

CONFERENCE COMMITTEE ON SB 81

June 22, 1999 Hearing Room E

1:00 p.m. Tape 1

MEMBERS PRESENT: Sen. Courtney, Chair

Sen. Nelson

Sen. Tarno

Rep. Lowe

Rep. Shetterly

Rep. Williams

STAFF PRESENT: Anne Tweedt, Counsel

Judith Minnich, Administrative Support

MEASURE/ISSUES HEARD: SB 81 Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 1, A		
003	Chair Courtney	Calls meeting to order at 1:31 p.m.
<u>SB 81 WORK SESSION</u>		
014	Jim Markee	Oregon Collectors Association and Oregon Mortgage Bankers Association

		<p>Submits written testimony and testifies in support of SB 81B with the ñB8 amendments (EXHIBITS A & B). SB 81B allows the justice courts to issue garnishments, place a lien on real property to enforce municipal judgments and clarifies the authority of justice courts. The ñB8 amendments would allow the continuation of the current practice of recording a civil judgment from justice court by transcribing it to circuit court, but would also allow the recording of the judgment with the county clerk in the county lien record. The second part of the amendments would allow an exemption from the surcharge created by HB 2139 for satisfactions of judgment in order to encourage the filing of these satisfactions of judgment by the judgment debtor. The cost is estimated to be \$26,000 a year.</p>
069	Gil Riddell	<p>Association of Oregon Counties</p> <p>Testifies in opposition to the SB 81B ñB8 amendments. Indicates their objection is to the fee exemption because of its impact on the counties. Discusses the loss of funds to the local jurisdiction. Discusses HB 2139 that had the support of both houses. The fee is needed in order to fund the service provided to debt collectors by the county. Eliminating the fee is an attempt to alter the terms of HB 2139.</p>
114	John Gervais	<p>Oregon Justices of the Peace, Oregon Judges Associations</p> <p>Testifies in support of SB 81B including the ñB8 amendments.</p>
116	Rep. Lowe	<p>What is the anticipated cost of the loss of revenue if the ñB8 amendments are adopted?</p>
124	Riddell	<p>Charles Stern, of the County Clerks Association, estimates the impact at about \$30,000. The real issue is to acknowledge that users of public services need to pay their fair share.</p>
138	Rep. Lowe	<p>Is there a way a direct charge could be made to the collectors rather than charging those who wish to file a satisfaction of judgment?</p>
146	Riddell	<p>Iím informed by Washington County that if you take the number of satisfactions that are filed there and the number of calls received regarding each satisfaction, the cost is about 35 cents per call.</p>
153	Rep. Lowe	<p>My concern is with child support enforcement and the many satisfactions that are filed on this issue. Iím afraid that they will not be filed and would really muddy the records.</p>
160	Paul Snider	<p>Association of Oregon Counties</p> <p>It was my understanding that it was the obligation of the creditor to file a satisfaction of judgment. If that is true, then the vast majority of the cases filed outside the county could be satisfied by transcribing to circuit court.</p>
175	Markee	<p>This would not be the case since the first part of the amendments deal only with Justice Court judgments, not with satisfactions. These amendments exempt</p>

		satisfactions alone. Discusses HB 2775, which would exempt the State from paying certain fees.
203	Rep. Williams	Is the whole \$30,000 impact coming from the loss of the \$11 fee?
209	Charles Stern	Yamhill County Clerk The amendments only exempt the \$11 filing fee required by HB 2139. Discusses how the estimate of revenue loss was reached.
229	Rep. Williams	A creditor has a duty to file a satisfaction of judgment, however, a fee is a disincentive to file this satisfaction. There are many obligations that should be filed and perhaps might not be if the creditor is not a professional in the area. The fee will cause problems.
261	Rep. Shetterly	I do agree that the policy argument is persuasive. I would have been supportive of a waiver from the fee established by HB 2139, but that isn't the way it was presented.
298	Sen. Tarno	Is the loss of revenue the crux of the concern the counties have?
301	Riddell	No, the package presented on HB 2139 was a compromise. The ñB8 amendments to SB 81 will tip the balance which was negotiated for that bill. This would be a disappointment to a wide group of stakeholders.
328	Rep. Lowe	Would HB 2775, if passed, increase the revenue impact?
336	Riddell	I'm not familiar with that bill.
341	Markee	I don't believe that Mr. Stern's figures include the possible effect of HB 2775. We consulted with all the parties involved in the original bill regarding the ñB8 amendments. Except for the county, they have no concerns regarding the ñB8 amendments.
371	Stern	We took into consideration all judgments. We had no way to separate out judgments so the loss of revenue could be less.
382	Rep. Williams	If you start charging a fee, fewer satisfactions of judgment will be filed? Did you project a loss of income for people who just don't file because of the fee?
398	Stern	No.
413	Sen. Courtney	MOTION: Moves SB 81B to the floor with the recommendation that the Senate concur in House amendments dated 5/20/99 and that the bill be further

		AMENDED with the ñB8 amendments dated 6/14/99 and the Measure be REPASSED.
417	Rep. Shetterly	I think it is important that we send a clean message regarding this bill, so although I have reservations, I will vote aye.
		VOTE: 6-0
		Chair Courtney
		Hearing no objection, declares the motion CARRIED.
		SEN. NELSON & REP. WILLIAMS will lead discussion on the floor.
427	Sen. Tarno	The counties have expressed a concern and I would like to have us follow up on the revenue issue in two years.
432	Rep. Lowe	I agree.
433	Chair Courtney	Adjourns hearing at 9:00 a.m.

Submitted By, Reviewed By,

Judith Minnich, Anne Tweedt,
Administrative Support Counsel

EXHIBIT SUMMARY

A ñ SB 81B, -B8 amendments dated 6/14/99, 4 pp

B ñ SB 81B, written testimony from Jim Markee, 1 pp