

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

June 5, 1991 Hearing Room E 8:30 a.m. Tape 155 MEMBERS
PRESENT: Rep. Bill Markham, Chair Rep. Larry Sowa, Vice-Chair Rep.
Marie Bell Rep. Mary Alice Ford Rep. Tom Novick Rep. Carolyn Oakley Rep.
Lonnie Roberts MEMBER EXCUSED: None VISITING MEMBER: Sen.
Jeannette Hamby, District S STAFF PRESENT: Randall Jones, Committee
Administrator Carolyn Cobb, Committee Asdstant Ted Reitlinger,
Legislative Counsel MEASURES CONSIDERED: SB 807 -Directs
Department of Energy to Establish Rules, Guidelines and Procedures for
Financing Projects by State Facilities to Reduce Facilities' Utiliq
Costs, PH, WS HB 2967- Moves Regular District Election From March to May
in Odd-numbered Years, PH, WS HB 2490 - Prohibits Certain Contributions
From Candidate to Candidate

These minutes contain materials which paraphrase and/or summanze
statements made during this session. Only text enclosed in guotation
marks report a speaker's exact words. For complete contents of the
proceedings, please refer to the tapes.

TAPE 15S, SIDE A

003 CHAIR MARKHAM: Calls the meeting to order at 8:30 a.m.

SB 807 - DIRECTS DEPARTMENT OF ENERGY TO ESTABLISH RULES. GUIDELINES AND
PROCEDURES FOR FINANCING PROLECTS BY STATE FACILITIES TO REDUCE
FACILITIES' UTILITY COSTS - PUBLIC HEARING Witnesses: Jeannette Hamby,
State Senator, District S James Anderson, Pacific Power Co. House C_ -
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Bill Drew, LegiSB tiw Assistanl to Sen. Hamby

006 RANDALL JONES, COMMITTEE ADMINISTRATOR: Reviews the purpose of the
bill. Submits and reviews proposed dash A8 LC amendments dated 6/3/91
(EXHIBIT A). 018 JEANNETTE HAMBY, STATE SENATOR, DISTRICT 5: Indicates
she would support a committee decision to delete any reference to co
generation, recognizing that state agencies today can do co-generation.
-The bill gives the utilities first right of refusal. -California
currently has this legislation in place, however they did not have the
utilities involved. 042 REP. BELL: The right of first refusal is in the
A8 LC amendments? 043 SEN. HAMBY: No, it is not. It is only for
conservation. 049 BILL DREW, LEGISLATIVE ASSISTANT TO SEN. HAMBY: For
co generation, the right of first refusal seems like a good ice& because
it gee the utilities that are already in that business to work with
agencies and make them part of their generating plan. -For conservation
measures, having that right of first refusal for a two month period,
might be a deterrent for energy conservation. It was intended to deal
with coordinatng cogeneration.

062 JAMES ANDERSON, PACIFIC POWER CO.: We want it clear that SB 807, in
any form the committee chooses to pass, is not the utilities' bill. -We
are allowed to take power from co-generators only when they can meet or
do better than our avoided cost. -We are supportive of the dash A8
amendments in their present form, and to leave the conservation and
efficiency first right of refusal language in the amendments.

079 REP. ROBERTS: Please explain how this would work.

085 ANDERSON: The right of first refusal would allow a utility to be approached by a state agency wanting to co-generate. We have the right of first refusal on accepting that power or dealing with the agency to develop the co-generation. -Pactfic Corp. has established a group of people who would help finance and develop any cogeneration project in the state. Not only state agencies, but anyone willing to do it. -Whatever the committee is willing to do, we are ready to accept.

102 REP. FORD: You support the bill and you support the amendments, they do not seem to go together. 104 CHAIR MARKHAM: Explains the amendments.

109 DREW: The difference between the dash I ,8 and the dash A7 amendments is that if an agency does go into the co-generation business, with the dash A7 amendments they would have to go to the utilities first, in the dash A8 amendments they would not. House C_ _ t~te a" Federal June s, 1991 - Page 3

SB 807 - DIRECTS DEPARTMENT OF ENERGY TO ESTABLISH RULES. GUIDELINES AND PROCEDURES FOR FINANCING PROJECTS BY STATE FACILITIES TO REDUCE FACILITIES' UTILITY COSIS - WORK SESSION 121 MOTION: REP. BELL moved to adc pt the dash A8 LC amendments dated 6/3/91 to SB 807 (EXHIBIT A).

122 CHAIR MARKHAM: Hearing no objection, it is so ordered.

123 MOTION: REP. BELL moved SB 807 as amended to the floor with a "do pass" recommendation. VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Novick, Rep. Oalcley, Rep. Roberts, Rep. Sowa, and Chair Marlcham Voting AYE.

HB 2490 - PROHIBITS CERTAIN CONTRIBUTIONS FROM CANDIDATE TO CANDIDATE. AND FROM POLITICAL COMMITTEE TO POLITICAL COMMITTEE 168 CHAIR MARKHAM: As a courtesy to the Speaker we want to introduce HB 2490

(EXHIBIT B) as a Committee Bill. 171 CHAIR MARKHAM: Hearing no objections, it is so ordered. 187 CHAIR MARKHAM: Recesses meeting at 8:52 a.m. -Resumes meeting at 9:27 a.m.

HB 2967 - MOVES REGULAR DISTRICT ELECTION FROM MARCH TO MAY IN ODDNUMBERED YEARS - PUBLIC HEARING Witnesses: Al Davidson, Marion County Clerk Sue Proffitt, Elections Division Ted Reitlinger, Legislative Counsel 193 JONES: Submits and reviews the proposed dash four LC amendments dated 5/16/91 (EXHIBIT C). 215 REP. ROBERTS: How are we going to meld these forms in? 220 REP. OAKLEY: Th dadh flour LC amendments take care of that. 226 CHAIR MARKHAM: Do some of the boards presently have six members? 222 SUE PROFFITT, ELECTIONS DIVISION: Current law says a maximum of nine members. 234 REP. FORD: How do you decide which members have which terms and which come up at a given election? House c - ~ S~te - ~ F~ 0 June 5, 1991 - Page 4

240 TED REITLINGER, LEGISLATIVE COUNSEL: The dash four amendments, Section 15, on page 9 addresses that question. -Explains how the terms are phased in.

257 REP. FORD: How do ~ detennine which members have two year terms and which have four year terms? 263 REITLINGER: I think the way it is worlced out, everyone has a four year term. Not everybody on the board is replaced at the same election. 277 VICE CHAIR SOWA: What Icinds of boards does this cover?

280 REITLINGER: I believe it covers only boards related to education.

289 AL DAVIDSON, MARION COUNTY CLERK: This covers all educational

boards including ESD boards, community college boards, and the boards of elementary and secondary schools.

300 REP. OAKLEY: My community college is very supportive of this bill.

305 DAVIDSON: It does not save the counties any money, it saves the school districts money.

310 REP. FORD: Is this a statewide mandate or is this a school district option?

312 REP. OAKLEY: This is mandatory statewide.

316 REP. OAKLEY: Don't we need the dash one LC amendments (EXHIBIT D) ?

320 REITLINGER: The dash four and the dash one amendments are basically the same. -Concerns were expressed about page 1 of the dash one amendments, lines 5 through 13 were not very clear. That is the section that tries to specify a majority serves two year terms and a minority serves four year terms. -Explains the differences in the dash one and the dash four amendments.

352 VICE CHAIR SOWA: I think we are back to my original objection. Someone can mandate certain terms are reduced from four years to two years.

366 DAVIDSON: I do not believe that is the case. This talks about "upon formation of a district" some members will serve two year terms and some will serve four year terms to be determined by lot. That is current law. A board member's term would be extended for one year if we eliminate the March election in the even numbered years, so we would not be cutting anybody. The School Boards Association initially had some concern because some terms would be extended one year.

385 REP. FORD: Are you saying the School Boards Association supports this bill?

386 DAVIDSON: I do not know.

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HB 2967 - MOVES REGULAR DISTRICT ELECTION FROM MARCH TO MAY IN ODD NUMBERED YEARS - WORK SESSION

402 MOTION: REP. OAKLEY moved to adopt the dash four LC amendments dated 5/16/91 to HB 2967 (EXHIBIT C). 408 CHAIR MARKHAM: Hearing no objection, it is so ordered.

412 REP. OAKLEY: Do you feel in adopting the dash four amendments we are taking care of everything in the bill?

413 DAVIDSON: I think so.

416 MOTION: REP. OAKLEY moved HB 2967 as amended to the floor with a "do pass" recommendation. VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Oaldehy, Rep. Roberts, Rep. Sowa, and Chair Marlcham voting AYE. Rep. Novick voting NAY. Submitted by: Reviewed by: Carolyn Cobb Randall Jones
Assistant Administrator

EXHIBIT LOG:

A - Amendments to SB 807 - Randall Jones - 2 pages B - HB 2490 A
engrossed - Chair Bill Markham - 5 pages C - Am_ to HB 2967 - Randall
Jones - 10 pages D - Amendments to HB 2967 - Rep. Carolyn Oalcley - 10
pages