

SENATE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

DATE: June 30, 1993 TAPES: 211 - 212 PLACE: Hearing Room C TIME:
8:00 AM MEMBERS PRESENT: Senator Ron Cease, Chair Senator Jim Bunn,
Vic - Chair Senator Joyce Cohen Senator Bob Kintigh Senator Bob
Shoemaker Senator Gordon Smith Senator Shirley Gold STAFF
PRESENT: Peter Green, Administrator Chris Warner, Research Associate
Kus Soumie, Clerk

MEASURES HEARD: Work Session: SB 641, SB 1011, HB 2239, HB 2847
Public Hearing/Work Session: SB 160, SB 424 Public Hearing: HB 2967

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 211, SIDE A

005 CHAIR CEASE: Calls meeting to order at 8:00 a.m.

WORK SESSION ON HB 2847

WITNESSES: DON ARKEL, Lane Regional Air Pollution Authority (LRAPA)

018 PETER GREEN: Steve Greenwood has addressed concerns raised at the
last meeting on this bill (EXHIBIT A).

031 SEN KINTIGH: I was concerned about entry; what is the extent of
authority LRAPA has to enter private property? 035 DON ARKEL: This
does not extend to entering homes; there are statutes that prohibit
LRAPA and DEQ from regulating home heating. This bill extends only to
air pollution sources that are regulated by the department or LRAPA. -
The bill does not broaden our authority. - LRAPA does adopt its own
rules, but most rules are subject to federal law and are similar to DEQ
rules - The fundamental issue is allowing LRAPA to do inspections Senate
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054 CHAIR CEASE: It allows DEQ to delegate authority to LRAPA.

MOTION: Chair Cease moves HB 2847 to the Floor with a "do pass"
recommendation.

VOTE: In a roll call vote, the motion carries 5 - 0. Sen. Gold and Bunn
excused.

WORK SESSION ON HB 2239

WITNESSES: FRED ROBINSON, State Forestry Department MELINDA BRUCE,
Attorney General's Office

1 1 1 GREEN: This bill is back because I had questions as to how it
interfaced with another bill.

105 FRED ROBINSON: The confusion lay in section 4, page 2 of the bill.
This section relates to HB 2244 which is currently in Senate Judiciary
Committee. The last section of HB 2244 nullifies section 4 of HB 2239.

130 MELINDA BRUCE: Section 4 of HB 2239 is housekeeping in nature. It
makes two sections of an existing statute consistent. It makes the

punishment of two types of violations misdemeanors. HB 2244 changes the whole punishment scheme, making certain actions violations rather than misdemeanors. MOTION: Sen. Kintigh moves HB 2239 to the Floor with a "do pass" recommendation. VOTE: In a roll call vote the motion passes 6 - 0. Sen. Bunn excused. Sen. Kintigh will carry the bill.

WORK SESSION ON SB 641

WITNESSES: JIM GARDENER, Pharmaceutical Manufacturers Assn., Health Equipment Manufacturers Assn., & Abbott Laboratories JOEL ARIO, Oregon Student Public Interest Research Group (OSPIRG)

180 PETER GREEN: Draws committee's attention to amendments proposed by OSPRIG. The intent is to follow California statute (EXHIBIT B).

197 JIM GARDENER: Supports amendments (EXHIBIT B and C).

210 JOEL ARIO: Amendments parallel California law. Making recycling law uniform maximizes coordination.

MOTION: Chair Cease moves the -I amendments to SB 641.

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VOTE: Hearing no objections, the amendments are adopted.

MOTION: Chair Cease moves SB 641 as amended to the Senate Floor with a "do pass" recommendation. VOTE: In a roll call vote the motion passes, 6 - 0. Sen. Bunn excused. Sen. Smith will carry the bill.

WORK SESSION - HB 2847

MOTION: Sen. Gold asks for unanimous consent to allow her to vote on HB 2847.

VOTE: Having unanimous consent, Sen. Gold votes "aye" to send HB 2847 to the Senate Floor with a "do pass" recommendation.

WORK SESSION ON HB 2211

WITNESSES: PHIL WARD, Dept. of Agriculture

299 GREEN: The committee should have -AS amendments in their file; these are the amendments Rep. VanLeeuwen spoke of.

290 PHIL WARD: This bill makes some technical adjustments to the field burning law. The -AS amendments correct an amendment the House adopted. The bill saves the state money. MOTION: Sen. Smith moves adoption of the -AS amendments. VOTE: Hearing no objections, the amendments are adopted.

MOTION: Sen. Cohen moves HB 2211 as amended to the Senate Floor with a "do pass" recommendation.

VOTE: In a roll call vote, the motion passes 6 - 0. Sen. Bunn excused. Sen. Cohen will carry the bill.

WORK SESSION ON SB 160

WITNESSES: PHIL WARD, Dept of Agriculture RAY WILKESON, Oregon Forestry Industry Council CHUCK WILSON, Legislative Council

362 PHIL WARD: This bill does three things to Oregon's commodities commissions: It exempts the commodities commission from having to conform to the Executive Dept.'s compensation - 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 & Natural Resources June 30, 1993 page 4

plans regarding employee wages and salaries; it provides that they don't have to be housed with buildings owned by General Services Dept.; and it allows the Dept. of Agriculture to assess the commission to cover administrative oversight functions. The -1 amendments are clarifying amendments that we support (EXHIBIT D).

400 CHAIR CEASE: There are -2 amendments being drafted; the only difference is adding the words, "administrative of" between "to" and "commodity" on line 2 ("relating to" clause).

439 RAY WILKESON: We decided that the amendments would provide appropriate clarification.

463 SEN. SHOEMAKER: How will this affect PERS?

467 WARD: The original language of the bill could have precluded employees from being eligible for PERS. The "wages and salaries of" that the amendments add clarify that the exemptions provided only apply to wages and salaries and not retirement or medical benefits.

TAPE 212, SIDE A

036 CHUCK WILSON: It is my understanding that employees of these commissions do not make contributions to PERS.

047 CHAIR CEASE: It is my understanding that they have the same arrangement as any other state - employee. The bill would not change that. 053 SEN COHEN: Admonishes those in the commodities commissions who complained about PERS system, but who resist having their employees removed from the PERS system. - Discussion of PERS system and commodities commissions. 125 WARD: Commodities commissions are funded by grower money, but are deemed agencies of the state because their assets come from an involuntary tax from the producers. They are subject to the public employment system. The bill allows the commissions to be exempt from Executive Department pay schedules and salaries. They have always set their own wages and salaries, but recently the Attorney General told them that the commissions should be subject to the salary schedules. 150 SEN COHEN: Notes that making state boards and commissions semi-private does a similar thing. - Discussion on provisions in proposed legislation. 207 CHAIR CEASE: The commodities commissions do a good job. 209 MOTION: Chair Cease moves the -1 amendments. - 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.

VOTE: Hearing no objections, the amendments are adopted.

MOTION: Chair Cease moves SB 160 as amended to the Senate Floor with a "do pass" recommendation.

VOTE: In a roll call vote, the motion passes 6 - 0. Sen. Bunn is excused. Sen. Bunn will carry the bill on the Floor.

WORK SESSION ON SB 424

WITNESSES: CHUCK WILSON, LEGISLATIVE COUNCIL RAY WILKESON, OREGON FORESTRY INDUSTRY COUNCIL

230 CHAIR CEASE: The proposed change to the second section of the amendments would make it identical to SB 160. Do we need the last section? 244 WILKESON: HB 2419 last session explicitly requires the institute to reimburse the Dept. of Forestry, in this case, for all administrative oversight expenses. So we don't need that. 254 CHAIR CEASE: Reviews the hand-engrossed copy of the bill (EXHIBIT Iir). MOTION: Chair Cease moves the amendments found in the hand-engrossed copy of the bill. VOTE: Hearing no objection, the amendments are adopted. 255 WILKESON: Describes the -1 amendments (EXHIBIT E:). Currently, the board is represented by producers of different sizes (there are three classes) and members serve three-year terms. Recently, during a member's term, his production dropped below his designated category. Because of the potential disruption, the AG suggested an amendment be drafted to allow a member to serve out their term if, when they were elected, they met the required production level. 293 SEN. COHEN: Notes the original law is a good example of legislative micro-management.

MOTION: Sen. Cohen moves adoption of the -1 amendment.

VOTE: Hearing no objections, the amendments are adopted.

MOTION: Chair Cease moves SB 424 as amended to the Senate Floor with a "do pass" recommendation.

VOTE: In a roll call vote the motion passes 6 - 0. Sen. Bunn excused. Sen. Smith will carry - 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 & Natural Resources June 30, 1993 page 6

the bill.

WORK SESSION ON SB 1011

WITNESSES: JERRY POWELL, Recycling Markets Development Council JOEL ARIO, OSPIRG ART AIRE, Economic Development Department

338 PETER GREEN: Draws committee's attention to proposed amendments (EXHIBIT G). 318 JERRY POWELL: Approval of SB 101 1 is only one small step toward what is needed. We have no funding to undertake recycling development action as required under SB 66 and the commodities division have not met their obligations by adopting the work plans that were approved by the Council in January. It is likely that the Council will

be back prior to the 1995 Legislative Session seeking funding.

366 SEN. SMITH: How could the Council be funded?

370 POWELL: About 30 states have some form of market development actions implementation funds. For the most part it has been landfill taxes/surcharges used for funding. Some use a sales tax. The idea was to follow the model provided by commodity commissions.

369 SEN. SMITH: "Back end" or "front end" fees should be used to fund the Council; opposes a fee on these containers at the industry level - it sends the wrong message and is bad for jobs. It is a consumer choice.

435 JOEL ARIO: We are proposing the -4 amendments which would repeal the sections of SB 66 that deal with the Recycling Markets Development Council (EXHIBIT G). When the council was originally proposed by AOI it was to be funded by industry to do market development. It hasn't worked very well. The -2, -3 amendments will not solve the problems of the Council. - We would like to see the Council 1) placed within the Economic Development Department; 2) have substantial resources, such as \$2 million; 3) the composition of the Council be changed to be broader than industry, and 4) funded by the industries. - Absent those changes, we would prefer to see it eliminated.

TAPE 211, SIDE B

019 PETER GREEN: Draws committee's attention to fiscal impact statement (EXHIBIT H), if the program was turned over to the Economic Development Dept.

028 SEN. COHEN: Has this possibility been considered in your budget? What is the status of your budget?

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030 ART AIRE: Doesn't know status of budget.

032 GREEN: According to the Fiscal staff, the EDD budget is still being worked on in the House. Staff suggested this be handled by the E-Board during interim; then the bill would not have to sent to Ways & Means.

PUBLIC HEARING ON HB 2967

WITNESSES: DRAKE BUTSCH, Home Builders Association MARK MCGREGOR, Clean It Up Mark KRISTEN MITCHELL, Oregon Sanitation Service Institute JEFF ANDREWS, Corvallis Disposal BOB EMMERICK, Landfill Owner, Yamhill County DICK TOWNSEND, League of Oregon Cities

078 DRAKE BUTSCH: Testifies in favor of HB 2967 (EXHIBITS J, K). - Ninety percent of this material is recyclable; most contractors come close to that number. - The impacts of SB 66 are going to be detrimental unless private business can contribute to a solution. 119 SEN. COHEN: Do you know how many cities do not franchise out to private haulers? Franchises consider themselves private businesses. 125 BUTSCH: Doesn't know how many cities do their own hauling. Home Builders use

these contractors; mixed waste is franchised in most of Portland.

129 SEN. SHOEMAKER: Why does the bill limit clean up of this type to clean up contractors? Why can't a city do it itself. 130BUTSCH: We are not trying to create a new set of franchises. These people are construction contractors as defined by the Construction Contractors Board. The bill also allows collection services that provides for collection of solid waste or recyclable material - a franchised hauler. If the bill doesn't allow the city to do this, we would not object to amending the bill. 140 MARK MCGREGOR: We have all the necessary permits and licenses. 153 SEN. BUNN: The bill's language seems to prohibit owners or builders from removing the waste themselves. 155 BUTSCH: My understanding that under current law, and under HB 2967, owners and builders could haul away recyclable waste from a site. Section 4 exempts the owner. 185SEN SHOEMAKER: It was not your intent to limit anyone from hauling their own recyclables;

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it may just be a drafting problem.

195 MCGREGOR: Explains that his business consists of two trucks. On a construction site, one truck is loaded with wood and the other with trash and cardboard. The cardboard is taken to a recycler and the wood goes to Grimm's Fuel where it is chipped up. Under a contract with Metro they are doing waste audits. As an example, on a high end home, the total weight of waste was over 12,000 pounds. Of that, about 1350 pounds was nonrecyclable. 215 SEN. SMITH: If you are not doing that, does it get done? 216 MCGREGOR: The franchise haulers have not focused their attention on recycling, such as drop boxes (which often get contaminated), and can't match our numbers. 229 BUTSCH: These contractors clean the site as well as get rid of waste. 245 SEN. SMITH: Are we talking just about Portland? Do you have competitors? 246 MCGREGOR: You do have to have the recycling infrastructure set up. I have several competitors. High tip rates encourage recycling; it's a money issue for the builder. 307 KRISTEN MITCHELL: Testifies in opposition to HB 2967 (EXHIBIT K).

374 SEN SHOEMAKER: The issue is what "public purpose" is to be served with implementation of proposed legislation in order for it to be constitutional.

387 SEN COHEN: Allowing home builders the opportunity to hire someone to clean their homes does not serve a large enough public purpose.

414 MITCHELL: The clean up contractors may request that a jurisdiction allow them to provide this service, but they do not want to have to do this on a city by city basis. 427 CHAIR CEASE: Refers to letter from the City of Albany (EXHIBIT M). From a financial point of view, why would one group want to haul this material away as opposed to another group?

TAPE 212, SIDE B

018 JEFF ANDREWS: The two materials we pick up are cardboard and wood. Cardboard pays \$40-\$75 a ton, and wood is \$5 and \$10 a ton. We collect those materials for free from the site. With wood there is a hauling

fee.

027 MITCHELL: Returns to her testimony. - Proposes amendment changing language from "shall" to "may."

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- The requirements under SB 66 fall on cities and counties, not industry.

086 ANDREWS: Testifies in opposition to HB 2927 (EXHIBIT L).

133 BOB EMMERICK: Recycling is being done; landfills are building recycling facilities and this bill would make that less attractive. The bill deregulates this segment of the waste stream. - Cites the case of an unregulated hauler causing a problem. - Outside Washington County this bill would cause a net decrease in recycling. 180 SEN SMITH: If the language is made permissive, you can continue regulating them?

191 MITCHELL: If the language is permissive, the local cities and counties will still have the ability to determine who is going to be doing the collection of this material. - AOC asked that I tell you that their concern is over existing contracts, and if this is allowed, they need to be able to count the materials. 215 DICK TOWNSEND: The League of Oregon Cities opposes HB 2967 because of the mandatory language and whether a public service is provided. Also, the definition of the construction clean up contractor is too broad.

250 CHAIR BUNN: Adjourns meeting at 10:00 a.m. Submitted
by: Reviewed by: Kus Soumie Peter Green Assistant Administrator

EXHIBIT LOG:

A - testimony, HB 2847, Steve Greenwood, 1 pg. B - proposed amendments, SB 641, staff, 1 pg. C - testimony, SB 641, Jim Gardener, 1 pg. D - proposed amendments, SB 160, staff, 2 pas. F - proposed amendments, SB 424, staff 3 pas. G - proposed amendments, SB 1011, staff, 7 pas. H - fiscal impact, SB 1011, staff, 2 pas. I - testimony, HB 2967, Butsch, 4 pas. J - testimony, HB 2967, McGregor, 1 pg

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K - testimony, HB 2967, Mitchell, 3 pas. L - testimony, HB 2967, Andrews, 1 pg. M - testimony, HB 2967, Steve Bryant, 1 pg.

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