

Senate T&E Committee

April 29, 1991

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SENATE LEGISLATIVE COMMITTEE
ON TRADE AND ECONOMIC DEVELOPMENT

April 29, 1991Hearing Room 343

3:00 P.M.State Capitol

Salem, OR

Tapes 96 - 97

Electrical Power Generation at Ports
Lottery Prizes Child Support Notification
Oregon Resource and Technology Development Corp. Budget
Individual Child's Development Accounts
Commodity Commission Contracting

MEMBERS PRESENT: SEN. WAYNE FAWBUSH, CHAIR
 SEN. SCOTT DUFF
 SEN. JEANNETTE HAMBY
 SEN. JIM HILL
 SEN. PEG JOLIN
 SEN. EUGENE TIMMS

MEMBERS EXCUSED:

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER
 TAMIRA MILLER, POLICY ANALYST
 JERI CHASE, OFFICE MANAGER
 HOLLY BROWN, COMMITTEE ASSISTANT

WITNESSES:SENATOR BILL KENNEMER, DISTRICT 12
BRENDA BREAMES, ASSOCIATION FOR CHILDREN FOR
ENFORCEMENT SUPPORT, INC.
THERESA RAY, ASSOCIATION FOR CHILDREN FOR
ENFORCEMENT SUPPORT, INC.
JOHN ELLIS, SUPPORT ENFORCEMENT DIVISION, DEPARTMENT
OF JUSTICE
JIM DAVEY, DIRECTOR, LOTTERY COMMISSION
REPRESENTATIVE BEVERLY STEIN, DISTRICT 14
PAUL HANNEMAN, HANNEMAN & ASSOCIATES, GOVERNMENT
RELATIONS COUNSEL
JOHN MC CULLEY, OREGON PREPARED VEGETABLE
COMMISSION
MARSHALL COBA, OREGON FARM BUREAU FEDERATION,
OREGON SWEET CHERRY COMMISSION
THOMAS BAILEY, OREGON SWEET CHERRY COMMISSION
DAVE NELSON, OREGON FINE FESCUE COMMISSION
JOEL RUE, CHAIRMAN, OREGON FINE FESCUE COMMISSION
BRYAN OSTLUND, RYE GRASS/MINT/HIGHLAND COMMISSIONS
MIKE COON, RYE GRASS/MINT/HIGHLAND COMMISSIONS
PHIL WARD, DEPARTMENT OF AGRICULTURE
KIM HOLLAND, PROGRAM MANAGER, COMMODITY COMMISSION

NOTE: These minutes contain materials which paraphrases and/or summarizes statements made during this meeting. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 96, SIDE A

000 CHAIR FAWBUSH convenes the meeting at 3:19 p.m.

SB 996 (Electrical Power Generation at Ports) - Public Hearing and Work Session

004 MILLER: Presents -4 amendments to SB 996 (EXHIBIT A), Explanation of Amendments to SB 996 (EXHIBIT B) and Staff Hand Engrossed Version of SB 996 (EXHIBIT C).

045 MOTION: SEN. TIMMS moves the -4 amendments to SB 996.

VOTE: Being no objection the -4 amendment to SB 996 are adopted.

050 MOTION: SEN. DUFF moves SB 996, as amended by the -4 amendments, to the floor with a Do Pass recommendation.

VOTE: By roll call vote (5-0) SB 996, as amended by the -4 amendments, is passed to the floor with a Do Pass recommendation. Voting AYE: SENATORS DUFF, HAMBY, JOLIN, TIMMS and FAWBUSH. EXCUSED: SENATOR HILL.

SB 1055 (Lottery Prizes Child Support Notification) - Public Hearing and Work Session

068 SENATOR BILL KENNEMER: Submits "Florida Lottery Pries Cash Out Of Deadbeat Fathers", Governing (EXHIBIT D). Testifies in favor of SB 1055.

094 SEN. HAMBY: In Section 2 subsection a anyone who won \$600 or more would have to wait 30 days?

099 SEN. KENNEMER: No. It can be shown on computer so it can be done promptly. The cost will be about \$18,000.

110 SEN. HAMBY: I have a case where the former spouse moves the money around so my legislation allows the courts to garnish the check before it even goes to the winner.

139 BRENDA BREAMES: Presents testimony in support of SB 1055 (EXHIBIT E).

183 THERESA RAY: Submits letter from Teri Light (EXHIBIT F).

187 JOHN ELLIS: Presents testimony in favor of SB 1055 (EXHIBIT G).

196 JIM DAVEY: The lottery doesn't have a problem with this. All we would need would be the computer system. It would take \$7,700 to keep this program running.

224 CHAIR FAWBUSH: I would be tempted to eliminate the fiscal appropriation and just let you do it.

228 DAVEY: I think that would be fine.

245 MOTION: SEN. HAMBY moves to strike Section 4 from SB 1055.

VOTE: Being no objections the above amendment is adopted.

250 MOTION: SEN. HAMBY moves SB 1055, as amended, to the floor with a Do Pass recommendation.

VOTE: By roll call vote (6-0) SB 1055, as amended, passes to the floor with a Do Pass recommendation. Voting AYE: SENATORS DUFF, HAMBY, HILL, JOLIN, TIMMS and FAWBUSH.

HB 5005 (Oregon Resource And Technology Development Corp. Budget) - Public Hearing and Work Session

260 CORTRIGHT: Presents Staff Measure Summary on HB 5005 (EXHIBIT H) and -2 amendments to HB 5005 (EXHIBIT I).

279 CHAIR FAWBUSH: This is the normal operating budget bill.

283 MOTION: The CHAIR moves the -2 amendments to HB 5005.

VOTE: Being no objection the -2 amendments are adopted.

295 SEN. HILL: This is not in the Governor's budget is it?

300 CHAIR FAWBUSH: We heard the bill early for privatizing ORTDC and they are not scheduled to be issued anymore money this time.

303 CORTRIGHT: The expenditure limitation in this bill is for money that ORTDC already has or will earn in interest in repayment in the coming biennium. If the privatization bill occurs then it may mute the question of whether you need this bill because then ORTDC would become a private entity.

335 CHAIR FAWBUSH: The committee could put more money into ORTDC if it chooses through lottery. This bill just says if you want to continue business as normal then they can do that. If we don't pass this then they don't have the authority to expand and we effectively shut them down.

363 SEN. HAMBY: We do have a vehicle that will allow them a separation of dollars for audit purposes don't we?

367 CORTRIGHT: Section 4 since it amends existing ORS 284.680, does not amend the audit provision.

380 MOTION: The CHAIR moves HB 5005, as amended, to Ways and Means.

VOTE: By roll call vote (6-0) HB 5005, as amended, pass to Ways and Means.

Voting AYE:
SENATORS DUFF, HAMBY, HILL, JOLIN, TIMMS and FAWBUSH.

SB 800 (Child's Development Accounts Trust Fund) - Public Hearing and Work Session

400 REPRESENTATIVE BEVERLY STEIN: Presents -3 amendments to SB 800 (EXHIBIT J).

418 DUNCAN WYSE: We have no problems with this legislation.

420 MOTION: SEN. HAMBY move the -3 amendments to SB 800.

VOTE: Being no objection the -3 amendments are adopted.

426 MOTION: The CHAIR move SB 800, as amended by the -3 amendments, to the floor,
rescinding Ways and Means.

VOTE: By roll call vote (6-0) SB 800, as amended by the -3 amendments, is moved to the floor,
rescinding Ways and Means. Voting AYE: SENATORS DUFF, HAMBY, HILL, JOLIN,
TIMMS and FAWBUSH.

TAPE 97, SIDE A

SB 1192 (Commodity Commission Contracting) - Public Hearing

020 PAUL HANNEMAN: Submits letter in support of SB 1192 (EXHIBIT K).

035 JOHN MC CULLEY: Testifies in support of SB 1192. Commodity commissions have existed in the state of Oregon for more than 40 years. They have been formed by producers who vote to tax themselves to fund the activities of the commissions which are to promote the product and to do research to help produce more of the product.

125 SEN. DUFF: This is not a tax it is an assessment.

129 MC CULLEY: They can dissolve this board whenever they want.

201 MARSHALL COBA: Testifies in favor of SB 1192.

223 THOMAS BAILEY: Testifies in favor of SB 1192.

245 CHAIR FAWBUSH: How do you know you get your moneys worth out of this?

255 BAILEY: The contract is reviewed on a yearly basis.

320 DAVE NELSON: Testifies in favor of SB 1192.

325 JOEL RUE: Presents testimony in favor of SB 1192 (EXHIBIT L).

400 NELSON: There is a wide range of responsibilities that commissions have been given.

419 BAILEY: I have been asked to form a state apple commission and this issue would simplify our formation process.

TAPE 96, SIDE B

026 BRYAN OSTLUND: Testifies in support of SB 1192.

045 MIKE COON: Testifies in support of SB 1192.

080 CHAIR FAWBUSH: Are there any politically oriented activities out of the commission?

083 COON: By the commission themselves, no. Part of our charter says we are supposed to promote the economic interest of the people that depend on that and that can take a variety of interests in the eyes of the commission.

092 CHAIR FAWBUSH: Does the grass seed commission contribute time or money in association with political causes or campaigns?

097 COON: Not as a group. We attempt to promote our product and promote ourselves.

100 SEN. DUFF: The ORS says the commission may "Study legislation, state and federal, with respect to tariffs, duties, reciprocal trade agreements, import quotas and other matters concerning the effect on the commodity industry, and represent and protect the interests of the commodity industry with respect to any legislation or proposed legislation or executive action which may affect that industry."

109 CHAIR FAWBUSH: You would expect with that that a commodity commission, for example, could take a position on an export limitation bill or something like that. That would be within their framework wouldn't it?

117 PHIL WARD: The department has no problems with this legislation. We are not a proponent or an opponent.

143 CHAIR FAWBUSH: How many commodity commissions do you administer?

145 WARD: There are currently 27 in the state of Oregon. 12 of those have paid employees. 13 have private contractors of the nature we are discussing today. 2 of those remain with the department doing their administrative services through an intergovernmental agreement.

150 SEN. HAMBY: Tell me a little bit about the wine advisory board. Are they prepared to move more in the direction of a commodity commission and assess themselves?

156 WARD: They are not a commodity commission and they do generate funds through a taxation issue.
Their employees are actually employees of the Department of Agriculture.

164 SEN. TIMMS: There is a bill that would require the commodity commissions to provide their own financing, that is currently provided out of the Department of Agriculture's general fund, for auditing.
How is that going to affect the commodity commissions?

178 WARD: Historically, there has been two general fund positions in the Department of Agriculture that supported the commodity commissions. We lost one of those this biennium in the 10% cuts we gave up as an agency. The other is still generally funded and in the Governor's budget as such. SB 742 would remove that general fund and require us to assess commissions on a proportionate rate to their income.

208 SEN. DUFF: Are commodity commissions required to contract with the Department of Agriculture to provide these services?

218 WARD: That is in the statutes.

233 CORTRIGHT: This bill exempts the contractors from some provisions of the law but not the commodity.

254 CHAIR FAWBUSH: The dilemma is that those of us who want to see the commodity commissions continue as they are, we have to have this bill. We are not entirely free agents in this process. It is important that we send a strong message that the committee is interested in this.

273 CHAIR FAWBUSH: How do you monitor the commissions?

279 KIM HOLLAND: The monitoring duties are part of my job. I try to attend all the meetings but it is difficult to attend them all. While I am at the meeting I can prevent them from taking the wrong course. The budgets are submitted to the Director of Agriculture who then submits those to the Secretary of State's office. We deal with all contracts.

302 CORTRIGHT: Section 2 would exempt the commissions in their contracting for services from the provisions of chapter 279 of the ORS. Is there some authority that Ag gives you to approve those contracts?

316 HOLLAND: I am sure that the commissions submit each contract to the department and they are recently adopting selection and screening procedures for all personal services contracts so that those would be going through a fair, open and competitive process.

323 WARD: I don't believe that this affects out authority under 576 to review contracts.

383 CHAIR FAWBUSH adjourns the meeting at 4:42 pm .

Submitted by,

Jeri Chase
Office Manager

EXHIBIT SUMMARY

EXHIBIT A - -4 amendments to SB 996, submitted by Tami Miller, pgs. 1.

EXHIBIT B - Explanation of amendments, submitted by Tami Miller, pgs. 1.

EXHIBIT C - Hand engrossed SB 996, submitted by Tami Miller, pgs. 1.

EXHIBIT D - "Florida Lottery Pries Cash Out of Deadbeat Fathers,"
Governing, submitted by Sen. Bill
Kennemer, pgs. 1.

EXHIBIT E - Testimony in favor of SB 1055, submitted by Brenda Breames,
pgs. 1.

EXHIBIT F - Testimony from Teri Light, submitted by Theresa Ray, pgs. 1.

EXHIBIT G - Testimony in favor of SB 1055, submitted by John Ellis, pgs. 1

EXHIBIT H - Staff Measure Summary on HB 5005, submitted by Joe Cortright,
pgs. 1.

EXHIBIT I - -2 amendments to HB 5005, submitted by Joe Cortright, pgs. 1.

EXHIBIT J - -3 amendments to SB 800, submitted by Rep. Beverly Stein, pgs.
1.

EXHIBIT K - Testimony in support of SB 1192, submitted by Paul Hanneman,
pgs. 1.

EXHIBIT L - Testimony in support of SB 1192, submitted by Joel Rue, pgs. 3.