

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.

HOUSE COMMITTEE ON WATER POLICY

June 7, 1991 Hearing Room 137 1:30 p.m. Tape 87

MEMBERS PRESENT: Rep. Chuck Norris, Chair Rep. Bill Dwyer, Vice-Chair Rep. Bill Markham Rep. Walt Schroeder Rep. Larry Sowa

STAFF PRESENT: Beth Patrino, Committee Administrator Karen Edwards, Committee Assistant

MEASURES CONSIDERED: SB 1147 A - Allows use of Water Development Fund and Special Public Works Fund to provide funding for drinking water system improvements needed to comply with state and federal regulations adopted pursuant to federal Safe Drinking Water Act. - PUBLIC HEARING/WORK SESSION

WITNESSES: David Leland, Drinking Water Program, Health Division Yvonne Addington, Economic Development Department Kevin Smith, Governor's Office

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TAPE 87, SIDE A

005 REP. CHUCK NORRIS, CHAIR: Calls the meeting to order at 1:40 p.m.

SB 1147-A - PUBLIC HEARING

018 DAVID LELAND, DRINKING WATER PROGRAM, HEALTH DIVISION: Submits and summarizes written testimony in support of SB 1147-A (EXHIBIT A):  
>Creates a Safe Drinking Water Fund to finance safe drinking water projects. >It is a three agency partnership with the Health Division, the Economic Development Department and the Water Resources Department.  
>Will receive up to \$750,000 from the Special Public Works Fund to start and administer the program. Submits handbook (EXHIBIT B).

101 REP. BILL MARKHAM: The Water Development Fund, is that something the public voted on and approved a bond up to about a billion dollars about 10 or 12 years ago?

ROLAND SMITH, WATER DEVELOPMENT LOAN FUND: The loan fund has a constitutional limitation of about 1.3 billion dollars.

114 REP. NORRIS: How much of that money is available for further bonding?

SMITH: Has approximately 18 million dollars outstanding in bond issues. The balance of that would be constitutionally available.

120 REP. NORRIS: There is over a billion dollars in unobligated bonding authority?

SMITH: That is correct.

122 REP. LARRY SOWA: Thought there was a bill or concept passed last session of not making loans available to private individuals?

SMITH: The program, as it stands today, will only fund municipal and quasi-municipal types of projects.

139 REP. MARKHAM: If there is a city with a population of under 30,000 who wants to participate in this program, does this become a revenue bond to the city or must it be voted on?

YVONNE ADDINGTON, OREGON ECONOMIC DEVELOPMENT DEPARTMENT: A city could apply for a loan through the Economic Development Department. The bonds would be sold, on the city's behalf, through the Special Public Works Fund that was created by the Legislature about four years ago.

152 REP. MARKHAM: In effect, it is a vote of the City Council to borrow the money?

ADDINGTON: Yes.

159 REP. WALT SCHROEDER: Are there water quality standards that have to be met on individual water sources?

LELAND: There is very little regulation of the quality of drinking water from private wells.

169 REP. BILL DWYER: Refers to page four, lines 39-40. Do treatment facilities include sewage?

LELAND: We are referring to drinking water treatment facilities.

174 REP. DWYER: We are not talking about wastewater treatment?

ADDINGTON: The Special Public Works Fund does fund sewer projects and the DEQ has money under the Clean Water Act for sewer plants. There is no source of money for the Safe Drinking Water Act.

181 REP. DWYER: Why do we have this bill now?

LELAND: This comes out of the Task Force on Drinking Water Construction Funding and Regionalization report which was brought in late into the session. The Water Policy Committee on the Senate side went into a lot of discussion on this bill.

210 ADDINGTON: Feels the issuance of bonds is a way to help cities that do not have the economic activity and undertake safe drinking water acts.

REP. DWYER: Utility costs are continually going up. Would like to have this type of funding mechanism attached to some type of revenue, preferably a fee-based revenue to help pay for the usage of water.

REP. SCHROEDER: Is there anyone here from the Treasurer's office?

247 ADDINGTON: Has spoken to the Treasurer's office who is supportive of the sale of Special Public Works Bonds.

265 KEVIN SMITH, GOVERNOR'S OFFICE: Works with local governments on solving

problems. This piece of legislation will be very useful for rural communities.

289 REP. DWYER: Has a fee ever been discussed, in the Governor's office, concerning water resources to induce reluctant contributors that are taking the state's resources and making a profit?

SMITH: By the time this bill was drafted, the Governor had already written her budget. That is something that can be looked at, during interim, while the program is being implemented.

Closes public hearing on SB 1147-A.

Opens work session on SB 1147-A.

SB 1147-A - WORK SESSION

352 BETH PATRINO, COMMITTEE ADMINISTRATOR: Summarizes SB 1147-A7 amendments

(EXHIBIT C).

MOTION: REP. MARKHAM moves the SB 1147-A7 amendments dated 6/7/91 to SB 1147-A.

VOTE: Hearing no objection, the amendments are adopted.

MOTION: REP. DWYER moves SB 1147-A to the Ways and Means Committee with a "do pass" recommendation.

VOTE: In a roll call vote, the motion carries with all members voting AYE.

399 CHAIR NORRIS: Closes work session and adjourns the meeting at 2:05 p.m.

Submitted by: Reviewed by:

Karen Edwards, Beth Patrino, Assistant Administrator

EXHIBIT LOG:

A - SB 1147-A - Testimony - David Leland - 8 pages B - SB  
1147-A - Handbook - David Leland - 92 pages C - SB 1147-A -  
Amendments - Staff - 1 page