

SENATE COMMITTEE ON BUSINESS AND LABOR

April 11, 2003
1:00 PM

Hearing Room C
Tapes 56-57

MEMBERS PRESENT: **Sen. David Nelson, Chair**
 Sen. Vicki Walker, Vice-Chair
 Sen. Roger Beyer
 Sen. Rick Metsger

STAFF PRESENT: **Dennis Dotson, Committee Administrator**
 Romy Dye, Committee Assistant

MEASURE/ISSUES HEARD: **SB 604 – Public Hearing**
 SB 103 – Public Hearing
 SB 207 – Public Hearing
 SB 477 – Public Hearing
 SB 206 – Public Hearing
 SB 534 – Public Hearing
 SB 753 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 56, A		
005	Chair Nelson	Calls the committee to order at 1:07 PM. Opens a public hearing on SB 604.
<u>SB 604 – PUBLIC HEARING</u>		
005	Dennis Dotson	Committee Administrator. Provides an overview of SB 604.
008	Darrell Fuller	Oregon Auto Dealers Association. Discusses amendment request and dispute with page 3, lines 33-34. Requests removal of section 3 and continue to work on other disputed auditing dealers issue.
033	Chair Nelson	Closes the public hearing on SB 604 and opens a public hearing on SB 103.
<u>SB 103 – PUBLIC HEARING</u>		
038	Dotson	Provides an overview of SB 103.
040	Darrell Fuller	Oregon Auto Dealers Association. Provides introduction of SB 103.
043	Eugene Ebersole	Assistant Attorney General, Oregon Department of Justice. Testifies in favor of SB 103. Discusses purpose of SB 103. Explains changes since original submission. Submits written testimony (EXHIBIT A).
103	Fuller	States requested -3 amendments are not back yet.
105	Ebersole	Explains changes to SB 103. Discusses changing mileage fee.
144	Sen. Walker	Comments on someone driving cross-country in a vehicle putting on a lot of miles and not owing money when they return.
151	Ebersole	States that is not true. Refers to existing section 5A in SB 103.
164	Sen. Walker	Asks if mileage limitation should be set.
168	Fuller	Responds many variations to SB 103 where some agree with a mileage limitation and others may not. Adds satisfied with deal cut with Attorney General's office.

183	Ebersole	Comments there is a twenty day limit so if deal does not go through in twenty days and they call the car back the mileage fee is still charged.
185	Fuller	Comments SB 103 offers protection if customer notified they need to bring vehicle back and they are on a joyride and do not return the vehicle when requested to do so. Adds that circumstance would allow continuation of charging the mileage fee.
191	Sen. Walker	Asks if there is a problem with lot capacity for dealers to hold a car for twenty-one days.
194	Fuller	Responds not a preference to do that. Believes 98% vehicles traded and sold are funded in first forty-eight hours. States small number of vehicles questioned about financing going beyond one or two days. Adds dealers represented have lots where put cars in not ready to be sold yet.
206	Chair Nelson	States -3 amendments are coming.
210	Fuller	Responds -3 amendments should be coming and work session should occur soon.
212	Sen. Metsger	Asks if leases are covered along with sales.
213	Fuller	Believes leases and sales are covered.
216	Chair Nelson	Closes the public hearing on SB 103 and opens a public hearing on SB 207.

SB 207 – PUBLIC HEARING

225	Dotson	Provides an overview of SB 207.
227	Brian DeMarco	Manager for Land Development and Policy Coordination, Oregon Real Estate Agency. Testifies in favor of SB 207. Discusses provisions generating issues. Expresses favor in proposing amending legislation instead of going through long debate. Submits written material (EXHIBIT B).
326	Chair Nelson	Asks about penalty issue and increasing minimum bond. Expresses interest in getting more information on what increased bonds used for.
338	DeMarco	Comments do not see significant revenue impact in the agency. Explains bond amount increase and that it has no impact on agency.
358	Chair Nelson	Asks whether proposing further amendments affecting issues raised.
360	DeMarco	Responds that is correct.
377	Aleta Lavandier	Owner & President, Regional Trustees Services. Testifies in favor of SB 207 with removal of section 15.
385	Chair Nelson	Asks whether concerned with section 15.
387	Lavandier	Responds yes.
390	Chair Nelson	Asks whether other concerns with SB 207 other than section 15.
393	Lavandier	Responds no it seems fine.
409	Pete Wilson	Mortgage Exchange Financial Services. Testifies in opposition of SB 207. Expresses concerns with SB 207. Comments not affected by part of SB 207.

TAPE 57, A

005	Chair Nelson	Asks what section referring to.
007	Wilson	Responds the section eliminating escrow company license from SB 207.
009	Chair Nelson	Asks if that is section 15.
011	Wilson	Responds yes. Comments they are affected if eliminating allowing escrow license to process trustees to be the trustee.

021	Chair Nelson	Expresses concern with maintaining escrow license.
024	Wilson	Asks if willing to work with others on the issue of concern. Responds yes; elaborates. Expresses concern with having trouble with maintaining and updating bonding. States rates have significantly increased.
042	Chair Nelson	Refers to SB 207 and how it is currently written. Asks if reasonable to have a bond of \$500,000.
045	Wilson	Responds it limits who will be able to get a license when get closer to \$1 million. Expresses concern of prohibitive cost and whether feasible and has provision of protection.
058	Chair Nelson	Comments issue needs to be worked on with others.
060	Wilson	Responds right and an agreement has been worked to try to satisfy concerns.
063	DeMarco	Addresses the bonding concern and that smaller family-owned companies generally feel bond increases place a financial burden. States there are currently exceptions to the bonding requirement.
081	Chair Nelson	Closes the public hearing on SB 207 and opens a public hearing on SB 477.

SB 477 – PUBLIC HEARING

090	Dotson	Provides an overview of SB 477.
095	Ted Hughes	Pacific Northwest Paint Council. Testifies in favor of SB 477. Recommends coming back in a few weeks with amendments everyone can agree with. Submits written testimony (EXHIBIT C).
115	Chair Nelson	Asks about eliminating high cost of lead remediation issue.
117	Hughes	Responds that is purpose of SB 477 and will be effective drafted correctly.
122	Chair Nelson	Asks if key is lead-free versus lead-safe.
124	Hughes	Responds yes.
129	John Blatt	Executive Director, Association of Oregon Community Development Organizations. Testifies in opposition of SB 477. Stresses a lot is being done nationally for lead hazard abatement which is very effective that needs to be incorporated in SB 477. Submits written testimony (EXHIBIT D).
149	Michael Heumann	Epidemiologist, Department of Human Services. Testifies in opposition of SB 477 for Department of Human Services. States cannot support SB 477 due to large fiscal impact not covered in governor's budget. Adds there have been many concerns of Oregonians with exposure to environmental toxins. Discusses positive ways to prevent lead poisoning with funding issues. Submits written testimony (EXHIBIT E).
209	Bob Danko	Department of Environmental Quality (DEQ). Testifies in opposition of SB 477. Feels SB 477 would create new program not feasible right now.
218	Chair Nelson	Closes the public hearing on SB 477 and opens a public hearing on SB 206.

SB 206 – PUBLIC HEARING

225	Dotson	Provides an overview of SB 206.
230	Brian DeMarco	Real Estate Agency. Testifies in favor of SB 206 with potential changes. Submits written material (EXHIBIT F).
251	Chair Nelson	Asks about proposed amendments.
253	DeMarco	Responds there is an amendment in Legislative Counsel to delete provisions.

255	Chair Nelson	Clarifies have not yet received -2 amendments.
256	DeMarco	Responds correct.
257	Jana Jarvis	Oregon Association of Realtors (OAR). Testifies in favor of SB 206 without -2 amendments. Expresses interest in seeing -2 amendments before speaking in favor of them.
275	DeMarco	Comments interested in seeing -2 amendments. Believes it addresses concerns.
280	Jarvis	Responds fine with bill as it is and did not know there were amendments after talking to Legislative Counsel.
282	DeMarco	Explains purpose of the amendment.
284	Chair Nelson	Comments need for amendment in order to move forward.
289	Sen. Walker	Comments will wait until amendments come.
293	Chair Nelson	Closes the public hearing on SB 206 and opens a public hearing on SB 534.

SB 534 – PUBLIC HEARING

299	Dotson	Provides an overview of SB 534.
303	Tom Olsen	Employment Department. Concerned with how SB 534 is currently written. Comments on working on language and hope to get amendments back soon.
316	Chair Nelson	Closes the public hearing on SB 534 and opens a public hearing on SB 753.

SB 753 – PUBLIC HEARING

325	Dotson	Provides an overview of SB 753.
333	Burton Weast	Plumbing Heating Cooling Contractor’s Association and Air Conditioning Contractor’s Association of America. Testifies in favor of SB 753 with the amendment. Discusses high points of how SB 753 acquired and it’s purpose. Submits written testimony (EXHIBIT G).
430	Brad Bigelow	President, Oregon Chapter of Air Conditioning Contractors of America and Director for State for Oregon Building Industry Association. Testifies in favor of SB 753. Discusses necessity of SB 753. States consumer protection issues are the main issues dealing with. Submits written material (EXHIBIT H).

TAPE 56, B

022	Sen. Walker	Asks about those not knowing carbon monoxide testing in homes was done until it is too late.
027	Bigelow	Responds that is correct; elaborates on carbon monoxide in homes and improper insulation causing this to happen rapidly.
065	Chair Nelson	States opposition issues will continue to be worked on. States issues with other contractors and potential unions as well as Northwest. Natural Gas.
070	Weast	Responds should not be issue with Northwest Natural Gas because an amendment has been agreed upon that has not yet been produced. Comments there are issues and concerns addressed in this bill but agree with the amendments. States only opposition is the concerns about inner relationships between different unions which is an issue for someplace other than legislature.
080	Al Stephens	Owner, Stephens Heating and Air Conditioning. Testifies in favor of SB 753. States position. Explains experience.
100	Ron Nolan	Oregon resident. Testifies in support of SB 753. Mentions concern with SB 753. States there is an education program and apprenticeship programs. Mentions a tax credit. States funds go out of state and are funded by the feds and controlled by Oregon

		Department of Energy. Comments training and testing is the key to improving the energy situation.
135	Chair Nelson	Asks when the amendment was introduced.
140	Weast	Responds and states the amendment was prepared in advance. States what the intent of the amendments are. Comments apprenticeship program is suffering and needs to be a licensing program.
150	Sen. Beyer	Comments on the Department of Energy. States good to see everyone to provide input.
160	Chair Nelson	Closes the public hearing on SB 753. Adjourns the committee meeting at 2:20 PM.

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EXHIBIT SUMMARY

- A – SB 103, written testimony, Eugene Ebersole, 2 pp**
- B – SB 207, written summary , Brian DeMarco, 5 pp**
- C – SB 477, written testimony, Ted Hughes, 1 p**
- D – SB 477, written testimony, John Blatt, 1 p**
- E – SB 477, written testimony, Michael Heumann, 2 pp**
- F – SB 206, written summary, Brian DeMarco, 2 pp**
- G – SB 753, written testimony, Burton Weast, 1 p**
- H – SB 753, written letters and advertisement, Brad Bigelow, 13 pp**