

HOUSE COMMITTEE ON
BUSINESS, LABOR AND CONSUMER AFFAIRS

February 10, 2003 Hearing Room E
8:30 A.M. Tapes 25 - 27

MEMBERS PRESENT: Rep. Betsy Close, Chair
 Rep. Derrick Kitts, Vice-chair
 Rep. Diane Rosenbaum, Vice-chair
 Rep. Mary Gallegos
 Rep. Bill Garrard
 Rep. Jeff Merkley
 Rep. Mike Schaufler

STAFF PRESENT: Megan Palau, Committee Administrator
 Pam Cox, Committee Assistant

MEASURE/ISSUES HEARD: **HB 2385 – Public Hearing**
 HB 2429 – Public Hearing and Work Session
 HB 2383 – 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 25, A		
002	Chair Close	Opens committee meeting 8:33 a.m. Opens public hearing on HB 2385.
<u>HB 2385 – PUBLIC HEARING</u>		
005	Megan Palau	Reads HB 2385 summary.
014	Rep. Mitch Greenlick	District 33. Testifies in favor of HB 2385. Defers to Douglas Hendrickson.
016	Douglas Hendrickson	Washington County. Testifies in favor of HB 2385 and indicates the word change in the bill would require hobbyists to obtain dealer certificates (EXHIBIT A).
046	Monty King	Oregon Independent Auto Dealers Association. Testifies in favor of HB 2385 and explains persons buying and selling vehicles for profit should be a licensed dealer (EXHIBITS B, C, D).
123	Rep. Merkley	Asks for wording clarification.
129	King	Answers.
142	Jack Kinney	Oregon Council Vehicle Association. Testifies in favor of and defines hobbyist.
190	Chair Close	Asks about how many cars has he sold in the last year.
191	Kinney	Answers.
193	Dick Larrowe	Oregon Council Vehicle Association. Testifies in favor of HB 2385 and states he would work with car dealers to come to a agreed conclusion.
200	Rep. Kitts	Asks if profits are made.
211	Kinney	Answers.
243	Rep. Schaufler	Comments that hobbyists may work for an agreed amendment.
246	Kinney	Acknowledges it is possible.
283	Rep. Kitts	Asks for definition of a dealer.

287	King	Comments on consumer complaints and outlines details of undefined limits to hobbyist.
293	Rep. Kitts	Asks for definition of hobbyist exemption.
295	King	Outlines the proof needed to deny one is a dealer.
367	Lyle Stephenson	Linn County. Testifies in opposition of HB 2385.
TAPE 26, A		
005	Stephenson	Continues.
053	Gale Meier	Cruisers of Oregon. Testifies in opposition of HB 2385.
093	Chair Close	Notes the value of hobbyists.
097	Rep. Schaufler	Asks if there is opposition for changing the amendment to satisfy dealers and hobbyists.
120	Meier	Answer negatively.
126	Kelly Taylor	Oregon Department of Transportation. Explains disclosure statement.
169	Chair Close	Asks for her understanding of hobbyist requirements.
148	Taylor	Describes the limits on buying and selling cars.
173	Paul Cosgrove	Oregon Financial Services/Alliance of Automobile Manufacturer. Testifies in opposition to HB 2385.
213	Rep. Rosenbaum	Asks about credit unions selling vehicles.
214	Cosgrove	Answers it would be prohibited under this amendment.
245	Eugene Ebersole	Oregon Department of Justice. Testifies in opposition to HB 2385 as he has not had time to thoroughly examine the amendment. Submits photograph copies (EXHIBIT E).
310	Chair Close	Asks for definition of a curb stoner.
284	Ebersole	Describes.
325	Rep. Garrard	Asks for clarification of the previous law against curb stoners.
326	Ebersole	Comments on process of identifying these criminals.
360	King	Notes bill has been ineffective.
382	Chair Close	Closes public hearing on HB 2385. Opens public hearing on HB 2429.

TAPE 25, B
HB 2429 – PUBLIC HEARING

001	Rep. Schaufler	Comments on how current situation is unfair to honest dealers.
053	Rep. Billy Dalto	House District 21. Describes unfair practices.
095	Rep. Kitts	Asks for definition of a dealer.
101	Rep. Dalto	Outlines the need to ask reasons cars are being sold.
132	Rep. Kitts	Asks for clarification.
139	Rep. Dalto	Answers that consistent sales define a dealer.
152	Ebersol	Explains that all cars need to be registered to owners.
193	Rep. Kitts	Asks if the definition is using cars for personal use.
181	King	Responds affirmatively.
193	Chair Close	Asks for clarification on impact
194	Ebersol	Explains Racketeer Influenced and Corrupt Organizations Act (RICO) Bill, HB 2104.
233	Rep. Close	Asks for copy of bill.
235	Rep. Merkley	Comments the relating clause can not be amended.
257	King	Acknowledges.
262	Ebersol	Notes cars are being sold with out a dealer's license.
273	King	Urges passage of the HB 2429.
310	Rep. Rosenbaum	Asks if the state will utilize this law.
320	Ebersol	Comments there are a lot of repeat offenders.
343	Chair Close	Closes public hearing HB 2429. Opens work session on HB 2429.

TAPE 26, B

HB 2429 - WORK SESSION

001	Rep. Rosenbaum	MOTION: Moves HB 2429 to the floor with a DO PASS recommendation.
	Chair Close	VOTE: 7-0
		Hearing no objection, declares the motion CARRIED.
		REP. SCHAUFLEER will lead discussion on the floor.
003	Chair Close	Closes work session on HB 2429 and opens public hearing on HB 2383.

HB 2383 - PUBLIC HEARING

005	Al Elkins	Oregon Tow Truck Association. Testifies in support of HB 2383 Discusses process of vehicle towing and costs.
159	Rep. Garrard	Asks if a company can deny picking up a vehicle.
165	Elkins	Answers.
179	Mike Wagner	Oregon Tow Truck Association. Testifies in support of HB 2383. Describes how some vehicles go to the wrecking yards.
192	Rep. Gallegos	Asks value of license plates on these cars.
193	Elkins	Explains.
206	Mike Pura	Oregon Lien Service. Testifies in support of HB 2383 and notes that the plates have to match vehicle.
218	Chair Close	Asks if the insurance coverage has value.
219	Elkins	Defers.
232	Rep. Schaufler	Asks how many towed vehicles are sold.
233	Wagner	Answers approximately 98%.
263	Rep. Schaufler	Asks how many vehicles are being sold at auctions.
264	Elkins	Responds he can not answer.
281	Rep. Garrard	Asks if towing companies are in the business of selling vehicles.
282	Elkins	Answers he has questioned towing company owners.
311	Rep. Gallegos	Asks about towing fees.
320	Wagner	Answers.
343	King	Comments on consumer protection.
TAPE 27, A		
002	King	Continues.
064	Rep. Gallegos	Asks for clarification on who is responsible for fees.
068	King	Discusses timelines of abandoned cars.
086	Rep. Gallegos	Asks for clarification on the form 6890.
088	King	Clarifies the 6890 process.
102	Ebersole	Comments on lien law process and auction advertising.
160	Rep. Gallegos	Asks about the sale of cars before lien process.
162	Ebersole	Discusses the preference of auto auctions.
203	Rep. Merkley	Asks about provisions for lot sales.
207	Ebersole	Defers to Department of Motor Vehicles.
208	Chair Close	Closes public hearing on HB 2383. Adjourns committee meeting at 10:41 a.m.

EXHIBIT SUMMARY

A – HB 2385, written testimony, Douglas Hendrickson, 2 pp
B – HB 2385, written testimony, Monty King , 3 pp
C – HB 2429, written testimony, Monty King, 1 p
D – HB 2383, written Testimony, Monty King, 4 pp
E – HB 2385, photos, Eugene Ebersole, 6 pp