

## SENATE COMMITTEE ON COMMERCE

March 24, 2005  
3:10 P.M.

Hearing Room C  
Tapes 41 - 44

Corrected 8/12/05

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

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

**MEASURES/ISSUES HEARD:**

SB 355 – Public Hearing  
SB 935 – Public Hearing  
SB 738 – Work Session  
SB 912 – Work Session  
SB 133 – Work Session  
SB 434 – Work Session  
SB 386 – Work Session  
SB 132 – Work Session  
SB 576 – Work Session  
SB 119 – Work Session  
SB 37 – Work Session  
SB 334 – Public Hearing  
SB 339 – 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
<b>TAPE 41, A</b>		
005	Chair Prozanski	Calls the meeting to order at 3:15 p.m. Opens public hearing on SB 355.
<b><u>SB 355 – PUBLIC HEARING</u></b>		
013	Anna Braun	Committee Administrator. Provides an overview of SB 355. Introduces the -1 amendments to SB 355 ( <b>EXHIBIT A</b> ).
017	Sen. David Nelson	Senate District 29. Introduces constituent, Margaret Davidson. Testifies in support of SB 355.
032	Margaret Davidson	Executive Director, Community Connection of Northeast Oregon. Discusses and submits written testimony in support of SB 355 ( <b>EXHIBIT B</b> ).
050	Sen. Nelson	Comments that they will stay in contact with the committee to work further on SB 355.
052	Chair Prozanski	Submits written testimony on behalf of Ross Laybourn, Oregon Department of Justice, regarding SB 355 ( <b>EXHIBIT C</b> ).
056	Chair Prozanski	Closes public hearing on SB 355 and opens public hearing on SB 935.
<b><u>SB 935 – PUBLIC HEARING</u></b>		
060	Anna Braun	Committee Administrator. Provides an overview of SB 935.

070	Sen. Charlie Ringo	Senate District 17. Testifies in support of SB 935. Introduces Robin Kilpatrick.
100	Robin Kilpatrick	Citizen, Clackamas County, Oregon. Discusses and submits a letter in support of SB 935 ( <b>EXHIBIT D</b> ). Relates personal anecdote regarding total loss of auto.
125	Sen. Ringo	Asks Kilpatrick to describe the cost comparisons she found.
127	Kilpatrick	Continues testimony. Discusses the cost comparisons she found to her vehicle.
160	Sen. Beyer	Inquires what CCC and ADP are.
165	Kilpatrick	Responds that they are valuation organizations and are different from an appraisal. The companies are CCC Information Services, Inc. (CCC) and ADP Claims Services Group (ADP).
170	Sen. Ringo	Remarks that he understands that CCC and ADP work solely for the insurance industry. States that this is the most common complaint that the Insurance Division of the Department of Consumer and Business Services (DCBS) receives and that the language of SB 935 was drafted by the Insurance Division.
190	Sen. Beyer	Asks for clarification.
194	Sen. Ringo	Responds.
200	Sen. Beyer	Asks Sen. Ringo how he envisions SB 935 will take effect.
205	Sen. Ringo	Responds.
207	Sen. Beyer	Raises concern with the procedure.
210	Sen. Ringo	Remarks that it provides more guarantee.
213	Sen. Beyer	States that he would like to speak with DCBS about the procedure.
214	Sen. Ringo	Responds that it is a fair question.
225	Neil Jackson	Oregon Trial Lawyers Association. Discusses and submits written testimony in support of SB 935 ( <b>EXHIBIT E</b> ).
260	Carl Lundberg	Deputy Administrator, Insurance Division, DCBS. Discusses and submits written testimony on behalf of Joel Ario, Administrator, Insurance Division, DCBS, in support of SB 935 ( <b>EXHIBIT F</b> ).
340	Sen. Beyer	Inquires how Lundberg would determine who is on the list.
349	Lundberg	Responds. Discusses past procedures.
372	Sen. Beyer	Asks who will be compiling the list.
380	Lundberg	Responds. Comments that SB 935 does not specify who makes the decision.
405	Sen. Beyer	Comments on the desire to know which criteria will be used.
410	Chair Prozanski	Discusses plans regarding SB 935.
425	Sen. Beyer	Responds to Chair Prozanski.
<b>TAPE 42, A</b>		
010	Lundberg	Comments that they would be happy to work with other parties on SB 935.
015	Sen. Ringo	Asks Lundberg's interpretation of SB 935. Asks if the insurance company selects the two valuation services that are used.
017	Lundberg	Responds.
018	Sen. Ringo	Clarifies his understanding of the valuation process.
020	Lundberg	States that Ringo understands correctly.
025	Shawn Miller	Property Casualty Insurers Association of America (PCI), ADP Claims Services Group. Discusses and submits written testimony in opposition to SB 935 ( <b>EXHIBIT G</b> ) and an auto source valuation in opposition to SB 935 ( <b>EXHIBIT H</b> ).
090	Miller	Summarizes and concludes testimony.
115	Art Chartrand	CCC Information Services, Inc. Testifies in opposition to SB

		935. Submits written testimony of David D. Merritt, Assistant General Counsel, CCC Information Services, Inc., in opposition to SB 935 <b>(EXHIBIT I)</b> .
200	Chartrand	Concludes testimony.
225	Jack Munro	American Insurance Association. Testifies in opposition to SB 935.
275	Sen. Ringo	Discusses errors in auto source valuations.
295	Chartrand	Remarks that they guarantee the accuracy of their data.
305	Sen. Ringo	Inquires how much money CCC profits per valuation.
307	Chartrand	Responds.
309	Sen. Ringo	Asks if competition is an issue with CCC.
311	Chartrand	Responds.
315	Sen. Ringo	Discusses the need for guidelines in the rule making.
320	Munro	Responds to Sen. Ringo.
330	Chair Prozanski	Discusses the need of a work group.
340	Sen. Ringo	Comments on appreciation of forming a work group.
343	Miller	Comments on the work group.
350	John Powell	State Farm Insurance Companies, Liberty Northwest. Testifies in opposition to SB 935. Submits an excerpt from the DCBS Insurance Division Trade Practices <b>(EXHIBIT J)</b> .
390	Ernie Hebert	Claim Training Team Manager, State Farm Insurance Companies. Testifies in opposition to SB 935. Discusses State Farm's procedures in evaluating total loss vehicles.
<b>TAPE 41, B</b>		
025	John Powell	Asks if committee members have questions for Hebert.
030	Sen. Ringo	Asks if Hebert would join the workgroup.
032	Hebert	Answers, yes.
040	Chair Prozanski	Closes public hearing on SB 935 and announces that SB 311 will not be heard today and will be carried over.
043	Chair Prozanski	Opens work session on SB 738.
<b><u>SB 738 – WORK SESSION</u></b>		
	Anna Braun	Committee Administrator. Submits the -6 amendments <b>(EXHIBIT K)</b> and the -7 amendments <b>(EXHIBIT L)</b> to SB 738.
<b>050</b>	<b>Sen. Burdick</b>	<b>MOTION: Moves to ADOPT SB 738-6 amendments dated 3/21/05.</b>
055	Anna Braun	Committee Administrator. Provides an overview of SB 738 and the -6 amendments.
060	Chair Prozanski	Clarifies that SB 738 has a subsequent referral to the Ways and Means Committee.
065	Braun	Answers, yes.
070	Sen. Beyer	Discusses concern regarding the revenue impact of SB 738.
<b>075</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves to ADOPT SB 738-7 amendments dated 3/24/05.</b>
080	Chair Prozanski	Discusses the revenue impact of SB 738.
083	Braun	Discusses previous testimony regarding the revenue impact of SB 738.
087	Chair Prozanski	Asks Braun to give an overview of the -7 amendments to SB 738.
090	Braun	States understanding that the -7 amendments delay the effective date of SB 738 for two years.
093	Sen. Beyer	Remarks that the -7 amendments asks Congress to implement a federal act.
098	Chair Prozanski	Responds to Sen. Beyer. Comments on the -7 amendments.
107	Sen. Beyer	Comments that SB 738 would be better addressed at a national

115	Chair Prozanski	level. Comments that a national standard would be preferred, but it has not happened. Remarks that SB 738 will limit fires in Oregon. States that the -6 amendments need to be moved on and he will not be able to support the -7 amendments.
125	Sen. Whitsett	Comments on his disagreement of SB 738 to prevent forest fires.
135	Chair Prozanski	Responds.
143	Sen. Beyer	Comments on previous testimony regarding forest fires. Remarks that SB 738 will have not any affect on wild fires.
160	Chair Prozanski	Responds. States that he will not support the -7 amendments. Asks for a roll call vote on the -7 amendments to SB 738.
170		<b>VOTE: 2-3-0</b> <b>AYE: 2 - Beyer, Whitsett</b> <b>NAY: 3 - Burdick, Ringo, Prozanski</b> <b>The motion FAILS.</b>
175	Chair Prozanski	Asks for a roll call vote on the -6 amendments to SB 738.
178		<b>VOTE: 3-2-0</b> <b>AYE: 3 - Burdick, Ringo, Prozanski</b> <b>NAY: 2 - Beyer, Whitsett</b> <b>The motion CARRIES.</b>
182	Chair Prozanski Sen. Burdick	<b>MOTION: Moves SB 738 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b> <b>VOTE: 3-2-0</b> <b>AYE: 3 - Burdick, Ringo, Prozanski</b> <b>NAY: 2 - Beyer, Whitsett</b> <b>The motion CARRIES.</b>
193	Chair Prozanski	Closes work session on SB 738 and opens work session on SB 912.
<b><u>SB 912 – WORK SESSION</u></b>		
198	Anna Braun	Committee Administrator. Introduces the -5 amendments <b>(EXHIBIT M)</b> and the -6 amendments <b>(EXHIBIT N)</b> to SB 912. Provides on overview of SB 912 and the -6 amendments. States that the -6 amendments direct the Board of Pharmacy to classify over the counter pseudoephedrine (except in liquid and gel cap dosage forms) as not less than a Schedule V controlled substance.
220	Chair Prozanski	Clarifies that the Veterinarian Association's concerns will be alleviated by the -6 amendments.
223	Braun	Answers, yes.
225	Sen. Beyer	Asks if anyone is in attendance from the Board of Pharmacy. Clarifies the need for the -6 amendments.
235	Chair Prozanski	States understanding. Remarks that the statute is needed to prohibit the hard tablets containing pseudoephedrine from sale over the counter in Oregon.
255	Sen. Beyer	Remarks that he does not disagree with Chair Prozanski, but questions the need to put the language in statute if it is currently in rule. Inquires regarding the intent of the -5 amendments to SB 912.
260	Chair Prozanski	States that although he had the -5 amendments drafted, they are an outright ban of the sale of pseudoephedrine hard tablets in Oregon and he feels more comfortable with the -6 amendments.

		States that the -6 amendments are necessary to ensure the process of how pseudoephedrine hard tablets are available is not changed without the oversight of the legislature.
273	Sen. Beyer	States that he would like to have a discussion with the Board of Pharmacy on the -5 amendments to SB 912. Discusses desire to understand the problem with the -5 amendments.
288	Chair Prozanski	Responds. Discusses potential opposition to the -5 amendments.
300	Sen. Beyer	Asks if the -6 amendments require a prescription for hard tablets containing pseudoephedrine.
302	Braun	States that they allow the Board of Pharmacy to require a prescription.
303	Sen. Beyer	Clarifies that the -6 amendments allow the Board of Pharmacy to require a prescription on the hard form of pseudoephedrine.
304	Chair Prozanski	Answers, that is correct.
305	Braun	States that it makes it a Schedule V controlled substance.
309	Sen. Burdick	Asks if the Board of Pharmacy has a mandate to require a prescription.
311	Gary Schnabel	Executive Director, Oregon Board of Pharmacy. Remarks that Tom Holt represents the Oregon State Pharmacy Association and that they represent different organizations.
317	Chair Prozanski	Asks Tom Holt to come to the witness stand.
320	Schnabel	States that the board would not have an option, but would have to require a prescription because a Schedule V controlled substance requires it.
323	Chair Prozanski	States understanding of the administrative rule regarding pseudoephedrine and discusses the emergency rules.
337	Schnabel	Responds. Explains the emergency rules.
353	Tom Holt	Oregon State Pharmacy Association. Discusses ORS 475.045. Discusses the effects of the -6 amendments.
400	Sen. Beyer	Clarifies that the -6 amendments do not require a prescription for pseudoephedrine in hard form, but are required to be dispensed by a pharmacist.
405	Holt	Answers, that is correct.
407	Sen. Burdick	Clarifies that they would have the authority to choose to make it required by prescription.
412	Holt	Responds, yes and that he understands it will continue to stay this way.
422	Schnabel	States that he misstated earlier and that Schedule V does not automatically require a prescription.
430	Sen. Whitsett	Asks how the -6 amendments will address veterinarian's use of pseudoephedrine.
439	Braun	Responds that the -6 amendments state that if a veterinarian is covered by a separate law requiring record keeping, they are exempt from the record keeping part of SB 912.
447	Chair Prozanski	States that the -6 amendments are a step in the right direction, but he will consider the -5 amendments if the other committee members so choose.
<b>TAPE 42, B</b>		
035	Sen. Burdick	States that she would like Sen. Beyer to know that she would support the -5 amendments, but the -6 amendments are a step in the right direction.
050	Sen. Beyer	Responds to Sen. Burdick.
052	Chair Prozanski	Responds to Sen. Beyer.
055	Sen. Whitsett	Asks if the -6 amendments would require a veterinarian to write a

		prescription for pseudoephedrine.
063	Holt	Discusses the -5 amendments to SB 912.
067	Sen. Beyer	Asks if the Board of Pharmacy needs SB 912 to adopt a permanent rule.
070	Schnabel	Remarks that he feels that they have the authority, but there has been some question by stakeholders regarding the Board's authority.
075	Chair Prozanski	Clarifies that the passage of SB 912 will make certain that the Board of Pharmacy does have the authority.
076	Schnabel	Answers, yes.
077	Sen. Beyer	<b>MOTION: Moves to ADOPT SB 912-6 amendments dated 3/24/05.</b>
		<b>VOTE: 5-0-0</b>
	Chair Prozanski	<b>Hearing no objection, declares the motion CARRIED.</b>
082	Sen. Beyer	<b>MOTION: Moves SB 912 to the floor with a DO PASS AS AMENDED recommendation.</b>
087	Sen. Beyer	Comments that there are several bills currently in the legislature regarding Methamphetamine. Discusses desire for leadership to discuss a plan to combine the bills.
097	Sen. Burdick	Comments that she as the Senate Judiciary Committee Chair held a meeting with the House Judiciary Committee Chair to work on this and they do plan to combine the bills.
103	Chair Prozanski	Comments that he attended the meeting and they plan to do as Sen. Beyer has requested.
		<b>VOTE: 5-0-0</b>
	Chair Prozanski	<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. PROZANSKI AND SEN. BEYER will lead discussion on the floor.</b>
108	Chair Prozanski	Closes work session on SB 912 and opens work session on SB 133.
<b><u>SB 133 – WORK SESSION</u></b>		
115	Anna Braun	Committee Administrator. Provides an overview of SB 133. Introduces the -1 amendments ( <b>EXHIBIT O</b> ) and the -2 amendments ( <b>EXHIBIT P</b> ) to SB 133.
125	Sen. Beyer	<b>MOTION: Moves to ADOPT SB 133-1 amendments dated 2/7/05.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
	Chair Prozanski	<b>Hearing no objection, declares the motion CARRIED.</b>
130	Sen. Beyer	Comments that the -2 amendments were drafted at his request. States that the Legislative Counsel office notified him that the -2 amendments are already in statute.
147	Chair Prozanski	States understanding.
149	Sen. Beyer	States that the -2 amendments are not necessary.
150	Sen. Beyer	<b>MOTION: Moves SB 133 to the floor with a DO PASS AS AMENDED recommendation.</b>
152	Sen. Whitsett	Discusses previous testimony on SB 133. States that he questions the need of SB 133.
158	Chair Prozanski	Responds.
175	Christine Hammond	Administrator, Wage and Hour Division, Bureau of Labor and Industries (BOLI). Responds to Sen. Whitsett's comments. States that this is not a provision that BOLI typically uses. Remarks that SB 133 provides damages for anyone who is

182	Chair Prozanski	damaged by a contractor acting without a license.
184	Hammond	Clarifies that SB 133 is not for BOLI's benefit.
187	Sen. Whitsett	Responds.
		Comments that the language of SB 133 says that BOLI may bring a lawsuit.
190	Chair Prozanski	Discusses BOLI's intent to use SB 133.
195	Hammond	Adds that the Bureau is typically not damaged by the action of a farm labor contractor and that is why they would not use the provision.
200	Sen. Whitsett	Comments on confusion of why BOLI needs the right to file suit.
204	Chair Prozanski	Responds.
207	Annette Talbott	Deputy Labor Commissioner, BOLI. Responds to Sen. Whitsett's concerns.
214	Sen. Beyer	Asks if any other people have used the provision.
219	Hammond	Responds that farm labor contractors who have lost a contract to someone who acted without a license have used this provision to sue for damages.
<b>230</b>		<b>VOTE: 4-0-1</b>
	<b>Chair Prozanski</b>	<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. RINGO will lead discussion on the floor.</b>
245	Chair Prozanski	Closes work session on SB 133 and opens work session on SB 434.

**SB 434 – WORK SESSION**

250	Anna Braun	Committee Administrator. Provides an overview of SB 434. Introduces the -1 amendments to SB 434 ( <b>EXHIBIT Q</b> ). States that the City of Portland is in support of the -1 amendments.
<b>255</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves to ADOPT SB 434-1 amendments dated 3/16/05.</b>
262	Chair Prozanski	Comments that the City of Portland and the Bureau of Labor and Industries (BOLI) worked together to agree on the -1 amendments.
<b>270</b>		<b>VOTE: 4-0-1</b>
	<b>Chair Prozanski</b>	<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
275	Sen. Beyer	Asks if Braun hand engrossed the -1 amendments into SB 434.
276	Braun	States that she did not because of the length of the amendments.
277	Sen. Beyer	Remarks that he understands the amendments to be a gut and stuff.
278	Sen. Whitsett	Discusses understanding of the -1 amendments to SB 434.
288	Chair Prozanski	Recognizes a nod from BOLI agreeing to Sen. Whitsett's understanding of the -1 amendments to SB 434.
<b>290</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves SB 434 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0-1</b>
	<b>Chair Prozanski</b>	<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. BURDICK will lead discussion on the floor.</b>
299	Chair Prozanski	Closes work session on SB 434 and opens work session on SB 386.

**SB 386 – WORK SESSION**

302	Anna Braun	Committee Administrator. Provides an overview of SB 386.
-----	------------	--

320	Chair Prozanski	Introduces the -3 amendments to SB 386 ( <b>EXHIBIT R</b> ). Clarifies that Braun provided the committee members a document showing the changes from the -2 amendments to the -3 amendments.
323	Braun	Responds.
328	Sen. Beyer	Asks if the Management Labor Advisory Committee (MLAC) has reviewed the -3 amendments.
330	Braun	Answers, yes.
332	Chair Prozanski	Responds to Sen. Beyer.
333	Braun	Comments that MLAC met on March 17 <sup>th</sup> . Remarks that the -3 amendments are not a substantive change.
345	Sen. Beyer	<b>MOTION: Moves to ADOPT SB 386-3 amendments dated 3/24/05.</b> <b>VOTE: 4-0-1</b> <b>EXCUSED: 1 - Ringo</b> <b>Hearing no objection, declares the motion CARRIED.</b>
350	Chair Prozanski Sen. Beyer	<b>MOTION: Moves SB 386 to the floor with a DO PASS AS AMENDED recommendation.</b> <b>VOTE: 4-0-1</b> <b>EXCUSED: 1 - Ringo</b> <b>Hearing no objection, declares the motion CARRIED.</b> <b>SEN. BEYER will lead discussion on the floor.</b>
360	Chair Prozanski	Closes work session on SB 386 and opens work session on SB 132.
<b><u>SB 132 – WORK SESSION</u></b>		
365	Anna Braun	Committee Administrator. Provides an overview of SB 132.
375	Sen. Beyer	Introduces the -1 amendments to SB 132 ( <b>EXHIBIT S</b> ). Asks if the Management Labor Advisory Committee (MLAC) has reviewed SB 132.
380	John Shilts	Administrator, Workers Compensation Division, Department of Consumer and Business Services. Nods from the audience that MLAC did review SB 132.
385	Sen. Beyer	<b>MOTION: Moves to ADOPT SB 132-1 amendments dated 3/10/05.</b> <b>VOTE: 4-0-1</b> <b>EXCUSED: 1 - Ringo</b> <b>Hearing no objection, declares the motion CARRIED.</b>
390	Chair Prozanski Sen. Beyer	<b>MOTION: Moves SB 132 to the floor with a DO PASS AS AMENDED recommendation.</b>
395	Sen. Beyer	Asks if there is an issue of contractors not providing workers' compensation coverage.
400	Christine Hammond	Administrator, Wage and Hour Division, Bureau of Labor and Industries (BOLI). Responds to Sen. Beyer.
410	Sen. Beyer	Clarifies that there has not been a case where workers were injured and not covered.
412	Hammond	Responds that there was not a case, but that it could happen.
<b>TAPE 43, A 010</b>		<b>VOTE: 4-0-1</b> <b>EXCUSED: 1 - Ringo</b> <b>Hearing no objection, declares the motion CARRIED.</b> <b>SEN. PROZANSKI will lead discussion on the floor.</b>
015	Chair Prozanski	Closes work session on SB 132 and opens work session on SB 576.



### **SB 576 – WORK SESSION**

016	Anna Braun	Committee Administrator. Provides an overview of SB 576. Introduces the -1 amendments to SB 576 ( <b>EXHIBIT T</b> ).
019	Chair Prozanski	Asks about the -1 amendments.
020	Sen. Beyer	Comments that a work group was going to be formed for SB 576.
025	Chair Prozanski	Discusses intent of the -1 amendments.
028	Sen. Beyer	Discusses concern that caused the need of the -1 amendments.
030	Chair Prozanski	Comments that the -1 amendments should ensure that the scope is narrowed to the person's professional license or certificate.
<b>033</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves to ADOPT SB 576-1 amendments dated 3/16/05.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
<b>035</b>	<b>Chair Prozanski</b> <b>Sen. Beyer</b>	<b>MOTION: Moves SB 576 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. WHITSETT will lead discussion on the floor.</b>
040	Chair Prozanski	Closes work session on SB 576 and opens work session on SB 119.

### **SB 119 – WORK SESSION**

043	Anna Braun	Committee Administrator. Provides an overview of SB 119. Introduces the -1 amendments to SB 119 ( <b>EXHIBIT U</b> ).
		Discusses the fiscal impact of SB 119.
050	Chair Prozanski	Clarifies that SB 119 does not have to go to the Ways and Means Committee because it is in the Governor's budget.
052	Braun	Answers, yes.
053	Sen. Beyer	Asks if written testimony was provided on SB 119.
055	Braun	Directs Sen. Beyer to the information.
059	Sen. Beyer	Asks if SB 119 has been reviewed by the Management Labor Advisory Committee (MLAC).
060	Braun	Answers, yes.
061	Chair Prozanski	Answers, yes to Sen. Beyer.
<b>062</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves to ADOPT SB 119-1 amendments dated 3/18/05.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
<b>067</b>	<b>Chair Prozanski</b> <b>Sen. Beyer</b>	<b>MOTION: Moves SB 119 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. RINGO will lead discussion on the floor.</b>
073	Chair Prozanski	Closes work session on SB 119 and opens work session on SB 37.

### **SB 37 – WORK SESSION**

075	Anna Braun	Committee Administrator. Provides an overview of SB 37. Introduces the -1 amendments to SB 37 ( <b>EXHIBIT V</b> ).
083	Chair Prozanski	Asks Sen. Beyer if he worked with the Employment Department on the -1 amendments.

085	Sen. Beyer	Discusses work on the -1 amendments to SB 37.
095	Renée Bryant	Tax Section Manager, Employment Department. Discusses the -1 amendments to SB 37.
100	Sen. Beyer	<b>MOTION: Moves to ADOPT SB 37-1 amendments dated 3/14/05.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
	Chair Prozanski	<b>Hearing no objection, declares the motion CARRIED.</b>
103	Sen. Beyer	<b>MOTION: Moves SB 37 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - Ringo</b>
	Chair Prozanski	<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. BEYER will lead discussion on the floor.</b>
108	Chair Prozanski	Closes work session on SB 37 and opens public hearing on SB 334 and SB 339.

**SB 334, SB 339 – PUBLIC HEARING**

123	Anna Braun	Committee Administrator. Provides an overview of SB 334 and SB 339.
140	Neil Jackson	Oregon Trial Lawyers Association. Discusses and submits written testimony in support of SB 334 ( <b>EXHIBIT W</b> ).
<b>The following is submitted for the record without public testimony:</b>		
	Billy Sime	Oregon Association of Defense Counsel. Submits written testimony in opposition to SB 339 ( <b>EXHIBIT X</b> ).
	John Clements	Claims Analyst, Safeco Insurance Company of Oregon. Submits written testimony in opposition to SB 339 ( <b>EXHIBIT Y</b> ).
	Joan Buck	Oregon Self-Insurers Association. Submits written testimony in opposition to SB 339 ( <b>EXHIBIT Z</b> ).
162	Chair Prozanski	Asks John Powell and Billy Sime if he can close the public hearing for SB 339 as they are signed up as opponents to SB 339 and there are no proponents present for the bill.
163	John Powell	State Farm Insurance Companies. Nods, yes from the audience.
164	Billy Sime	Oregon Association of Defense Counsel. Nods, yes from the audience.
165	Chair Prozanski	Closes public hearing on SB 339 and opens public hearing on SB 334.

**SB 334 – PUBLIC HEARING**

170	Neil Jackson	Oregon Trial Lawyers Association. Continues testimony in support of SB 334. Relates anecdote of a clients' experience regarding an Independent Medical Examination (IME). Discusses protections available in SB 334.
255	Sen. Whitsett	Asks Jackson if items he discussed were reported to the Oregon Board of Medical Examiners.
260	Jackson	Responds that there is no violation of the ethical rules because medicine is considered an art and not a science.
265	Chair Prozanski	Clarifies Jackson's comments.
273	Jackson	Responds.
278	Sen. Whitsett	States concern that an IME requires diagnosis and therefore a patient doctor relationship is created.
285	Chair Prozanski	Asks the Committee Administrator to arrange to hear testimony from the Board of Medical Examiners regarding the items discussed.
290	Sen. Whitsett	States desire to speak with the Board of Medical Examiners.

300	Jackson	Comments that the IME reports say on them that no doctor patient relationship is established.
305	Chair Prozanski	Discusses the need for clarification from the Board of Medical Examiners.
310	Sen. Beyer	Asks how subsection 1 and 2 of SB 334 will work.
317	Jackson	Responds.
325	John Powell	State Farm Insurance Companies. Discusses opposition to SB 334. Defers to Sime to provide testimony.
345	Sime	Oregon Association of Defense Counsel. Discusses and submits written testimony in opposition to SB 334 ( <b>EXHIBIT X</b> ) and an informational packet on Independent Medical Examinations, The Selection and Qualifications of the Examiner ( <b>EXHIBIT AA</b> ).
<b>TAPE 44, A</b>		
033	Chair Prozanski	Inquires about attorney client privilege.
040	Sime	Responds. Continues testimony.
080	Sime	Summarizes and concludes.
100	Powell	Testifies in opposition to SB 334. Discusses costs incurred by SB 334.
117	Steve Murrell	Claim Attorney, State Farm Insurance Companies. Testifies in opposition to SB 334.
135	Sen. Ringo	Discusses concerns with the IME process.
160	Sime	Responds to Sen. Ringo.
170	Sen. Ringo	States that SB 334 is to help people have impartial and independent exams.
180	Sime	Remarks that he does not see how SB 334 will assist with Sen. Ringo's concerns.
180	Hasina Squires	Independent Medical Examination Association. Testifies in opposition to SB 334. Responds to Sen. Ringo that her clients' doctors spend 30-45 minutes in the room with the patient.
200	Sen. Ringo	Remarks that he wishes that was the standard.
203	Squires	Concludes testimony.
<b>The following testimony is submitted for the record without public testimony:</b>		
	Joan Buck	Oregon Self-Insurers Association. Submits written testimony in opposition to SB 334 ( <b>EXHIBIT Z</b> ).
	Faith Bachmeier	Personal Injury Protection product lines manager, Safeco Insurance Company of Oregon. Submits written testimony in opposition to SB 334 ( <b>EXHIBIT BB</b> ).
215	Chair Prozanski	Closes public hearing on SB 334. Adjourns the meeting at 5:48 p.m.

## **EXHIBIT SUMMARY**

- A. SB 355, -1 amendments, staff, 1 p
- B. SB 355, written testimony, Margaret Davidson, 2 pp
- C. SB 355, written testimony of Ross Laybourn, Sen. Floyd Prozanski, 1 p
- D. SB 935, letter, Robin Kilpatrick, 2 pp
- E. SB 935, written testimony, Neil Jackson, 1 p
- F. SB 935, written testimony of Joel Ario, Carl Lundberg, 2 pp
- G. SB 935, written testimony, Shawn Miller, 1 p
- H. SB 935, valuation, Shawn Miller, 17 pp
- I. SB 935, written testimony of David D. Merritt, Art Chartrand, 18 pp

- J. SB 935, excerpt, John Powell, 3 pp
- K. SB 738, -6 amendments, staff, 5 pp
- L. SB 738, -7 amendments, staff, 2 pp
- M. SB 912, -5 amendments, staff, 2 pp
- N. SB 912, -6 amendments, staff, 2 pp
- O. SB 133, -1 amendments, staff, 1 p
- P. SB 133, -2 amendments, staff, 3 pp
- Q. SB 434, -1 amendments, staff, 4 pp
- R. SB 386, -3 amendments, staff, 6 pp
- S. SB 132, -1 amendments, staff, 1 p
- T. SB 576, -1 amendments, staff, 1 p
- U. SB 119, -1 amendments, staff, 5 pp
- V. SB 37, -1 amendments, staff, 1 p
- W. SB 334, written testimony, Neil Jackson, 2 pp
- X. SB 339, SB 334, written testimony, Billy Sime, 4 pp
- Y. SB 339, written testimony, John Clements, 1 p
- Z. SB 339, SB 334, written testimony, Joan Buck, 4 pp
  - AA. SB 334, informational packet, Billy Sime, 3 pp
  - BB. SB 334, written testimony, Faith Bachmeier, 1 p