview of the history of the bill and proposed amendments.

TAPE 86 SIDE B 005 WIEST: - continues testimony on SB 392, and overview of issues needing review. - the amendments are to include update and review functions that all other charters need 046 BLANTON: (overview of previous statements regarding reasons for review of amendments)

070 SEN COHEN: I want an additional amendments to avoid excessive verbiage and go in favor of streamlining the bill.

074 SUE HANNAH, Legislative Counsel, offers testimony on history and drafting of SB 392. 089 SEN SHOEMAKER: Where are provisions for Periodic Review?

094 BLANTON: Those statutes are not in this bill. These still need to

be drafted.

125 CHAIR CEASE ADJOURNS MEETING AT 9:20 AM

EXHIBIT LOG:

A - Testimony on SLM 7 - Sen Kintigh - 1 pages B - Testimony on SJM7 - Eaton - 2 pages C - Testimony on SB 170 - Squier - 2 pages D - Testimony on SB 170 - Bennett - 1 pages E - Testimony on SB 170 - Boe - 6 pages F - Testimony on SJM7 (for the record) - Witt - 2 pages G - Amendments to SB 392 - Blanton/Weist- 5 pages

Submitted by: Administrator Reviewed by: Kus Soumie Peter Green Assistant

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