

**HOUSE COMMITTEE ON**  
**BUSINESS, LABOR AND CONSUMER AFFAIRS**

February 24, 2003 Hearing Room E  
8:30 A.M. Tapes 36 - 37

**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  
                                  Mike Reiley, Committee Assistant

**MEASURE/ISSUES HEARD:**       **HB 2623 – Public Hearing and Work Session**  
                                  **HB 2447 – Public Hearing**  
                                  **HB 2564 – Public Hearing**  
                                  **Committee Measure Introduction – Work Session**

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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.

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 36, A</b>		
003	Chair Close	Calls meeting to order at 8:34 a.m. Opens public hearing on HB 2623.
<b><u>HB 2623 – PUBLIC HEARING</u></b>		
010	Megan Palau	Committee Administrator. Summarizes HB 2623.
021	Shawn Miller	Liberty Northwest Insurance Corporation. Testifies in support of HB 2623.
031	Jim McKittrick	Executive Vice-President, Chief Financial Officer, Liberty Northwest Insurance Corporation. Submits and summarizes prepared testimony in support of HB 2623 ( <b>EXHIBIT A</b> ).
067	Rep. Schaufler	Asks about size of depositary regulations.
079	McKittrick	Explains size of depositary regulations.
107	Rep. Schaufler	Asks about ability of insurance companies to pay claims in event of catastrophic event.
118	McKittrick	Explains investment regulations.
124	Rep. Garrard	Asks about debt and depositary regulations for insurance companies.
133	McKittrick	Explains changes proposed by HB 2623.
144	Chair Close	Closes public hearing on HB 2623. Opens work session on HB 2623.
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<b><u>HB 2623 – WORK SESSION</u></b>		
150	Megan Palau Rep. Kitts	Committee Administrator. Explains amendments. <b>MOTION: Moves to ADOPT HB 2623-1 amendments dated 2/19/03 (EXHIBIT B).</b> <b>VOTE: 6-0</b>

Chair Close  
Rep. Kitts

**EXCUSED: 1 – Rosenbaum**  
**Hearing no objection, declares the motion CARRIED.**  
**MOTION: Moves HB 2623 to the floor with a DO PASS AS AMENDED recommendation.**

**VOTE: 6-0**

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

Chair Close

**EXCUSED: 1 - Rosenbaum**

**The motion CARRIES.**

**REP. GALLEGOS will lead discussion on the floor.**

176 Chair Close

Closes work session on HB 2623. Opens public hearing on HB 2447.

**HB 2447 – PUBLIC HEARING**

178 Megan Palau

Committee Administrator. Summarizes HB 2447.

183 John Endicott

Business Manager, Plumbers & Steamfitters, Local 290. Testifies in support of HB 2447.

204 Chair Close

Asks about potential safety issues regarding wearing licenses.

210 Endicott

Explains safety considerations regarding licensing.

220 Rep. Garrard

Asks who will pay for provisions of HB 2447.

222 Endicott

Explains who will be responsible for licensing and displaying them.

230 Rep. Garrard

Asks about magnitude of issue of misrepresentation.

233 Endicott

Explains issue of misrepresentation.

240 Rep. Garrard

Asks if inspectors could have license available, if not necessarily visible.

243 Endicott

Explains benefit of having license visible.

250 Rep. Kitts

Asks about responsibility of those doing hiring to check licenses.

258 Endicott

Explains that it is easier to have licenses visible.

264 Rep. Schaufler

Asks if visible identification is example of industry policing itself.

270 Endicott

Answers yes.

276 Ken Carlson

Chief Plumbing Inspector, City of Portland. Testifies in support of HB 2447.

334 Rep. Garrard

Asks about penalties for non-compliance.

337 Carlson

Explains compliance issue.

360 Chair Close

Asks about compliance.

362 Carlson

Explains importance of compliance issue.

385 Rep. Kitts

Asks about fraud in licensing process.

395 Carlson

Responds that fraud is not significant issue.

**TAPE 37, A**

007 Rep. Kitts

Expresses concern about penalties for non-compliance.

010 Carlson

Explains that he does not believe penalties would be too severe.

020 Rep. Gallegos

Asks about cost of badge replacement.

022 Carlson

Explains badge replacement process.

052 Rep. Schaufler

States support for HB 2447.

071 Rep. Rosenbaum

Asks about measures taken to address misrepresentation.

073 Carlson

Explains measures taken to address misrepresentation.

082 Rep. Rosenbaum

Asks about taking action against unlicensed workers.

086 Carlson

Explains action taken against licensed workers.

095 Shawn Miller

Associated Builders and Contractors, Independent Electrical Contractors of Oregon. Testifies to compliance and security regarding HB 2447. Explains issues regarding HB 2447.

173 Rep. Kitts

Asks for clarification of displaying badge or license.

180 Miller

Clarifies displaying of license.

199	Mark Long	Administrator, Building Codes Division. Testifies to work to be done on HB 2447. Notes possibility of work group to address issue.
215	Rep. Schaufler	Expresses desire for plumbers to address issue independently rather than spend money on issue.
220	Chair Close	Asks about cost of process.
222	Long	Explains potential costs.
238	Amanda Rich	Testifies to concerns regarding HB 2447.
260	Chair Close	Closes public hearing on HB 2447. Opens public hearing on HB 2564.

**HB 2564 – PUBLIC HEARING**

264	Megan Palau	Committee Administrator. Summarizes HB 2564.
273	Ron Murray	United Association of Plumber & Steamfitters, Local 290. Testifies in support of HB 2564.
332	Chair Close	Asks about filing liens.
336	Murray	Explains process of filing liens.
357	Ken Carlson	Chief Plumbing Inspector, City of Portland. Testifies in support of HB 2564. Explains that bill would streamline process.
376	Amanda Rich	Oregon Association of Plumbing, Heating and Cooling Contractors (PHCC). Testifies in support of HB 2564. Explains goals to streamline application process.
400	John Killin	Director of Government Affairs, Associated Builders and Contractors. Testifies in support of HB 2564.
418	Chair Close	Closes public hearing on HB 2564. Opens work session on Introduction of Committee Measures.

**TAPE 36, B**

**WORK SESSION – COMMITTEE MEASURE INTRODUCTION**

<b>003</b>	<b>Rep. Gallegos</b>	<b>MOTION: Moves LC's: 1809, 1880, 1880-1, 1881 BE INTRODUCED as committee bills (EXHIBIT C).</b>
010	Rep. Schaufler	Expresses reservations on introducing all LC's in one motion.
<b>015</b>	<b>Rep. Gallegos</b>	<b>Withdraws motion.</b>
	<b>Rep. Gallegos</b>	<b>MOTION: Moves LC 1809 BE INTRODUCED as a committee bill.</b>
		<b>VOTE: 7-0</b>
	<b>Chair Close</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
	<b>Rep. Gallegos</b>	<b>MOTION: Moves LC 1880 BE INTRODUCED as a committee bill.</b>
029	Rep. Schaufler	Expresses concern about LC 1880.
033	Rep. Merkley	Clarifies LC introduction process.
048	Chair Close	Offers further clarification of LC introduction process.
		<b>VOTE: 6-1</b>
		<b>AYE: 6 - Gallegos, Garrard, Kitts, Merkley, Rosenbaum, Close</b>
		<b>NAY: 1 - Schaufler</b>
	<b>Chair Close</b>	<b>The motion CARRIES.</b>
	<b>Rep. Gallegos</b>	<b>MOTION: Moves LC's: 1880-1, 1881 BE INTRODUCED as committee bills.</b>
		<b>VOTE: 6-1</b>
		<b>AYE: 6 - Gallegos, Garrard, Kitts, Merkley, Rosenbaum, Close</b>
		<b>NAY: 1 - Schaufler</b>
	<b>Chair Close</b>	<b>The motion CARRIES.</b>
064	Chair Close	Closes work session. Adjourns meeting at 9:35 a.m.

**EXHIBIT SUMMARY**

**A – HB 2623, prepared testimony, Jim McKittrick, 2 pp**

**B – HB 2623, -1 amendment, staff, 1 p**

**C – LC 1809, 1880, 1880-1, 1881, staff, 10 pp**