

**HOUSE COMMITTEE ON BUSINESS AND CONSUMER AFFAIRS**

April 16, 1999 Hearing Room E

8:15 a.m. Tapes 87 ñ 88

**MEMBERS PRESENT: Rep. Roger Beyer, Chair**

**Rep. Dan Gardner, Vice-Chair**

**Rep. Tim Knopp, Vice-Chair**

**Rep. Bill Morrisette**

**Rep. Terry Thompson**

**Rep. Lynn Lundquist**

**MEMBERS EXCUSED: Rep. Jason Atkinson**

**STAFF PRESENT: Keith Putman, Administrator**

**Frances Thomas, Administrative Support**

**MEASURE/ISSUES HEARD: HB 2520 Public Hearing**

**HB 2738 Public Hearing**

**HB 2450 Public Hearing and Work Session**

**HB 3509 Public Hearing and Work Session**

**HB 2439 Public Hearing and Work Session**

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 87, A</b>		
004	Chair Beyer	Calls the meeting to order at 8:15 a.m. Opens a public hearing on HB 2520.
<b><u>HB 2520 PUBLIC HEARING</u></b>		

012	Keith Putman	Committee Administrator. Reviews provisions of the bill.
023	Deanna Montgomery	Cascade Locks. Testifies in support of HB 2520. Discusses personal circumstances and purchasing prescription drugs.
079	John Powell	Regence Blue Cross Blue Shield of Oregon. Testifies in opposition to HB 2520. Explains the cost of increasing drug programs. Explains reasons for specific time period requirements and the co-pay system.
173	Rep. Morrisette	Asks if the 90-day supply with 30-day advance notice is mail order or through a pharmacy.
175	Powell	States it is mail order, and explains there are several systems.
186	Dave Fiskum	Providence Health Plans and PacifiCare of Oregon. Testifies in opposition to HB 2520. Comments on costs of drugs and the patient-physician relationship.
216	Peggy Anet	Health Insurance Association of America (HIAA). Expresses concerns about the proposed legislation. Relating to costs speaks to the issue of having a balance between the amount of prescription drugs that are provided and ensuring a person continues to be covered under their health plan. Speaks to the issue of monitoring drug utilization patterns.
272	Mike Dewey	ODS Health Plans. Expresses concerns about HB 2520. Speaks to increasing costs of drugs.
293	Rep. Thompson	Asks if a doctor would be aware of costs and not prescribe large quantities.
296	Dewey	States there are no safeguards in the bill.
304	Rep. Thompson	Asks about obtaining larger quantities from wholesalers.
312	Dewey	Speaks to mail order as an alternative for those who need a prescription for an extended period.
330	Tom Holt	Executive Director, Oregon State Pharmacists Association. Testifies in support of HB 2520. Speaks to cost-related aspects of the bill. Suggests limiting the bill to a 90-day refill limit. Speaks to industry safeguards. Speaks to mail order pharmacies.
399	Eunice Getts	Testifies about her personal experience obtaining an adequate amount of a prescription drug.
455	Rep. Morrisette	Asks if there is something in the nature of the drug that prevents a doctor from

		prescribing an adequate amount.
458	Getts	Answers that the drug is just incredibly expensive.
461	Chair Beyer	Asks if she has requested her insurance company to make an exception.
463	Getts	Discusses actions she has taken.
470	Rep. Thompson	Discusses possible options.
485	Chair Beyer	Closes the public hearing on HB 2520. Opens a public hearing on HB 2738.
<b>TAPE 88, A</b>		
<b><u>HB 2738 PUBLIC HEARING</u></b>		
013	Putman	Reviews provisions of the HB 2738-1 amendment <b>[EXHIBIT A]</b> .
028	Darrel Fuller	Oregon Automobile Dealers Association (OADA). Testifies in support of HB 2738 <b>[EXHIBIT B]</b> . Comments on difficulties of having titles returned to dealerships.
075	Don Miner	Oregon Manufactured Housing Association. Testifies in support of 2738.
086	Monty King	Oregon Independent Auto Dealers Association (OIADA). Testifies in support of HB 2738. Uses examples to clarify position.
110	Chair Beyer	Closes the public hearing on HB 2738. Opens a public hearing on HB 2450.
<b><u>HB 2450 PUBLIC HEARING</u></b>		
125	Chair Beyer	Reviews committee action on the bill.
144	Bob Shiprack	Oregon State Building and Construction Trades (OSBCT). Introduces the HB 2450-3 amendment <b>[EXHIBIT C]</b> . States the bill has been thoroughly reviewed by the Management Labor Advisory Committee (MLAC). Speaks to the pilot program in the amendment.
180	Chair Beyer	Asks about concerns of committee.
182	Shiprack	States the concerns have been worked out.

204	Chris Davie	State Accident Insurance Fund (SAIF) Corporation. Speaks to the HB 2450-3 amendment. States concerns about the original bill. Comments that the HB 2450-3 amendment addresses SAIF's concerns.
250	Davie	Continues explanation.
278	Lisa Trussell	Associated Oregon Industries (AOI). States acceptance of the HB 2450-3 amendments. Comments that issues have been addressed through the amendment.
310	Collette Evers	Associated General Contractors (AGC). Speaks to concerns about the pilot program.
318	Rep. Gardner	Asks why have the requirement to return to the Legislature.
322	Evers	Answers it is an attempt to ensure the system is working.
331	Chair Beyer	Speaks to his concerns about the HB 2450-1 amendment.
338	John Gervais	National Electrical Contractors Association (NECA). Testifies in support of HB 2450.
375	Chair Beyer	Closes the public hearing on HB 2450 and opens a work session on HB 2450.
		Staff submits testimony on HB 2450 on behalf of Claudette McWilliams [EXHIBIT D].
<b><u>HB 2450 WORK SESSION</u></b>		
391	Rep. Gardner	<b>MOTION: Moves to ADOPT HB 2450-1 amendments dated 3/23/99.</b>
		<b>VOTE: 6-0</b> <b>EXCUSED: 1 - Atkinson</b>
Chair Beyer		<b>Hearing no objection, declares the motion CARRIED.</b>
405	Rep. Gardner	<b>MOTION: Moves to ADOPT HB 2450-3 amendments dated 4/15/99.</b>
		<b>VOTE: 6-0</b>

		<b>EXCUSED: 1 - Atkinson</b>
	<b>Chair Beyer</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>410</b>	<b>Rep. Gardner</b>	<b>MOTION: Moves HB 2450 to the floor with a DO PASS AS AMENDED recommendation.</b>
420	Putman	Reviews provisions of the amendments.
440	Chair Beyer	Recommends the bill should reflect the hand-engrossed version provided to the committee. States he does not believe the intent of the bill is force employers or employees to use the agreement.
		<b>VOTE: 6-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>EXCUSED: 1 - Atkinson</b>
	<b>Chair Beyer</b>	<b>The motion CARRIES.</b> <b>REP. GARDNER will lead discussion on the floor.</b>
<b>TAPE 87, B</b>		
014	Chair Beyer	Closes the work session on HB 2450. Opens a public hearing on HB 3509.
<b><u>HB 3509 PUBLIC HEARING</u></b>		
032	Matt Markee	Oregon Collectors Association. Testifies in support of HB 3509. Reviews provisions of the HB 3509-3 amendment [ <b>EXHIBIT E</b> ]. Lists exemptions included in amendment.
085	Markee	Continues explanation of the HB-3509-3 amendment.
129	Chair Beyer	Requests a definition of "reasonable time."
136	Markee	Speaks to allowing discretion for collections.
146	Chair Beyer	Asks if "and mediation and arbitration" should be added after "Is in litigation, including bankruptcy;" (page 3, line 20 of the HB 3509-3 amendment).
149	Markee	Answers Legislative Counsel did not think "bankruptcy" was needed.

157	Putman	Speaks to "liquidated accounts" going through the appeals process. Asks what happens if no one has ever appealed anything.
161	Markee	Answers he does not know the answer.
166	Putman	Asks if the 35 percent is dollar or account volume.
168	Markee	Answers account volume.
176	Annette Talbott	Legislative Coordinator, Oregon Department of Employment. Testifies in support of the HB 3509-3 amendment.
185	Chair Beyer	Clarifies the amendment would exclude all Employment Department accounts.
190	Jana Tindall	Assistant State Controller, Department of Administrative Services (DAS). Testifies in opposition to the bill [EXHIBIT F]. Speaks to DAS's concern that the bill has gone into too much detail. Reviews DAS's proposed changes.
229	Rep. Morrisette	Asks about registration of private agencies.
235	Tindall	Answers that private agencies have chosen not to be registered.
238	Chair Beyer	Asks Tindall about her involvement in the work group and if she expressed the agency's concerns.
245	Tindall	Answers about the level of detail may not exclude the right things. Speaks to the monitoring system and additional staffing concerns. Comments on agency satisfaction.
278	Chair Beyer	States his understanding of the agency's position and agency satisfaction.
290	Rep. Morrisette	Asks if the fiscal impact is significant.
295	Tindall	States the bill would require one additional position for DAS.
301	Rep. Thompson	Speaks to the potential impact from the collection of state debt.
312	Randall Jordan	Department of Justice. States most of the agency's concerns were addressed in the HB 3505-3 amendment. Speaks to clarifying "liquidated" and "delinquent" accounts.
377	Putman	Asks for clarification of liquidated amount. Uses examples.

386	Jordan	Explains an account becomes liquidated if the agency has gone through the necessary administrative procedures.
411	Putman	Asks if the agency will use the administrative rule for the definition of liquidated as opposed to putting it into the statutes.
418	Jordan	Concurs. Clarifies the term "restitution."
		Discussion continues on criminal restitution.
<b>TAPE 88, B</b>		
012	Jordan	Discusses concerns about the term "litigation."
030	Susan Browning	Oregon Department of Revenue (DOR). Testifies in support of HB 3509 in its original form [EXHIBIT G]. Reviews the amounts the department collects. Speaks to the department's partnership program.
069	Chair Beyer	Asks Browning if she testified at the first hearing and if she was in the work group.
071	Browning	States she did not testify.
071	Chair Beyer	Asks Browning if she worked with the work group.
072	Browning	Answers affirmatively. States the agency has continuously stressed voluntary compliance. Speaks to the agency's expertise.
100	Chair Beyer	Clarifies provisions when a taxpayer cannot make another payment during a year. Asks about the agency's normal timeframe.
106	Browning	Speaks to examining individual circumstances.
115	Chair Beyer	Clarifies the HB 3509-3 amendment would not affect the department's process.
116	Browning	Speaks to the agency's support of the original bill. States taxpayers want to be treated individually.
141	Chair Beyer	Expresses concern about Browning's comments about rules and regulations.
146	Rep. Thompson	Concurs with Chair Beyer's comments. Speaks to understanding extenuating circumstances. Comments on DOR's need to make an effort in collecting debts.

		Requests Markee to return.
158	Chair Beyer	Comments on DOR's delinquent accounts.
165	Browning	States the report includes all accounts receivable, timely as well as delinquent.
184	Thompson	Asks Markee to further comments on the HB 3509-3 amendment.
187	Matt Markee	Explains the amendments move away from the "write-off" process.
201	Rep. Thompson	Speaks to tax evasion.
206	Chair Beyer	Closes the public hearing on HB 3509 and opens a work session on HB 3509.
<b><u>HB 3509 WORK SESSION</u></b>		
210	Chair Beyer	Speaks to moving the bill without a fiscal impact.
217	<b>Rep. Knopp</b>	<b>MOTION: Moves to ADOPT HB 3509-3 amendments dated 4/15/99.</b>
		<b>VOTE: 6-0</b> <b>EXCUSED: 1 - Atkinson</b>
	<b>Chair Beyer</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
221	<b>Rep. Knopp</b>	<b>MOTION: Moves HB 3509 to the floor with a DO PASS AS AMENDED recommendation.</b>
240	Chair Beyer	The committee is at ease during the roll call vote. (The sound is not on for the remainder of the roll call.)
		<b>VOTE: 6-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>EXCUSED: 1 - Atkinson</b>
	<b>Chair Beyer</b>	<b>The motion CARRIES.</b> <b>REP. WINTERS will lead discussion on the floor.</b>



		See counter 305 for Rep. Lundquist's vote.
	Chair Beyer	Closes the work session on HB 3509 and opens a public hearing on HB 2439.
<b><u>HB 2439 PUBLIC HEARING</u></b>		
243	Putman	Distributes and reviews correspondence on the bill <b>[EXHIBIT H]</b> .
278	Chair Beyer	Requests staff to deliver a copy of the letter from the U.S. Department of Labor to Rep. Mannix.
281	Putman	Answers he has already done so.
292	Annette Talbott	Legislative Coordinator, Oregon Department of Employment. Discusses the correspondence.
297	Chair Beyer	Asks Talbott to provide staff with a copy of the correspondence. Closes the public hearing on HB 2439. Reopens the work session on HB 3509.
<b><u>HB 3509 WORK SESSION</u></b>		
305	Rep. Gardner	<b>MOTION: Moves to SUSPEND the rules for the purpose of allowing Rep. Lundquist to vote AYE on HB 3509</b>
		<b>VOTE: 6-0</b> <b>EXCUSED: 1 - Atkinson</b>
	Chair Beyer	<b>Hearing no objection, declares the motion CARRIED.</b>
313	Chair Beyer	Adjourns meeting at 10:20 a.m.

Transcribed By, Reviewed By,

VALERIE LUHR, KEITH PUTMAN,  
Administrative Support Administrator

**EXHIBIT SUMMARY**

**A ñ HB 2738-1 amendments, staff 2 pp.**

**B ñ HB 2738, written testimony, Darrell Fuller, 1 p.**

**C ñ HB 2450-3 amendment, Bob Shiprack, 3 pp.**

**D ñ HB 2450, written testimony, staff, 2 pp.**

**E ñ HB 3509-3 amendment, staff, 5 pp.**

**F ñ HB 3509, written testimony, Jana Tindall, 2 pp.**

**G ñ HB 3509, written testimony, Susan Browning, 1 p.**

**H ñ HB 2439, written testimony, staff, 5 pp.**