

SENATE COMMITTEE ON TRANSPORTATION

March 31, 1993 Hearing Room C 3:00 p.m. Tapes 42 & 43
MEMBERS PRESENT: Sen. Joan Dukes, Chair Sen. Bob Kintigh Sen. Jim
Bunn Sen. John Lim Sen. Trida Smith Sen. Catherine Webber Sen. Mae Yih
STAFF PRESENT: Ruth Larson, Committee Administrator Shannon Gossack,
Committee Assistant MEASURES CONSIDERED: SB 262 SB 684 SB S67

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TAPE 42, SIDE A

003 CHAIR DUKES: Calls meeting to order at 3:15 p.m.

006 RU~I LARSON, COMMITTEE ADMINISTRATOR: Explains background information regarding maritime pilot issues and mentions background information on SJR 2.

PUBLIC HEARING ON SB 567: Authorizes Public Utility Commission to issue authority to transport wood pellets without hearing and order. BRUCE ANDERSON, OREGON HEARTH PRODUCTS ASSN. MEL BITIKOFER, MEL'S STOVES FRANK SHARRON, WEST OREGON WOOD PRODUCTS NORM MEYERS, PUBLIC UTILITY COMMISSION WILLARD BRANCH, DH TRUCKING MIKE MEREDITH, OREGON TRUCKING ASSN. RAY WOODRU", STANDARD TRANSPORT Senate Commftee on Transportation March 31, 1993 - Page 2

035 BRUCE ANDERSON, OREGON HEARTH PRODUCTS ASSOCIATION: Submits and reviews written testimony. (EXHIBIT A) -We support SB 567 because of the costs to the consumer and environmental impacts regarding air quality. -Discusses the issue of restricted licenses. -Discusses the 1978 Attorney General opinion. -End user impact should be considered.

140 CHAIR DUKES: Are these pellets an all wood product and is that a requirement?

142 ANDERSON: I would defer that question to a manufacturer.

146 MEL BITIKOFER, MEL'S STOVES: Test)ifies in support of SB 567. -Discusses issue of freight fees.

167 CHAIR DUKES: Do you ship your own pellets?

169 B1TIKOFER: No we hire that out. -Explains the hassles and expense of continuing to do business.

182 SEN. WEBBER: What is the purpose of the regulation?

187 SEN. SMITH: When intrastate trucking was deregulated it pushed a lot of small operators out. Additionally, it put pressure on small shippers to take shipping rates higher than they might of had under regulation. Do you feel a similar situation would occur?

201 BITIKOFER: I usually use small independent truckers in most cases. In some cases they are larger companies that need back hauls. -Discusses

how the regulation prohibits the hauler that needs a back haul.

215 SEN. SMITH: Is it difficult to get haulers to run your product?

220 BITIKOFER: It is more difficult than it used to be. When they have to go through the regulation they say it isn't worth it. They would rather run their trucks empty.

224 SEN. LIM: What are the regulations you are faced with?

230 BITIKOFER: I don't really know that.

232 NORM MEYERS, OREGON PUBLIC UTILITY COMMISSION: PUC does not take a position on SB 567. -Submits and reviews written testimony. (EXHIBIT B) 278 SEN. SMITH: Asks about the process a regulated carrier must go through. Is there a possibility that a carrier can carry a commodity less than the rate is set at. Is there a process at PUC for individual rate?

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287 MEYERS: Explains how a rate proposal is made. Explains the hearings process.

302 SEN. SMITH: What is the purpose of rate regulation?

305 MEYERS: Public gets non-discriminatory pricing to ship goods. Creates equal opportunities.

320 CHAIR DUKES: What does no position mean?

322 MEYERS: Historically we don't take a position on deregulation legislation.

335 CHAIR DUKES: What would be the down side of deregulating this?

337 MEYERS: Public safety.

347 CHAIR DUKES: Is that likely to happen with wood pellets?

350 MEYERS: Discusses issue of revenue and hours driven.

359 CHAIR DUKES: Are these class C carriers? 362 MEYERS: Discusses weigh masters and what their responsibilities are.

374 SEN. WEBBER: This is such a marginal area of business and can't see it swaying the whole deregulation issue.

380 MEYERS: It is one specific commodity. As an individual it is small. -Concerned about seuing a precedent in area of deregulation. TAPE 43, SIDE A 004 FRANK SHARRON, WEST OREGON WOOD PRODUCTS: Discusses West Oregon Wood Products and the people they employ. -Discusses the unemployment in his area. -Although we aren't a large employer we do employ 18 people and we pay better than mmlmum wage. -Refers to Fiber Fuel Institute Association publication regarding wood pellets products industry. -Discusses freight charges. -Explains users of pellet heating.

134 CHAIR DUKES: It seems like you can make the case that it is a wood product. Would you have any concern-if we did pass this bill with language that says " 100% wood products"?

146 SHARRON: That would be fine.

154 MIKE MEREDITH, OREGON TRUCKING ASSOCIATION: Testifies in opposition to SB 567. -Submits and reviews written testimony. (EXHIBIT C)

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182 CHAIR DUKES: How many of the carriers are actually carrying wood pellets?

186 MEREDITH: I think I would defer to my two helpers on that issue.

190 CHAIR DUKES: A lot of them have broad authority and may or may not carry them.

195 MEREDITH: Continues reviewing written testimony. (EXHIBIT C)

203 SEN. BUNN: How are cedar shingles classified?

206 RAY WOODRUFF, STANDARD TRANSPORT: They are deregulated.

216 SEN. BUNN: What is the difference?

220 WOODRUFF: Class B authority is very specific in regard to being unprocessed.

224 MEREDITH: This is a further precedent that would deregulate commodities and that is what we are opposing. We feel the rates are reasonable and that service is adequate.

245 SEN. KINTIGH: Is there a lot of paperwork involved and can a rate be contested?

250 WOODRUFF: In many cases I can get the rate approved on the same day. It's usually a phone call.

257 MEREDITH: Regulation allows carriers a reasonable return on their investment which allows adequate maintenance on their vehicles and allows them to obey our out of service regulations and to maintain safe operation. Regulated rates mitigate against unreasonable pressure placed upon carriers by large shippers. We have seen what happens under deregulation and we don't like what we see. 270 WILLARD BRANCH, DH TRUCKING COMPANY: Explains his business and what they have authority to haul. -Explains the procedures and fees they have been operating under for many years. 332 CHAIR DUKES: Why is the Oregon pellet more than the Washington pellet?

337 BRANCH: It must be the manufacturing costs.

340 WOODRUFF: Refers to letter submitted with written testimony. (EXHIBIT C)

393 CHAIR DUKES: Was the carrier in your testimony transporting wood pellets? 396 WOODRUFF: No I don't think so. -Discusses the costs of pellets shipped from Lewiston. -Explains why he went regulated.

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TAPE 42, SIDE B PUBLIC HEARING ON SB 262:

TOM WOLBERT, BICYCLE FEDERATION OF OREGON MICHAEL RONKIN, ODOT
019 LARSON: Explains intent of SB 262 and submits SB 262-1 amendments. (EXHIBIT D)

045 CHAIR DUKES: The person who brought SB 262 to the Committee is not here to support it. Is there anyone in the room who would like to come forward and sponsor this bill?

065 TOM WOLBERT, BICYCLE FEDERATION OF OREGON: Submits and reviews written testimony. (EXHIBIT E)

102 SEN. LIM: How many bicycles do we have in our state?

104 WOLBERT: Numbers are increasing all the time so it's hard to say.

110 SEN. LIM: Is your association willing to pay a tax for a bike path?

117 WOLBERT: We would be willing to pay our share. We would be willing to listen to any proposals.

122 SEN. KINTIGH: Most privately built roads are in subdivisions which don't carry a heavy traffic load so why can't the bikes ride on the same roads in the subdivisions? 130 WOLBERT: In most cases that is the case and that is fine. 134 SEN. YIH: How wide are foot paths and bike paths and would there be paths on both side of a road.

137 WOLBERT: I'm not an engineer, but I think it is about four to six feet and then there is a striped lane that is part of the roadway. I don't know how wide the sidewalk standards are. 150 SEN. YIH: Would this be an additional couple of feet? 150 WOLBERT: Explains what the fog line is and existing road widths. 155 SEN. YIH: Do private parties put in fog lines or is it just an ODOT thing?

163 WOLBERT: Explains how privately built roads eventually become the responsibility of municipalities.

171 SEN. YIH: What would the fiscal impact be on this?

174 CHAIR DUKES: We only do fiscal impacts for government agencies, and since this isn't a requirement of government agencies we don't see a fiscal on it. ~, ~

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176 MICHAEL RONKIN, ODOT: Test)files in support of SB 262. Submits and reviews written testimony. (EXHIBIT F)

186 CHAIR DUKES: We've run through the list of proponents and I'm going to stop the hearing at this point. I think the people who want to move this need to get together and get the leadership issue worked out.

266 SEN. KINTIGH: Would there be time to hear the opponents?

269 CHAIR DUKES: Absolutely.

WORK SESSION ON SB 5C7:

MOTION: Senator J. Bunn moves SB S67, to the floor, with a "DO PASS" recommendation.

VOTE: In a roll call vote the motion carriers with Senators Lim, Kintigh, Webber, J. Bunn and Dukes voting AYE with Senator T. Smith voting NAY and Senator Yih excused. Senator Rod Johnson will carry the bill.

PUBLIC HEARING ON SB 684:

CAROLINE MILBANK, BICYCLE FEDERATION OF OREGON TOM WOLBERT, BICYCLE FEDERATION OF OREGON SENATOR DICK SPRINGER MICHAEL RONKIN, ODOT

327 LARSON: Explains intent of SB 684.

359 WOLBERT: Test)files in opposition of SB 684 as currently written. We feel that the drafters of the bill need to meet with some other people involved. We do support the intent of this bill.

379 CHAIR DUKES: I think Senator Springer will be here shortly and you will have a chance to work this out.

388 CAROLINE MILBANK, BICYCLE FEDERATION OF OREGON: Test)files in opposition to SB 684. -Discusses the transportation Rule 12.

TAPE 43, SIDE B

017 SENATOR DICK SPRINGER: Test)files in support of SB 684. -Explains why the bill is in front of the committee.

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085 CHAIR DUKES: I think the Bicycle Federation of Oregon would be happy to work with you. would you be acceptable to amending this to cities with a population over a certain number?

092 SEN. SPRINGER: I would be willing to do that.

102 BILL WORCESTER, MARION COUNTY PUBLIC WORKS: Test)files in opposition to the way SB 684 is written but not necessarily with the intent of SB 684. -Discusses the budgeting for overlays.

144 SEN. YIH: Dedicated money should cause an impact.

150 WORCESTER: Explains the gas tax money received and grant funds.

154 SEN. YIH: Are you objecting to the 1096 increase.

157 WORCESTER: Yes. I would be concerned about maintaining something like that.

160 SEN. KINTIGH: How would you feel about 5%?

163 WORCESTER: That would take some consideration.

171 CHAIR DUKES: Adjourns meeting at 5:00 p.m.

Submitted by,
Assistant

Reviewed by, Shannon Gossack
Administrator

Ruth Larson

EXHIBIT LOG:

A - Testimony SB 567, Bruce Anderson, 4 pas. B - Testimony SB 567, Norman Meyers, 2 pas. C - Testimony SB 567, Mike Meredith, 7 pas. D - SB 262-1 amendments, Staff, 1 pg. E - Testimony, SB 262, Tom Wolbert, 2 pas. F - Testimony, SB 262, Michael Ronkin, 2 pas.

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