

HOUSE COMMITTEE ON
BUSINESS, LABOR, AND CONSUMER AFFAIRS

January 28, 2005 Hearing Room B

9:00 A.M. Tapes 14 - 15

MEMBERS PRESENT: **Rep. Alan Brown, Chair**
 Rep. Mike Schaufler, Vice-Chair

Rep. George Gilman

Rep. Paul Holvey

Rep. Derrick Kitts

Rep. Chip Shields

MEMBERS EXCUSED: **Rep. Sal Esquivel, Vice-Chair**

STAFF PRESENT: **Janet Adkins, Committee Administrator**

Katie Howard, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2352 – Public Hearing and Work Session

HB 2055 – Public Hearing and Work Session

HB 2057 – Public Hearing

HB 2238 – Public Hearing

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 14, A

004 Chair Brown Calls the meeting to order at 9:03 a.m. Opens the public hearing on HB 2352.

HB 2352 - PUBLIC HEARING

006 Janet Adkins Committee Administrator. Explains HB 2352.

027 Mark Long Administrator, Buildings Codes Division. Describes history of system that HB 2352 is amending. Wants to keep continuing education and training approaches rather than inspections. Speaks in support of HB 2352.

043 Patrick Allen Manager, Office of Regulatory Streamlining. Speaks in support of HB 2352, because it is good regulatory streamlining.

047 Rep. Shields Asks if the HB 2352 will affect consumer safety.

048 Long Explains that he does not believe that it will affect consumer safety. Says that they monitor the used recreational vehicle (RV) dealers on an on-going basis and the bill will not relieve that responsibility.

057 Shawn Miller Lobbyist, Oregon Recreational Vehicle Dealer Association. Submits prepared testimony in support of HB 2352 (**EXHIBIT C**). Feels that dealers are having more responsibilities and regulations than private sellers. Explains HB 2352 accomplishes his goals. Talks about sales of used RVs and sites that 75% of RV sales are through private sales which have no regulations.

079 Roger Kirschner Citizen, Marion County. Discusses how the service department checks the systems in the RV and the requirement for the sticker does not help RVs to remain safer. Says there are no rampant safety problems.

102 Miller Talks about consumer safety issues and explains Service Centers that all used RV dealers have to use before they sell the RV. Adds that all RV dealers are licensed with the Department of Transportation. Believes that enough regulations exist to ensure that consumers are safe.

115 Asks if there are dealers that sell only used RVs.

Rep.
Shields

- 116 Kirschner Affirms that some RV dealers only sell used RVs.
- 117 Rep. Shields Asks if those dealers have expertise inspecting the used RVs and determining whether or not the vehicle is safe.
- 119 Kirschner Reiterates that no problems have arisen to the surface. Says that used RV dealers that intend to stay in business need to have a service department.
- 124 Rep. Holvey Wants clarification on the bill in terms of what a used vehicle means and asks if a RV licensed and titled in another state is a used vehicle.
- 130 Kirschner Says that it could be licensed in Oregon and still be a used vehicle.
- 141 Long Explains that the bill allows them to still regulate new vehicles. Says that it does not relieve the states responsibility to regulate used RV dealers. Explains that the dealers are still regulated under a quality control program and that it is adequate to regulate the dealers.
- 166 Rep. Holvey Expresses desire for RVs to continue to be regulated and inspected.
- 173 Long Emphasizes that the dealer license requires RV inspection.
- 181 Chair Brown Asks about insignias and asks about the stickers on the appliances.
- 184 Long Says that the stickers on the appliances are something that the Building Codes Division has given to the dealers. Clarifies that the insignia that HB 2352 is addressing is a regulatory sticker that is affixed to the exterior of the RV.
- 190 Chair Brown Closes the public hearing on HB 2352 and opens the work session on HB 2352.

HB 2352 - WORK SESSION

- 200 Rep. Kitts **MOTION: Moves HB 2352 to the floor with a DO PASS recommendation.**

VOTE: 6-0-1

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Rep. Esquivel

Chair **The motion CARRIES.**
Brown

211 **Rep. Kitts****MOTION: Moves HB 2352 be placed on the CONSENT CALENDAR.**

VOTE: 6-0-1

EXCUSED: 1 - Rep. Esquivel

Chair **Hearing no objection, declares the motion CARRIED.**
Brown

219 Chair Closes the work session on HB 2352 and opens the public hearing on HB 2055.
Brown

HB 2055 - PUBLIC HEARING

221 Janet Committee Administrator. Explains HB 2055.
Adkins

230 John Communications Director, Oregon Liquor Control Commission. Summarizes prepared
Stubenvolltestimony in support of HB 2055 (**EXHIBIT A**). Explains criminal history that would keep
someone from getting an alcohol service permit. Wants more time to start the appeals process

262 Adkins Asks why the bill keeps the time to start the appeals process to 15 days for a person who has
not completed the alcohol server education.

268 StubenvollExplains that usually people who have not completed the course are only notified that they
must complete the course.

280 Chair Closes the public hearing on HB 2055 and opens the work session on HB 2055.
Brown

HB 2055 - WORK SESSION

285 **Rep. Kitts****MOTION: Moves HB 2055 to the floor with a DO PASS recommendation.**

VOTE: 6-0-1

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Esquivel

Chair **The motion CARRIES.**
Brown

295 **Rep. Kitts****MOTION: Moves HB 2055 be placed on the CONSENT CALENDAR.**

VOTE: 6-0-1

EXCUSED: 1 - Esquivel

Chair **Hearing no objection, declares the motion CARRIED.**
Brown

296 **Chair** Closes the work session on HB 2055 and opens the public hearing on HB 2057.
Brown

HB 2057 - PUBLIC HEARING

310 **Janet** Committee Administrator. Explains HB 2057.
Adkins

332 **John** Communications Director, Oregon Liquor Control Commission. Summarizes prepared
Stubenvoll testimony in support of HB 2057 (**EXHIBIT B**). Explains that the fee to serve alcohol will
be changed. Says that the average length of an event was 8.42 hours for the 2003 fiscal year.
Discusses that fact that some events are not able to have a “beer garden” and wants to give
people the option through HB 2057. Gives history of the regulating “beer gardens”.

399 **Rep. Kitts** Asks about events lasting less than five hours and is concerned that HB 2057 raises the fees
on those people. Asks how an average is established for the event.

413 **Stubenvoll** Says that less than five hours would equal five hours and between five hours and ten hours it
would be ten hours.

418 **Rep. Kitts** Asks clarifying question.

420 **Stubenvoll** Explains that the statistic that he spoke about earlier is based on the records that the licensees
submitted to them and is based on how long the event actually was.

TAPE 15, A

010 **Rep. Kitts** Wants to draft some amendments to make it \$25 per day to \$50 per day.

015 **Chair** Says that the HB 2057 could go to Ways and Means with a recommendation and be amended
Brown there.

- 018 Rep. Requests that the fee is \$25 per day. Asks about event insurance for an event and asks if HB
Schaufler 2057 says they are not required to post a bond.
- 031 StubenvollSays no requirement for event insurance for these events exists. Believes that the intent of
this part of the statute was to provide some room for fundraising opportunities for charitable
organizations.
- 041 Rep. Asks if it applies to the people that were having wine every night at the senior citizens' homes
Schaufler or if it applies to raffles at schools.
- 048 StubenvollSays that it applies to the latter.
- 049 Rep. Asks about the numbers for the administrative costs for issuing the licenses.
Holvey
- 055 StubenvollReplies that he does not have the information and he will get the information for Rep. Holvey.
- 063 Rep. Kitts Requests that the committee stand at ease.
- 064 Chair Grants request.
Brown
- 065 Rep. Kitts Requests that the bill be amended to read \$25 per day instead of the current \$50 per day.
- 071 Chair Says that the staff will request amendment.
Brown
- 074 Rep. Reiterates that he would like to know the cost of the permit and if it is covering the cost of
Holvey issuing it.
- 081 Chair Requests figures about cost of issuing permits from Jon Stubenvoll. Closes the public hearing
Brown on HB 2057 and opens the public hearing on HB 2238.

HB 2238 - PUBLIC HEARING

- 085 Janet Committee Administrator. Explains the HB 2238.
Adkins
- 097 Rep. Jerry House District 26. Explains further HB 2238. Wants to see the process streamlined when
Krummel establishments are applying for permits from the Oregon Liquor Control Commission
(OLCC) and the Oregon Lottery. Wants the two agencies to work together. Speaks in support
of HB 2238.

- 150 Mark Zaiger Owner, Ace Tavern, Washington County. Talks about the OLCC and how his liquor sales were suspended for four days. Feels that the lottery commission revoked his lottery contract permanently and this resulted in considerable financial hardship. Says that he had no violations with the lottery commission and feels that there needs to be better communications.
- 184 Rep. Schaufler Speaks in support of HB 2238. Asks Mr. Zaiger if the HB 2238 would help him as a small business owner.
- 193 Zaiger Says that it would streamline the process and that much of the information given to both the OLCC and the Oregon Lottery is repetitive.
- 200 Rep. Shields Asks about a 30 day hearing possibility and asks if when Zaiger had a hearing if he had the option of having his hearing before another board.
- 208 Zaiger Says that there is an appeals process with the OLCC.
- 213 Chair Brown Asks about the OLCC license loss and if he lost the license with the Lottery Commission even after the OLCC license was reinstated.
- 216 Zaiger Explains the situation and his suspension. Says that after the four day suspension the lottery commission revoked the contract.
- 227 Chair Brown Asks if the Lottery Commission reinstated the license
- 228 Zaiger Says that it was reinstated in August of 2004 after resubmitting a new application. It was permanently revoked.
- 235 Rep. Krummel Says that the OLCC had exhausted their ability to fine Mr. Zaiger and then turned it over to the lottery and the lottery gave him a \$100,000 plus fine for the violation of contract. Says that the suspension of the OLCC license led to the suspension of the Lottery Commission license and explains that a de facto fine was created. Explains that HB 2238 is pertinent to create better communication so that fines are not so "heavy handed".
- 273 Rep. Schaufler Asks Rep. Krummel to clarify what the bill is for.
- 282 Rep. Krummel Says that the bill is to streamline the licensing process for the Lottery Commission and the OLCC.
- 285 Rep. Kitts Asks if they are helping the two departments to work together in the licensing process.
- 292 Rep. Krummel Says that they are asking the two state agencies to work together in a more streamlined way. Explains that it is a precursor for people to apply online.

- 310 Chair Brown Asks if there are amendments coming.
- 312 Rep. Krummel Says that there are amendments coming to clarify the information that can be shared between the two agencies. Clarifies that he will convene a work group.
- 343 Rep. Kitts Asks if someone from the committee needs to be a part of the work group
- 345 Rep. Krummel Says that he would like someone to be on the committee and will schedule it and let the committee know when it will be.
- 357 Chair Brown Closes the public hearing on HB 2238. Adjourns the meeting at 9:56 a.m.

EXHIBIT SUMMARY

- A. **HB 2055, prepared testimony, Jon Stubenvoll, 2 pp**
- B. **HB 2057, prepared testimony, Jon Stubenvoll, 2 pp**
- C. **HB 2352, prepared testimony, Shawn Miller, 1 p**