

SENATE COMMITTEE ON JUDICIARY

February 11, 2003
8:00 AM

Hearing Room 343
Tapes 23-24

MEMBERS PRESENT: **Sen. John Minnis, Chair**
 Sen. Ted Ferrioli
 Sen. Charlie Ringo
 Sen. Charles Starr
 Sen. Vicki Walker

MEMBER EXCUSED: **Sen. Burdick**

STAFF PRESENT: **Bill Joseph, Counsel**
 Jane Bodenweiser, Committee Assistant

MEASURE/ISSUES HEARD: **LC's 1502, 2221, 2222**
 SB 136 Public Hearing
 SB 101 Public Hearing
 SB 86 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 23, A		
003	Chair Minnis	Calls the meeting to order at 8:07 a.m.
006	Bill Joseph	Committee Counsel. Introduces LC 1502, 2221 and 2222 (EXHIBITS A-C).
020	Sen. Walker	MOTION: Moves LC's: 1502, 2221, 2222 BE INTRODUCED as committee bills.
		VOTE: 4-0-2
		EXCUSED: 2 - Sen. Burdick, Sen. Ferrioli
		Hearing no objection, declares the motion CARRIED.
025	Chair Minnis	
028	Chair Minnis	Opens a public hearing on SB 136.
<u>SB 136 – PUBLIC HEARING</u>		
038	Peter Threlkel	Corporate Division, Secretary of State's Office. Submits testimony and testifies in support of SB 136 which permits Secretary of State to cancel or refuse to accept certain wrongful filings under Uniform Commercial Code-Secured Transactions (EXHIBIT D).
106	Bradd Swank	State Court Administrator's Office. Testifies as neutral on SB 136 and suggests a small change.

133 Chair Minnis Closes the public hearing on SB 136 and opens a public hearing on SB 101.

SB 101 – PUBLIC HEARING

142 Thomas Castle Department of Justice. Testifies in support of SB 101 which allows public servant or public servant's employer to seek injunction against person engaging in conduct constituting specified crimes.

189 Ted Lorensen Department of Forestry. Testifies in support of SB 101.

223 Chair Minnis Asks about the crimes covered by this bill.

226 Castle Explains the kinds of crimes.

241 Sen. Ferrioli Asks if prosecutors will prosecute these crimes.

251 Castle Says if there is probable cause, they will most likely be prosecuted.

276 Andrea Meyer American Civil Liberties Union (ACLU). Testifies in opposition to SB 101.

293 Castle Explains due process.

305 Chair Minnis Closes the public hearing on SB 101 and opens a public hearing on SB 86.

SB 86 – PUBLIC HEARING

319 Sen. Charlie Ringo Senate District 17. Testifies in support of SB 86 which modifies law that requires award of attorney fees to prevailing plaintiff in certain tort action.

459 Rep. Dennis Richardson House District 4. Testifies in support of SB 86.

TAPE 24, A

073 John Powell Representing State Farm and North Pacific Insurance Companies. Testifies in opposition to SB 86 and introduces Tom Mortland and Steve Murrell.

083 Thomas Mortland North Pacific Insurance Co. Submits testimony and testifies in opposition to SB 86 (**EXHIBIT E**).

154 Sen. Starr Asks when the \$5500 limit was established.

160 Mortland Responds that it was 1999.

165 Chair Minnis Asks about previous increases.

169 Powell Says it has been a long time.

183 Sen. Ringo Questions some of the statistics on auto damage claims paid.

188 Mortland Explains the figures.

216 Sen. Ringo Asks how the 10-day demand letter is handled.

222 Mortland Discusses the demand letter.

240 Sen. Ringo Asks about extending the time limit on the demand letter.

244 Mortland Says it may defeat the purpose of the original statute.

254 Sen. Ringo Agrees that the time limit on higher-end claims would be appropriate.

264 Steve Murrell State Farm Insurance Co. Testifies in opposition to SB 86.

317 Chair Minnis Asks for examples of those not represented by insurance.

322 Murrell Explains those who are not.

330 Powell States that most insurance claims settle promptly. Addresses what is considered a small claim.

354 Chair Minnis Asks about capping attorney fees.

358 Powell Responds that the purpose of this statute was to address only small claims.

368 Sen. Ringo Wonders how a plaintiff gets justice when an examiner refuses to pay.

380	Powell	Clarifies the system provides options.
393	Sen. Ringo	States his experience with adjustors who deal unfairly with people.
402	Chair Minnis	Asks if there is an appeal process.
405	Mortland	Says there are standards of fairness.
434	John Clements	Safeco Insurance Co. Submits testimony and testifies in opposition to SB 86 (EXHIBIT F).
TAPE 23, B		
069	Sen. Ringo	Asks about medical bills being handled through arbitration.
072	Clements	Explains arbitration of medical bills.
078	Sen. Ringo	Discusses the demand letter and what it must include.
108	Chair Minnis	Talks about response time to a demand letter.
114	Shawn Miller	National Association of Independent Insurers (NAII). Testifies in opposition to SB 86.
138	Gary Rankin	Allstate Insurance Company. Testifies in opposition to SB 86.
226	Sen. Walker	Asks for clarification of suggested changes to the statute.
236	Rankin	Clarifies his suggested changes.
291	Sen. Ringo	Asks if additional documentation would be satisfactory with the increase to \$10,000.
294	Rankin	Says, no.
281	Sen. Ringo	Discusses attorney's fees.
324	Rankin	Wonders about the need for the increase.
341	Bill Sime	Oregon Association of Defense Counsel. Testifies as neutral on SB 86. Discusses the history of this legislation.
TAPE 24, B		
014	Sen. Ringo	Comments that valid points have been raised.
018	Chair Minnis	Wonders who this statute applies to.
042	Sime	Says this is not a prevailing-party statute.
048	Sen. Ringo	Explains his understanding of the statute.
054	Chair Minnis	Says there are defects in the statute.
074	Sime	Explains his proposed changes.
087	Chair Minnis	Asks if there could be a subsequent claim after the claim has been paid.
092	Sen. Ringo	Explains action on a subsequent claim.
100	Sime	Further clarifies a subsequent claim.
117	Chair Minnis	Closes the public hearing on SB 86 and adjourns the meeting at 9:35 a.m.

EXHIBIT SUMMARY

A – LC 1502, submitted by staff, 2pp

B – LC 2221, submitted by staff, 1p

C – LC 2222, submitted by staff, 7 pp

D – SB 136, written testimony submitted by Peter Threlkel, 2 pp

E – SB 86, written testimony submitted by Thomas Mortland, 2 pp

F – SB 86, written testimony submitted by John Clements, 2 pp