

SENATE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

May 10, 2005
1:00 P.M.

Hearing Room B
Tapes 70 - 71

MEMBERS PRESENT: **Sen. Rick Metsger, Chair**
 Sen. Bruce Starr, Vice-Chair
 Sen. Jason Atkinson
 Sen. Ryan Deckert
 Sen. Laurie Monnes Anderson

STAFF PRESENT: **Theresa Van Winkle, Committee Administrator**
 James Goulding, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2084 A – Public Hearing and Work Session
HB 2096 A – Public Hearing and Work Session
HB 2072 – Public Hearing and Work Session
HB 2075 – Public Hearing and Work Session
HB 3088 – Public Hearing and Work Session
HB 3089 A – Public Hearing and Work Session
HB 2160 A – Public Hearing and Work Session
SB 922 – Work Session
SB 671 – 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 70, A		
003	Chair Metsger	Calls the meeting to order at 1:05 p.m. Opens a public hearing on HB 2084 A.
<u>HB 2084 A – PUBLIC HEARING</u>		
012	Paul Donheffner	Director, Oregon State Marine Board. Submits and summarizes written testimony in favor of HB 2084 A (EXHIBIT A).
051	Paul Rainey	Oregon Guides and Packers Association. Presents written testimony in favor of HB 2084 A (EXHIBIT B).
060	Sen. Atkinson	Asks why the Snake River is not addressed in the bill.
061	Donheffner	Replies that reciprocity with Idaho on the Snake River is addressed in the bill, but notes that there have been no issues with Idaho on the Snake Rivers as with Washington on the Columbia River.
065	Sen. Atkinson	Asks about the issue of guide trips originating in California.
069	Donheffner	Answers that Oregon does not share boundary waters with California as with the Snake or Columbia Rivers.
071	Sen. Atkinson	Asks if the issue is the same even without boundary waters.
075	Donheffner	Answers that the issue of reciprocity has not been raised on the Klamath River.
080	Sen. B. Starr	Closes the public hearing and opens a work session on HB 2084 A.
<u>HB 2084 A – WORK SESSION</u>		
082	Sen. Atkinson	MOTION: Moves HB 2084 A to the floor with a DO PASS

084	Sen. B. Starr	<p>recommendation. VOTE: 3-0-2 EXCUSED: 2 - Metsger, Monnes Anderson Hearing no objection, declares the motion CARRIED. SEN. ATKINSON will lead discussion on the floor.</p>
088	Sen. B. Starr	<p>Closes the work session on HB 2084 A. Opens a public hearing on HB 2096 A.</p>
<u>HB 2096 A – PUBLIC HEARING</u>		
090	Theresa Van Winkle	<p>Committee Administrator. Explains the provisions of the measure.</p>
095	Brian DeMarco	<p>Manager for Land Development and Policy Coordination, Oregon Real Estate Agency. Presents written testimony in favor of HB 2096 A (EXHIBIT C).</p>
141	Sen. B. Starr	<p>Closes the public hearing and opens a work session on HB 2096 A.</p>
<u>HB 2096 A – WORK SESSION</u>		
145	Chair Metsger	<p>MOTION: Moves HB 2069 A to the floor with a DO PASS recommendation.</p>
147	Sen. B. Starr	<p>VOTE: 4-0-1 EXCUSED: 1 - Atkinson Hearing no objection, declares the motion CARRIED. SEN. DECKERT will lead discussion on the floor.</p>
150	Chair Metsger	<p>Closes work session on HB 2096 A. Opens a public hearing on HB 2072.</p>
<u>HB 2072 – PUBLIC HEARING</u>		
164	Craig Smith	<p>Administrator, Construction Contractors Board (CCB). Submits and summarizes written testimony in support of HB 2072 (EXHIBIT D).</p>
210	William Boyd	<p>Manager, Dispute Resolution Section, CCB. States support for HB 2072.</p>
224	Steven Kafoury	<p>Oregon Remodelers Association. Testifies in favor of HB 2072.</p>
248	Chair Metsger	<p>Closes the public hearing and opens a work session on HB 2072.</p>
<u>HB 2072 – WORK SESSION</u>		
250	Sen. B. Starr	<p>MOTION: Moves to ADOPT HB 2072-1 amendments dated 5/4/05 (EXHIBIT E).</p>
252	Chair Metsger	<p>VOTE: 3-0-2 EXCUSED: 2 - Atkinson, Deckert Hearing no objection, declares the motion CARRIED.</p>
255	Sen. B. Starr	<p>MOTION: Moves HB 2072 to the floor with a DO PASS AS AMENDED recommendation.</p>
255	Sen. B. Starr	<p>VOTE: 3-0-2 EXCUSED: 2 - Atkinson, Deckert Hearing no objection, declares the motion CARRIED. SEN. MONNES ANDERSON will lead discussion on the floor.</p>
260	Chair Metsger	<p>Closes the work session on HB 2072. Opens a public hearing on HB 2075.</p>
<u>HB 2075 – PUBLIC HEARING</u>		
270	Craig Smith	<p>Administrator, Construction Contractors Board (CCB). Presents written testimony in favor of HB 2075 (EXHIBIT F).</p>
300	Sally Ridenour	<p>Education Manager, CCB. Testifies in favor of HB 2075.</p>
316	Dan Lubbers	<p>National Home Inspectors, President of Inspections Unlimited Franchise Services, Inc. Presents written testimony suggesting an</p>

		amendment for HB 2075 (EXHIBIT G).
360	Lubbers	Offers additional testimony for a revision of the bill.
397	Chair Metsger	Notes that the bill passed out of the House with no opposition and asks if Mr. Lubbers testified on the bill while it was in the House Business, Labor and Consumer Affairs Committee.
401	Lubbers	Answers no and replies that he was unaware of the hearing at the time.
406	Chair Metsger	States the importance of setting appropriate fees. Asks about adequate resources to achieve the intent of the bill.
415	Smith	Expresses concern with the fee structure. States that the CCB can do what is required with the fees that are in place.
TAPE 71, A		
015	Chair Metsger	Notes the broad rule-making authority of the CCB for setting standards of practice and professional conduct. Asks about the CCB working with the home inspectors to establish appropriate standards for the industry.
017	Smith	Responds that CCB works with the industry, but notes that since the industry is new, there is not yet consensus on rules and regulations. Describes the special advisory committee of home inspectors to address issues.
030	Sen. B. Starr	Asks if Mr. Lubbers objects to the bill because the standards would be too low.
037	Lubbers	Describes the setting of standards for home inspectors.
045	Sen. B. Starr	Asks if national standards for home inspectors would be acceptable.
053	Lubbers	Answers yes and explains the state and national standards.
077	Sen. B. Starr	Asks if Mr. Lubbers opposes the bill.
080	Lubbers	Encourages the adoption of the amendment described in his testimony (EXHIBIT G).
083	Sen. B. Starr	Inquires if there is an association for Oregon home inspectors to address potential issues.
086	Lubbers	Answers that "they come and go."
089	Smith	Comments on the fragmentation of the different groups of contractors that makes it difficult to develop an association.
095	Steve Telfer	Oregon Real Estate Inspectors Association. Presents written testimony in favor of HB 2075 (EXHIBIT H).
133	Chair Metsger	States support for the bill. Closes the public hearing and opens a work session on HB 2075.

HB 2075 – WORK SESSION

145	Sen. B. Starr	MOTION: Moves HB 2075 to the floor with a DO PASS recommendation.
147		VOTE: 4-0-1
		EXCUSED: 1 – Atkinson
	Chair Metsger	Hearing no objection, declares the motion CARRIED.
		SEN. DECKERT will lead discussion on the floor.
155	Chair Metsger	Closes the work session on HB 2072. Opens a public hearing on HB 3088.

HB 3088 – PUBLIC HEARING

163	Darrell Fuller	Oregon Auto Dealers Association. Presents written testimony in favor of HB 3088 (EXHIBIT I).
185	Chair Metsger	Asks how many dealers drive vehicles with dealer plates over expired plates.
190	Fuller	Answers that plates are generally inventoried when possession is taken of a vehicle. Describes a scenario in which an auto dealer

200	Chair Metsger	was cited for using dealer plates inappropriately.
<u>HB 3088 – WORK SESSION</u>		
202	Sen. B. Starr	Closes the public hearing and opens a work session on HB 3088.
MOTION: Moves HB 3088 to the floor with a DO PASS recommendation.		
204	Chair Metsger	VOTE: 5-0-0
Hearing no objection, declares the motion CARRIED.		
SEN. B. STARR will lead discussion on the floor.		
208	Chair Metsger	Closes the work session on HB 3088. Opens a public hearing on HB 3089 A.
<u>HB 3089 A – PUBLIC HEARING</u>		
215	Darrell Fuller	Oregon Auto Dealers Association. Presents written testimony in favor of HB 3089 A (EXHIBIT J).
237	Sen. Deckert	Asks if the language is specific enough to prevent vehicles to be sold rather than just advertised at a location other than a car dealership.
244	Fuller	Directs him to language in the bill preventing sales at other locations.
258	Sen. Deckert	Wonders why vehicles could not be sold at another location such as a Costco store.
262	Fuller	States that Costco would have to become a licensed auto dealer to sell vehicles.
278	Monty King	President, Oregon Vehicle Dealers Association. States that he has no opposition to the measure.
302	Chair Metsger	Closes the public hearing and opens a work session on HB 3089 A.
<u>HB 3089 A – WORK SESSION</u>		
305	Sen. B. Starr	MOTION: Moves HB 3089 A to the floor with a DO PASS recommendation.
307	Chair Metsger	VOTE: 5-0-0
Hearing no objection, declares the motion CARRIED.		
SEN. ATKINSON will lead discussion on the floor.		
310	Chair Metsger	Closes the work session on HB 3089 A. Opens a public hearing on HB 2160 A.
<u>HB 2160 A – PUBLIC HEARING</u>		
315	Joel Ario	Administrator, Insurance Division, Department of Consumer and Business Services. Presents written testimony in favor of HB 2160 A (EXHIBIT K). States support for the –A5 amendments (EXHIBIT L).
371	Jim Markee	Surplus Line Association of Oregon. Testifies in support of HB 2160 A. Explains the –A5 amendments (EXHIBIT L).
TAPE 70, B		
002	Mike Bonetto	Clear Choice Health Plans. Presents written testimony in support of HB 2160 A (EXHIBIT M).
020	Ario	Explains the –A6 amendments (EXHIBIT N).
033	Sen. Deckert	Asks about applicability of the bill to other health plans.
040	Ario	Replies that it has not been an issue until it was raised by Clear Choice Health Plans.
053	Bonetto	Explains that Clear Choice is attempting to operate differently by being regulated by the state.
063	Chair Metsger	Explains that the bill is attempting to conform to federal regulations. Closes the public hearing and opens a work session

on HB 2160.

The following material is submitted for the record without public testimony:

Larry Boyd

Executive Director, Surplus Line Association of Oregon.
Submits written testimony in favor of HB 2160 A (**EXHIBIT O**).

HB 2160 A – WORK SESSION

075 Sen. B. Starr

MOTION: Moves to ADOPT HB 2160 A-A5 amendments dated 4/8/05.

077

VOTE: 4-0-1

EXCUSED: 1 - Atkinson

Hearing no objection, declares the motion CARRIED.

080 Chair Metsger

MOTION: Moves to ADOPT HB 2160 A-A6 amendments dated 5/9/05.

Sen. B. Starr

082

VOTE: 4-0-1

EXCUSED: 1 - Atkinson

Hearing no objection, declares the motion CARRIED.

085 Chair Metsger

MOTION: Moves HB 2160 A to the floor with a DO PASS AS AMENDED recommendation.

Sen. B. Starr

087

VOTE: 4-0-1

EXCUSED: 1 - Atkinson

Hearing no objection, declares the motion CARRIED.

SEN. METSGER will lead discussion on the floor.

Chair Metsger

089

Closes the work session on HB 2160 A. Opens a work session on SB 922.

SB 922 – WORK SESSION

091 Chair Metsger

Explains the comments of Mr. Elkins regarding his conflicts with the bill.

102 Steve Murrell

State Farm Insurance. Explains the provisions of SB 922.

143 Chair Metsger

States support for the bill.

152 Murrell

Explains the -2 amendments (**EXHIBIT P**).

167 Sen. B. Starr

MOTION: Moves to ADOPT SB 922-2 amendments dated 4/25/05.

169

VOTE: 4-0-1

EXCUSED: 1 - Atkinson

Hearing no objection, declares the motion CARRIED.

172 Chair Metsger

MOTION: Moves SB 922 to the floor with a DO PASS AS AMENDED recommendation.

Sen. B. Starr

173

VOTE: 4-0-1

EXCUSED: 1 - Atkinson

Hearing no objection, declares the motion CARRIED.

SEN. METSGER will lead discussion on the floor.

Chair Metsger

175 Chair Metsger

Closes the work session on SB 922. Opens a work session on SB 671.

SB 671 – WORK SESSION

180 Chair Metsger

Mentions the -6 amendments (**EXHIBIT Q**).

205 Jeff Bissonette

Citizens Utility Board of Oregon (CUB). Expresses concerns about SB 671 and the intentions of the bill.

231 Chair Metsger

Notes a letter from Lee Beyer, Chairman, Public Utility Commission (PUC) stating that the PUC believes the amendments provide necessary oversight (**EXHIBIT R**).

241 Bissonette

States that he is aware of Mr. Beyer's letter, but concerns remain.

251 Dave Barrows

Oregon Mutual Utility Development, Inc. Explains the -6 amendments (**EXHIBIT Q**) and the relationship to the -4

		amendments. Notes the letter conveying support for the bill from Mr. Beyer (EXHIBIT R).
300	Chair Metsger	Summarizes SB 671 and the amendments. Closes the work session on SB 671.
326	Chair Metsger	Adjourns the committee at 2:26 p.m.

EXHIBIT SUMMARY

- A. **HB 2084 A, prepared testimony, Paul Donheffner, 2 pp**
- B. **HB 2084 A, prepared testimony, Paul Rainey, 1 p**
- C. **HB 2096 A, prepared testimony, Brian DeMarco, 6 pp**
- D. **HB 2072, prepared testimony, Craig Smith, 8 pp**
- E. **HB 2072, -1 amendments, staff, 1 p**
- F. **HB 2075, prepared testimony, Craig Smith, 15 pp**
- G. **HB 2075, prepared testimony, Dan Lubbers, 1 p**
- H. **HB 2075, prepared testimony, Steve Telfer, 1 p**
- I. **HB 3088, prepared testimony, Darrell Fuller, 1 p**
- J. **HB 3089 A, prepared testimony, Darrell Fuller, 1 p**
- K. **HB 2160 A, prepared testimony, Joel Ario, 3 pp**
- L. **HB 2160 A, -A5 amendments, staff, 7 pp**
- M. **HB 2160 A, prepared testimony, Mike Bonetto, 2 pp**
- N. **HB 2160 A, -A6 amendments, staff, 2 pp**
- O. **HB 2160 A, prepared testimony, Larry Boyd, 1 p**
- P. **SB 922, -2 amendments, staff, 1 p**
- Q. **SB 671, -6 amendments, staff, 18 pp**
- R. **SB 671, prepared testimony, Lee Beyer, 1 p**