

SENATE COMMITTEE ON COMMERCE

March 22, 2005
3:10 P.M.

Hearing Room C
Tapes 39 - 40

MEMBERS PRESENT: **Sen. Floyd Prozanski, Chair**
 Sen. Roger Beyer, Vice-Chair
 Sen. Ginny Burdick
 Sen. Charlie Ringo

MEMBER EXCUSED: **Sen. Doug Whitsett**

STAFF PRESENT: **Anna Braun, Committee Administrator**
 Karen Scoffield, Committee Assistant

MEASURES/ISSUES HEARD:
 SB 738 – Public Hearing
 SB 944 – Public Hearing
 SB 912 – Work Session
 SB 141 – Public Hearing
 SB 975 – 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 39, A		
005	Chair Prozanski	Calls the meeting to order at 3:17 p.m. Opens public hearing on SB 738. Announces the committee is meeting as a subcommittee.
<u>SB 738 – PUBLIC HEARING</u>		
	Anna Braun	Committee Administrator. Introduces the -6 amendments to SB 738 (EXHIBIT A).
020	Chuck Tauman	Attorney, Portland, Oregon. Discusses and submits a fact sheet by the National Association of State Fire Marshals regarding SB 738 (EXHIBIT B). Testifies in support of SB 738.
045	Chair Prozanski	Acknowledges that the committee is now meeting as a full committee. Converses with Tauman regarding testimony.
047	Tauman	Concludes testimony.
075	Tari Glocar	President, Oregon Fire Marshals Association. Discusses and submits written testimony in support of SB 738 (EXHIBIT C).
110	Peter Shepherd	Deputy Attorney General. Testifies in support of SB 738 with the -6 amendments.
150	Bill Lafferty	Fire Program Director, Oregon Department of Forestry. Discusses and submits written testimony in support of SB 738 (EXHIBIT D).
175	Lisa Millet	Injury Prevention Epidemiology Health Services, Office of Disease Prevention and Epidemiology, Oregon Department of Human Services.
		Discusses and submits written testimony in support of SB 738 (EXHIBIT E).
220	Sen. Beyer	Asks Lafferty a question.

221	Lafferty	Responds.
222	Sen. Beyer	Inquires how many people were prosecuted who caused fires from cigarettes.
223	Lafferty	Answers that he does not have the information with him.
225	Sen. Beyer	Asks if Lafferty has data showing the difference between fire safe cigarettes and regular cigarettes' ability to cause forest fires.
229	Lafferty	Responds.
245	Mark Nelson	R.J. Reynolds. Testifies in opposition to SB 738. Discusses the - 6 amendments to SB 738. Discusses desire for a federal standard rather than a state standard.
290	Nelson	Discusses the potential loss of tax revenue on cigarette sales.
350	Nelson	Concludes testimony.
370	Sen. Ringo	Inquires if there are studies regarding how many lives would be saved nationwide if all cigarettes were changed to fire safe cigarettes.
372	Nelson	Responds that he does not know the validity of the statistics that have been brought forward.
375	Sen. Ringo	Asks if Nelson disputes the statistics.
376	Nelson	Answers that he does not have any basis to accept or dispute them.
378	Sen. Ringo	Asks if the tobacco industry has analyzed the lives that could be saved.
382	Nelson	Responds that he does not know of any study by the industry regarding that.
388	Sen. Ringo	Comments that they are trying to save lives killed by tobacco fires.
390	Nelson	Remarks that he disagrees with the method of changing the legislation state by state.
393	Sen. Ringo	Comments that it would be preferable to have this done as a national standard, but feels that the tobacco industry would fight it on a national basis and it is therefore left up to the states.
395	Nelson	Remarks that he is not aware that the industry is fighting this type of legislation on a national basis. Remarks that his company has been neutral on a national basis.
410	Sen. Burdick	Inquires how R.J. Reynolds can justify their neutral position on a national level if they are arguing against the legislation state by state.
413	Nelson	Answers that they are concerned because they have seen some reduction of quality in the fire safe cigarettes and they are continuously evaluating this issue.
TAPE 40, A		
011	Chair Prozanski	Inquires where R.J. Reynolds is at on advancing the legislation before Congress.
014	Nelson	Responds that he does not know.
016	Chair Prozanski	Inquires if there is research to show that smaller cigarette manufacturers went out of business in New York or Canada when their fire safe cigarette legislation passed.
020	Nelson	Responds that he does not know of the impact in Canada or New York.
030	Chair Prozanski	Closes public hearing on SB 738. Carries SB 738 over to March 24, 2005 as a public hearing and work session.
042	Chair Prozanski	Opens public hearing on SB 944.
<u>SB 944 – PUBLIC HEARING</u>		
045	Anna Braun	Committee Administrator. Provides an overview of SB 944.

050	Sen. Beyer	Introduces the -1 amendments to SB 944 (EXHIBIT F). Asks Braun about the preliminary staff report showing previous meetings on SB 944.
054	Braun	Answers that it was on a previous agenda and was not heard.
057	Chair Prozanski	Comments on the preliminary staff report.
060	Sen. Charlie Ringo	Senate District 17. States that he sponsored SB 944 for his constituent Carl Plass. Testifies in support of SB 944. Provides background on SB 944. States that there is a need for further amendments.
085	Carl Plass	Stonegraphics, Inc. Testifies in support of SB 944. Discusses the need of SB 944.
135	Sen. Ringo	Asks Plass to state the problem that needs to be resolved.
138	Plass	Discusses procedures of customers trying to purchase a funeral memorial. Discusses problems with funeral homes giving false information to consumers.
165	Chair Prozanski	Discusses the -1 amendments to SB 944. Raises concern that the -1 amendments are setting up a standard that would be hard to enforce.
183	Plass	Responds that the section of the -1 amendments mentioned by Chair Prozanski paraphrases the federal trade commission rule regarding price lists and disclosures currently required by funeral homes.
190	Chair Prozanski	Asks Plass if he has access to the federal trade commission rules he is speaking of.
192	Plass	Answers that he does not have them with him.
195	Chair Prozanski	Asks Plass to return the information. Asks Sen. Ringo if there are additional amendments being worked on.
197	Sen. Ringo	Answers, yes.
210	David Koach	Executive Director, Mortuary and Cemetery Board. Testifies with a neutral position to SB 944. Remarks that the board has not been able to completely review the bill and the -1 amendments, so they currently have a neutral position. Discusses concern with the language of the bill.
290	Chair Prozanski	Remarks that there will be additional work on SB 944. Encourages Koach to look over the bill and the -1 amendments further.
295	Koach	Remarks that the Mortuary and Cemetery Board has invited Plass to appear at their meeting next Tuesday to learn of the nature of the problem he is trying to solve.
305	Chair Prozanski	Inquires regarding the abilities of the Mortuary and Cemetery Board to take action.
315	Koach	Responds that he does not know the answer, but offers to look over the Mortuary and Cemetery Board's rules and regulations.
330	Chair Prozanski	Asks Koach about comments from Plass' testimony.
335	Koach	Responds. Discusses maintenance of markers.
390	Chair Prozanski	Asks Koach to provide a copy of the rules of the Mortuary and Cemetery Board.
410	Patrick Allen	Office of Regulatory Streamlining. Testifies with a neutral position to SB 944.
TAPE 39, B		
015	Ty Cochrane	Legislative Liaison, Cemetery Association of Oregon. Testifies with a neutral position to SB 944. Comments on his inability to review the -1 amendments in full. Discusses desire to work together on SB 944.

045	Sen. Ringo	Asks witness to state his name again.
047	Cochrane	States his name.
049	Chair Prozanski	Closes public hearing on SB 944. Opens work session on SB 912.
<u>SB 912 – WORK SESSION</u>		
051	Chair Prozanski	Announces that the work session on SB 912 will be carried over to March 24, 2005.
053	Chair Prozanski	Closes work session on SB 912 and opens public hearing on SB 141.
<u>SB 141 – PUBLIC HEARING</u>		
070	Annette Talbott	Deputy Labor Commissioner, Bureau of Labor and Industries (BOLI). Testifies in support of SB 141. Introduces -1 amendments to SB 141 (EXHIBIT G). Submits written testimony on behalf of Dan Gardner, Commissioner, BOLI, in support of SB 141 (EXHIBIT H).
120	Tim Martinez	Oregon Bankers Association (OBA). Testifies regarding SB 141. Discusses concerns with SB 141 and the -1 amendments.
135	Chair Prozanski	Asks Martinez a question.
145	Martinez	Responds. Discusses concerns with language in SB 141.
170	Talbott	Asks if she may address Martinez’s concerns.
173	Chair Prozanski	Responds.
175	Talbott	Remarks that BOLI needs direction from the committee to know how to proceed and draft the necessary amendments to SB 141. Remarks that they want to allow the employer to have the option to provide electronic devices for payment. Responds to Martinez’s comments and concerns.
205	Chair Prozanski	Asks the parties to work together to resolve their concerns and report to the committee administrator.
210	Talbott	Responds. Comments on the need for clarification from the committee.
225	Martinez	Clarifies that the language regarding debit cards does not work for banks.
230	Chair Prozanski	Clarifies Martinez’s concerns.
235	Martinez	Responds.
237	Chair Prozanski	Closes public hearing on SB 141 and opens public hearing on SB 975.
<u>SB 975 – PUBLIC HEARING</u>		
250	Anna Braun	Committee Administrator. Provides an overview of SB 975.
260	Rob Wagner	Comments that an additional amendment is expected to SB 975. American Federation of Teachers - Oregon. Testifies in support of SB 975.
270	Arthur Towers	Political Director, Service Employees International Union (SEIU). Testifies in support of SB 975.
295	Matt Swanson	Oregon American Federation of Labor - Congress of Industrial Organizations (AFL-CIO). Testifies in support of SB 975.
309	Sen. Beyer	Asks for the bill number from the last legislative session that is similar to SB 975.
312	Wagner	Offers to provide a copy of the bill to the committee.
315	Chair Prozanski	Asks for clarification on wording of SB 975.
325	Swanson	Responds.
334	Chair Prozanski	Clarifies Swanson’s response.
335	Swanson	Answers, yes.
336	Chair Prozanski	Clarifies who the bill includes.
337	Braun	States understanding.

344	Prozanski	States reason for the need of the clarification.
351	Shawn Miller	Associated Builders and Contractors. Testifies regarding SB 975. Comments on the need for amendments to SB 975.
370	Mike McArthur	Executive Director, Association of Oregon Counties. Testifies regarding SB 975. Discusses potential costs and work associated with SB 975.
400	Chair Prozanski	Comments that McArthur's concerns may be alleviated by the amendments to SB 975.
410	McArthur	Responds.
422	Dave Barenberg	League of Oregon Cities. Discusses concern with SB 975.
435	Chair Prozanski	Asks if the witnesses remember the past legislation similar to SB 975 that passed through the Senate.
440	McArthur	Answers that he is not familiar with it, but will find out if anyone from his organization is.
441	Barenberg	Offers to do the same.
447	Chair Prozanski	Closes public hearing on SB 975. Adjourns the meeting at 4:43 p.m.

EXHIBIT SUMMARY

- A. **SB 738, -6 amendments, staff, 5 pp**
- B. **SB 738, fact sheet, Chuck Tauman, 5 pp**
- C. **SB 738, written testimony, Tari Glocar, 1 p**
- D. **SB 738, written testimony, Bill Lafferty, 1 p**
- E. **SB 738, written testimony, Lisa Millet, 2 pp**
- F. **SB 944, -1 amendments, staff, 1 p**
- G. **SB 141, -1 amendments, Annette Talbott, 1 p**
- H. **SB 141, written testimony of Dan Gardner, Annette Talbott, 2 pp**