

HOUSE COMMITTEE ON COMMERCE

April 23, 1999 Hearing Room 350

1:00 p.m. Tapes 40 - 43

MEMBERS PRESENT: Rep. Jim Hill, Chair

Rep. Ryan Deckert, Vice-Chair

Rep. Al King

Rep. Jerry Krummel

Rep. Bob Montgomery

Rep. Anitra Rasmussen

Rep. Diane Rosenbaum

Rep. Mark Simmons

MEMBER EXCUSED: Rep. Bill Witt

STAFF PRESENT: Jason Cody, Administrator

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD: HB 2167 ñ Public Hearing

HB 2654 ñ Public Hearing

HB 2663 ñ Public Hearing

HB 2667 ñ Public Hearing

HB 3263 ñ Public Hearing

HB 3594 ñ Public Hearing

HB 3601 ñ Public Hearing

HB 2997 ñ Public Hearing

HB 3602 ñ Public Hearing

HB 3241 ñ Public Hearing

HB 3336 ñ Public Hearing

HB 3337 ñ Public Hearing

HB 3615 ñ Public Hearing

SB 1217-A ñ Public Hearing and Work Session

HB 2581 ñ Public Hearing and Work Session

HB 2271 ñ Work Session

HB 3219 ñ Work Session

HB 3107 ñ Work Session

HB 2827 ñ Work Session

HB 2968 ñ Work Session

HB 3001 ñ Work Session

HB 2740 ñ Work Session

HB 2739 ñ Work Session

HB 3144 ñ Work Session

HB 3521 ñ Work Session

HB 3234 ñ Work Session

HB 3535 ñ Work Session

HB 3518 ñ Work Session

HB 3061 ñ Work Session

HB 3041 ñ Work Session

HB 2248 ñ Work Session

HB 2774 ñ Work Session

HB 2924 ñ Work Session

HB 3011 ñ Work Session

HB 3383 ñ Work Session

HB 3384 ñ Work Session

HR 2 ñ Work Session

HB 2728 ñ 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
TAPE 40, A		
004	Chair Hill	Calls meeting to order at 1:00 p.m. and opens public hearings on House Bills 2167, 2654, 2663, 2667, 3263, 3594, 3601, 2997, 3602, 3241, 3336, 3337 and 3615.
<u>HB 2167, HB 2654, HB 2663, HB 2667, HB 3263, HB 3594, HB 3601, HB 2997, HB 3602, HB 3241, HB 3336, HB 3337 AND HB 3615 ñ PUBLIC HEARINGS</u>		
008	Chair Hill	Closes the public hearings on the above listed house bills.
015	Chair Hill	Opens the public hearing on HB 1217-A
<u>HB 1217-A ñ PUBLIC HEARING</u>		
019	Sen. Avel Gordly	Senate District 10. Submits and reads a prepared statement explaining the need for the bill and the urgency for passage (EXHIBIT A) .
078	Chair Hill	Closes public hearing and opens a work session on SB 1217-A.
<u>SB 1217-A ñ WORK SESSION</u>		
085	Jason Cody	Administrator. Explains that the committee has the SB 1217-A2 amendment that declares an emergency effective on passage (EXHIBIT B) .
086	Rep. Rasmussen	MOTION: Moves to ADOPT SB 1217-A2 amendments dated 04/22/99.
112		VOTE: 7-0-2 EXCUSED: 2 - Reps. Simmons, Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED .
113	Rep. Rasmussen	MOTION: Moves SB 1217A to the floor with a DO PASS AS AMENDED recommendation.

		<p>VOTE: 7-0-2</p> <p>EXCUSED: 2 - Reps. Simmons, Witt</p>
	Chair Hill	Hearing no objection, declares the motion CARRIED .
		REP. RASMUSSEN will lead discussion on the Floor.
124	Chair Hill	Opens a public hearing on HB 2581.
<u>HB 2581 ñ PUBLIC HEARING</u>		
126	Rep. Kitty Piercy	House District 39. Submits prepared statement in support of HB 2581 with the ñ1 amendments (EXHIBIT C). Reads prepared statement (EXHIBIT D).
190	Rep. Krummel	Asks if there is a mechanism to pay for the coverage other than raising the premiums or whether the intent is to raise premiums.
	Rep. Pierce	Responds she believes premiums would increase by one percent.
217	John Powell	Regence Blue Cross/Blue Shield of Oregon. Comments that he supplied a letter to Rep. Piercy a couple of weeks ago outlining the costs. Explains that qualified HMOs must cover maternity. HB 2581 extends coverage to indemnity individual policies and group policies that are on an indemnity basis. Regenceís cost for adding it to the indemnity policies will be one percent of the policy premiums totaling a little over \$6 million a year.
242	Powell	Comments that HB 2580 and HB 2581 really go together because currently all of Regenceís policies, individual or group indemnity policies or an HMO, provides maternity coverage. The premium is being spread across the entire population being insured. Explains that competitors are selling policies without maternity coverage. There is a tremendous difference in the cost of policies sold to people of childbearing age with maternity in it than a policy without the coverage. Unless both bills pass together, there could be fewer pregnancies covered because Regence would be forced to start writing their policies without maternity coverage.
272	Powell	Regence retired general counsel believes dependents are mandated to be covered under the law but there is an attorney general opinion that uses logic that escapes one lawyer as to how it is possible to exclude them. They did rule that dependents are not covered under the law. The two bills together would resolve the issue once and for all.
290	Donalda Doda	Assistant Administrator, Oregon Health Division. Submits and reads statement in

		support of HB 2581 (EXHIBIT G) .
342	Joanne DeHoff	March of Dimes and member of governor's Maternity Task Force. Testifies in support of HB 2581 (EXHIBIT E)
398	Chair Hill	Closes the public hearing on HB 2581 and announces that a work session will be held upon the return of Rep. King. Advises members that the committee also has the HB 2581-3 amendments (EXHIBIT F) .
440	Chair Hill	Explains to the audience the process of opening and closing hearings on the list of House bills. See page 1 of these minutes.
TAPE 41, A		
025	Chair Hill	Opens a work session on HB 2271
<u>HB 2271 n WORK SESSION</u>		
035	Chair Hill	Advises members that the compromise amendments, HB 2271-5, are being distributed (EXHIBIT H) .
046	Cody	Explains HB 2271.
059	Mike Dewey	Oregon Cable Telecommunications Association. Explains they have put an effective date of September 1999 on the task force because they are being asked to do more work than to only be a recommendation body. They will take a look at inspection practices of industries, what costs might be appropriate and appropriate compliance with contracts. The PUC will develop rules to establish a program for compliance with contracts between the pole owner and the licensee. Adds that the 40 inches in the bill has been changed to 20 inches. The savings, potentially, are 10 to 12 percent. Additional language has been added that makes it clear cooperatives and municipalities are included in the legislation. (EXHIBIT G)
083	Dewey	Adds that they are not sure the drafting is correct but they would like to move the bill on. They have agreed that if there needs to be some tweeking, there will be some time to do that.
089	Sandy Flicker	Rural Electric Cooperative Association. Comments she was working with the other electric utilities on this and appreciates Dewey's cooperation in coming close to a fairly good compromise. The main concern was compliance and believes they have an opportunity to do that with this bill and the task force. Adds that there may be some glitches to work out on the Senate side, but at this time they believe they have reached a relatively good compromise.
105	Rep. Montgomery	MOTION: Moves to ADOPT HB 2271-5 amendments dated 04/23/99.

109	Rep. Hill	MOTION: Moves to AMEND the motion to adopt the HB 2271-5 amendments to include the deletion of the HB 2271-3 amendments adopted by the committee on March 8.
117		VOTE: 7-0-2 EXCUSED: 2 - Reps. Simmons, Witt
118	Rep. Montgomery	MOTION: Moves HB 2271 to the floor with a DO PASS AS AMENDED recommendation.
122		VOTE: 7-0-2 EXCUSED: 2 - Reps. Simmons, Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED. REP. WITT will lead discussion on the floor.
124	Chair Hill	Opens a work session on HB 3219.
<u>HB 3219 n WORK SESSION</u>		
131	Cody	Explains the HB 3219-5 amendments (EXHIBIT I). Advises that the committee has also received a conceptual amendment (EXHIBIT J) and the HB 3219-6 amendments (EXHIBIT K).
145	Tom OiConnor	Oregon Municipal Electric Utilities. Testifies that they support the conceptual amendments (EXHIBIT J). The amendments were designed to link a sunset date with the expiration of the Bonneville Conservation Renewable credit that expires at the end of the rate case in 2006.
153	Chair Hill	Notes that the compromise allows the bill to go forward without opposition on the floor.
157	Rep. Montgomery	MOTION: Moves to ADOPT the amendments offered by the Oregon Municipal Electric Utilities to HB 3219 (EXHIBIT J).

161	Cody	Explains that the conceptual amendment changes the HB 3219-6 amendments.
165		VOTE: 8-0-1 EXCUSED: 1 - Rep. Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED.
168	Rep. Montgomery	MOTION: Moves HB 3219 to the floor with a DO PASS AS AMENDED recommendation.
177		VOTE: 8-0-1 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt
	Chair Hill	The motion CARRIES.
181	Chair Hill	Opens a work session on HB 2581.
<u>HB 2581- WORK SESSION</u>		
183	Rep. Piercy	Explains that the HB 2581-3 amendments (EXHIBIT F) are intended to define pregnancy, but inadvertently does more than that. Suggests that on page 1 of HB 2581, in line 8 after "pregnancy" insert "as defined by ORS 743.845 Section 1 (b)".
213	Rep. Rasmussen	MOTION: Moves to AMEND HB 2581 on page 1, in line 8, after "pregnancy" insert "as defined by ORS 743.845 Section 1 (b)".
216		VOTE: 8-0-1 EXCUSED: 1 - Rep. Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED.

218	Rep. Rasmussen	MOTION: Moves to ADOPT HB 2581-1 amendments dated 04/15/99.
225		VOTE: 8-0-1 EXCUSED: 1 - Rep. Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED.
226	Rep. Rasmussen	MOTION: Moves HB 2581 to the floor with a DO PASS AS AMENDED recommendation.
234	Rep. Krummel	Comments he will vote yes but objects to mandates because of the rippling effect. Adds that it gives the insurance companies another reason to raise premiums.
255	Rep. King	Declares a potential conflict of interest because he is a licensed health insurance agent.
258	Rep. King	Comments that the bill does increase premium rates. Without it people will not be insured and we will pay for it at the emergency room.
267		VOTE: 8-0-1 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt
	Chair Hill	The motion CARRIES. REP. PIERCY will lead discussion on the floor.
277	Chair Hill	Opens a work session on HB 3107.
<u>HB 3107 n WORK SESSION</u>		

301	Rep. Rasmussen	Explains the bill relates to underground oil tanks and would help in getting the leaking tanks removed.
312	Cody	Advises that the fiscal impact is about \$500,000 and the bill needs to be referred to the Committee on Ways and Means. Explains that the Subcommittee on Regulations adopted the HB 3107-1 amendments (EXHIBIT L).
321	Rep. Rasmussen	MOTION: Moves HB 3107 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means.
328	Rep. Montgomery	Comments there should be a sunset on the bill.
338		VOTE: 8-0-1 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt
	Chair Hill	The motion CARRIES.
345	Rep. Hill	Opens a work session on HB 2827.
<u>HB 2827 n WORK SESSION</u>		
352	Cody	Explains HB 2827 and the HB 2827-1 amendments (EXHIBIT M).
360	Rep. King	Comments there was no opposition to HB 2827 in subcommittee.
373	Chair Hill	Advises that the HB 2827-1 amendments were adopted in the Subcommittee on Regulations.
375	Rep. King	MOTION: Moves HB 2827 to the floor with a DO PASS AS AMENDED recommendation.
381		VOTE: 8-0-1 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt

	Chair Hill	<p>The motion CARRIES.</p> <p>REP. KING will lead discussion on the floor.</p>
389	Chair Hill	Opens a work session on HB 2968
<u>HB 2968 n WORK SESSION</u>		
389	Rep. Rasmussen	Explains HB 2968 with the HB 2968-1 amendments (EXHIBIT N). The bill attempts to clarify that playing the lottery is an entertaining activity, but not necessarily a capitol investment.
403	Rep. Krummel	Comments it seems people would understand and questions whether this should be put into law.
443	David Hooper	Public Affairs Manager, Oregon Lottery Commission. Comments that HB 2968 was submitted by Rep. Merkley and they worked with Rep. Merkley to develop the compromise language (EXHIBIT N)
451	Rep. Rasmussen	MOTION: Moves HB 2968 to the floor with a DO PASS AS AMENDED recommendation.
456		<p>VOTE: 6-2-1</p> <p>AYE: 6 - Deckert, King, Krummel, Rasmussen, Rosenbaum, Hill</p> <p>NAY: 2 - Montgomery, Simmons</p> <p>EXCUSED: 1 - Witt</p>
	Chair Hill	<p>The motion CARRIES.</p> <p>REP. RASMUSSEN will lead discussion on the floor.</p>
TAPE 40, B		
034	Chair Hill	Opens a work session on HB 3001.

HB 3001 n WORK SESSION

036	Cody	Explains HB 3001 with the HB 3001-3 amendments (EXHIBIT O) as adopted by the Subcommittee on Regulations.
040	Rep. King	Declares a conflict of interest.
053	Rep. King	MOTION: Moves HB 3001 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair	The motion CARRIES.
		REP. KING will lead discussion on the floor.
064	Chair Hill	Opens a work session on HB 2740.

HB 2740 n WORK SESSION

067	Cody	Explains HB 2740 with the HB 2740-1 amendments (EXHIBIT P) as adopted by the Subcommittee on Regulations.
073	Rep. Simmons	Explains that the bill revises the law relating to rental motor vehicles and recommends passage.
078	Rep. Simmons	MOTION: Moves HB 2740 to the floor with a DO PASS AS AMENDED recommendation.
082	Rep. Rosenbaum	Asks if the bill says car rental companies are not liable if a person in a rental car is injured or killed unless the company was negligent in maintaining the vehicle.
089	Rep. Simmons	Explains that the provisions in HB 2740 would clarify in statute that burden of the vehicle liability rests solely on the third party.
097	Cody	Explains that currently the liability of either the person or company renting a car

		would have gone to court if there were an accident. The damages are split in half. They are trying to make the insurance policy of the person who has his/her own insurance be the primary insurance company when the person rents an automobile.
103	Darrell Fuller	Oregon Automobile Dealers Association (OADA). Explains that currently there is no statute that directs a court on which insurance is primary and which is excess when a car is in an accident. Because the law is silent the courts have said when a rented vehicle is in an accident, the insurance company for the agency that rented the vehicle and the insurance company for the person driving the vehicle split the cost of the accident. OADA believes the driver causes the accident, not the vehicle and that the insurance of the driver ought to be primary unless there is a mechanical failure or the agency was negligent in renting to someone.
117	Rep. Rosenbaum	Asks how this will affect auto insurance rates generally.
119	Fuller	Responds he cannot say. Adds that those people who have the rental car rider on their policies pay for the rider and he assumes it is possible the rental car rider could increase as a result of this additional liability. Adds that 21 states have laws similar to this and three states have laws that require the dealers' insurance to be primary.
139	Rep. Simmons	Restates his motion.
		VOTE: 6-1-2 AYE: 6 - Deckert, King, Krummel, Rasmussen, Rosenbaum, Simmons NAY: 1 - Hill EXCUSED: 2 - Montgomery, Witt
		Chair Hill The motion CARRIES.
		REP. SIMMONS will lead discussion on the floor.
155	Chair Hill	Opens a work session on HB 2739.
<u>HB 2739 n WORK SESSION</u>		
158	Cody	Explains HB 2739 with the HB 2739-6 amendments (EXHIBIT Q).
174	Rep King	Comments on subcommittee discussion on amendments to the bill.

183	Cody	Explains that the contents of the HB 2739-6 amendments were adopted by the Subcommittee on Regulations. The amendments remove the distinction of the A and B certificates.
195	Rep. King	Declares a potential conflict of interest.
199	Rep. King	MOTION: Moves HB 2739 to the floor with a DO PASS AS AMENDED recommendation.
201		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair Hill	The motion CARRIES. REP. KING will lead discussion on the floor.
206	Chair Hill	Opens a work session on HB 3144.
<u>HB 3144 n WORK SESSION</u>		
208	Cody	Explains HB 3144 with the HB 3144-1 amendments (EXHIBIT R) adopted by the Subcommittee on Regulations.
218	Rep. Deckert	MOTION: Moves HB 3144 to the floor with a DO PASS AS AMENDED recommendation.
228		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair Hill	The motion CARRIES. REP. WITT will lead discussion on the floor.

232	Chair Hill	Opens a work session on HB 3521.
<u>HB 3521 WORK SESSION</u>		
233	Cody	Explains HB 3521 with the HB 3521-1 amendments (EXHIBIT S) adopted by the Subcommittee on Regulations.
247	Rep. Rasmussen	MOTION: Moves HB 3521 to the floor with a DO PASS AS AMENDED recommendation.
251	Rep. King	Declares a potential conflict of interest.
254	Rep. Deckert	Comments he is opposed to "bushing" in general.
		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair Hill	The motion CARRIES.
263	Chair Hill	Opens a work session on HB 3234.
<u>HB 3234 WORK SESSION</u>		
264	Cody	Explains HB 3234.
271	Rep. Simmons	MOTION: Moves HB 3234 to the floor with a DO PASS recommendation.
276		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt

	Chair Hill	<p>The motion CARRIES.</p> <p>REP. SIMMONS will lead discussion on the floor.</p>
281	Chair Hill	Opens a work session on HB 3535.
<u>HB 3535 n WORK SESSION</u>		
282	Cody	Explains HB 3535 with the HB 3535-1 amendments (EXHIBIT T) adopted by the subcommittee on Regulations.
294	Rep. Simmons	MOTION: Moves HB 3535 to the floor with a DO PASS AS AMENDED recommendation.
299	Rep. Rasmussen	Comments she is not in support of HB 3535 because she does not believe it gets all the way to where it was intended. Comments on residents intending to buy locally but are passed through to some other community.
338	Rep. Simmons	Gives example of non-existent business and its practices. Adds that this is intended to keep businesses from intentionally misrepresenting the physical location of their business in their advertising.
		<p>VOTE: 5-2-2</p> <p>AYE: 5 - Deckert, King, Krummel, Rosenbaum, Simmons</p> <p>NAY: 2 - Rasmussen, Hill</p> <p>EXCUSED: 2 - Montgomery, Witt</p>
	Chair Hill	The motion CARRIES.
392	Chair Hill	Opens a work session on HB 3518.
<u>HB 3518 n WORK SESSION</u>		
399	Chair Hill	Notes that HB 3518 has a prior referral to Ways and Means.
402	Rep. Krummel	Explains HB 3518 allocates moneys from the Oregon Economic Development Department for a Portland Metropolitan Sports Authority (PMSA). Explains

		events sponsored by the PMSA.
425	Rep. Krummel	MOTION: Moves HB 3518 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
460		VOTE: 5-2-2 AYE: 5 - Deckert, King, Krummel, Simmons, Hill NAY: 2 - Rasmussen, Rosenbaum EXCUSED: 2 - Montgomery, Witt
	Chair Hill	The motion CARRIES. REP. KRUMMEL will lead discussion on the floor.
472	Rep. Krummel	Questions whether he needs to declare a conflict of interest since he is an athletic trainer.
482	Rep. Krummel	Declares a potential conflict of interest on HB 3518.
TAPE 41, B		
032	Chair Hill	Opens a work session on HB 3061.
<u>HB 3061 n WORK SESSION</u>		
033	Chair Hill	Notes that HB 3061 has a prior referral to Ways and Means.
034	Rep. Krummel	Explains that Reps. Ross, Merkley and others sponsored HB 3061. The World Affairs Council of Oregon received \$90,000 in the last biennium and is asking for \$130,000 this biennium. Advises that the Subcommittee on Trade and Economic Development adopted a conceptual amendment (HB 3061-1 AMENDMENTS (EXHIBIT U)).
064	Rep. Rasmussen	Comments she would like to discuss reinstating the \$130,000.
076	Rep. Rasmussen	MOTION: Moves to delete the conceptual amendments

		adopted by the Subcommittee on Trade and Economic Development (EXHIBIT U).
		VOTE: 5-1-3 OBJECTION: 1 EXCUSED: 3 - Reps. Deckert, Montgomery, Witt
	Chair Hill	Noting the objection by Rep. Krummel, declares the motion CARRIED .
089	Rep. Rasmussen	MOTION: Moves HB 3061 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
094	Rep. Krummel	Comments the World Affairs Council does a lot of good work for the state.
098	Rep. Rosenbaum	Explains she will support the motion although she did not support the last motion because the program has been funded previously out of lottery dollars and believes it is consistent to try to continue the funding.
		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair Hill	The motion CARRIES.
111	Chair Hill	Opens a work session on HB 3041.
<u>HB 3041 ñ WORK SESSION</u>		
114	Cody	Explains HB 3041 with the HB 3041ñ2 amendments (EXHIBIT V).
122	Chair Hill	Explains that the HB 3041-2 amendments allow the Secretary of State, by rule, to adopt a procedure in which electronic digital signatures can be used as notarial stamps. Suggest the committee adopt the HB 3041-2 amendments.

138	Rep. Rosenbaum	MOTION: Moves to ADOPT HB 3041-2 amendments dated 04/19/99.
142		VOTE: 6-0-3 EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED.
142	Rep. Rosenbaum	MOTION: Moves HB 3041 to the floor with a DO PASS AS AMENDED recommendation.
146		VOTE: 6-0-3 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	The motion CARRIES. REP. HILL will lead discussion on the floor.
154	Chair Hill	Opens a work session on HB 2248.
<u>HB 2248 n WORK SESSION</u>		
157	Cody	Explains HB 2248 with the HB 2248-8 amendments (EXHIBIT W).
165	Chair Hill	Notes that HB 2248 has a prior referral to the Committee on Revenue.
169	Rep. Krummel	Explains that HB 2248 with the HB 2248-8 amendments comes from the Subcommittee on Trade and Economic Development. Reviews testimony received by the subcommittee. Believes HB 2248 is a good measure. Adds that the subcommittee has adopted the amendments.
202	Rep. Krummel	MOTION: Moves HB 2248 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.

		VOTE: 5-0-4 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 4 - Reps. King, Montgomery, Rasmussen, Witt
	Chair Hill	The motion CARRIES.
214	Chair Hill	Opens a work session on HB 2774.
<u>HB 2774 in WORK SESSION</u>		
208	Rep. Rosenbaum	Explains that HB 2774 was amended in the Subcommittee on Trade and Economic Development (HB 2774-6 amendments) (EXHIBIT X). The current requirements are becoming cumbersome and there are other means of recording the information. The county clerks would have the ability to manage records in the most efficient way possible. Adds that it also allows electronic filings.
230	Rep. Rosenbaum	MOTION: Moves HB 2774 to the floor with a DO PASS AS AMENDED recommendation.
237		VOTE: 5-0-4 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 4 - Reps. King, Montgomery, Rasmussen, Witt
	Chair Hill	The motion CARRIES.
266	Chair Hill	Questions whether the HB 2774-4 amendments (EXHIBIT Y) were included in the HB 2774-6 amendments and comments he would entertain a motion to reconsider the vote on HB 2774.
276	Rep. Simmons	MOTION: Moves to RECONSIDER the vote by which HB 2774 passed.
278	Chair Hill	Advises members the committee will wait for the return of one more member.
	Rep. Simmons	(By implied consent) withdraws his motion.

	Chair Hill	Closes work session on HB 2774.
	Chair Hill	Declares the meeting in recess.
NOTE: DUE TO OPERATOR ERROR, THIS PORTION OF THE MEETING IS NOT RECORDED. TAPE 41, B IS BLANK FROM 280 TO END OF TAPE.		
	Chair Hill	Reconvenes the meeting and opens a work session on HB 2924.
<u>HB 2924 n WORK SESSION</u>		
	Rep. Deckert	MOTION: Moves HB 2924 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 6-0-3 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	The motion CARRIES.
	Chair Hill	Opens a work session on HB 2774
<u>HB 2774 n WORK SESSION</u>		
	Rep. Simmons	MOTION: Moves to SUSPEND the rules for the purpose of reconsidering the vote by which HB 2774 passed.
		VOTE: 6-0-3 EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED.
	Rep. Simmons	MOTION: Moves to RECONSIDER the vote by which HB 2774 was passed.

		VOTE: 6-0 EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	Hearing no objection, declares the motion CARRIED .
	Rep. Rosenbaum	MOTION: Moves to ADOPT HB 2774-4 amendments dated 04/12/99 (EXHIBIT Y).
		VOTE: 6-0-3 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	The motion CARRIES .
	Rep. Rosenbaum	MOTION: Moves HB 2774 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 6-0-3 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	The motion CARRIES . REP. ROSENBAUM will lead discussion on the floor.
	Chair Hill	Opens a work session on HB 3011
<u>HB 3011 n WORK SESSION</u>		
	Rep. Simmons	MOTION: Moves HB 3011 to the floor WITHOUT

		RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.
		VOTE: 6-0-3 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Reps. King, Montgomery, Witt
	Chair Hill	The motion CARRIES.
TAPE 42, A		
NOTE: TAPE IS BLANK FROM BEGINNING TO 075.		
	Chair Hill	Opens a work session on HB 3383.
<u>HB 3383 in WORK SESSION</u>		
	Cody	Explains HB 3383 with the HB 3383-1 amendments (EXHIBIT AA).
	Rep. Rasmussen	MOTION: Moves HB 3383 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 5-0-4 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 4 - Reps. King, Krummel, Montgomery, Witt
	Chair Hill	The motion CARRIES. SIMMONS will lead discussion on the floor.
	Chair Hill	Opens a work session on HB 3384.

HB 3384- WORK SESSION

	Cody	Explains HB 3384 with the HB 3384-1 amendments (EXHIBIT BB).
	Rep. Rasmussen	MOTION: Moves HB 3384 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 5-0-4 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 4 - Reps. King, Krummel, Montgomery, Witt
	Chair Hill	The motion CARRIES. REP. KING will lead discussion on the floor.
	Chair Hill	Opens a work session on HR 2.

HR 2 n WORK SESSION

	Barbara Jensen	Comments she agrees that the Year 2000 Statewide Project Team deserves commendation.
--	----------------	--

TAPE RECORDING IS RESUMED AT THIS TIME.

076	Chair Hill	Notes the lack of a quorum. Adds that this is a vehicle that the legislature can use to express an opinion if they want.
078	Simmons	Comments the chair and this committee has done a lot of work to hold the agencies accountable and to assure they are in full compliance.
095	Chair Hill	Comments he would not want to spread false hope but does not think HR 2 does that. It just says essential services will be there and they have contingency plans. Adds that it does not say there will not be problems. Would prefer to bring the bill back to the committee at a later time.
114	Chair Hill	Closes the work session on HR 2

--	--	--

122	Chair Hill	Opens a work session on HB 2728.
<u>HB 2728 ñ WORK SESSION</u>		
124	Rep. Deckert	Submits the HB 2728-4 amendments (EXHIBIT CC). Explains that the ñ4 amendments take off the percentage restrictions and says that a service charge and handling shall indicate that other costs are in the price of the ticket. Venues and promoters are free to charge whatever the market will bear.
135	Rep. Deckert	MOTION: Moves to ADOPT HB 2728-4 amendments dated 04/01/99.
138	Rep. Simmons	Asks how the amendments affect organizations like Ticketmaster.
141	Rep. Deckert	Explains that the ñ4 amendments do not place any restrictions on how much service and handling fees they can charge.
171	Gary Conkling	Ticketmaster. Comments he has had several conversations with Rep. Deckert and others and attempted to convey their concern with this provision. The problem with this proposal is that venues and promoters frequently receive remuneration and whether they do or not is subject to contract.
209	Conkling	Explains various charges. This is regulating what the ticket price must cover. Does not know who the regulating authority would be, what the sanctions would be or what the cost of the inspection would be. Believes it would be difficult for the vendors to live with this and compete.
239	John McCully	Oregon Fairs Association. Comments that when they negotiate on a contract under the present system, the act or entertainer gets all the ticket revenue and the venue makes whatever it is going to make on the other fees and charges it is able to work out. This would force the venues during negotiation to try to explain that they can no longer provide all the ticket revenue. Thinks they would be in a very difficult position to do that, because of the way the contracts have been written historically, and get the money they need to be the site for the act.
259	Simmons	Asks if this would run the risk of making Oregon non-competitive.
265	Conkling	Responds he is just saying it would make it more difficult for them to compete for events and cover the costs and margins of the promoter and the venue.
275	Rep. Deckert	Comments the charge is \$2.50 or \$3.00 in Spokane. Asks if there is a unique situation in Portland. Adds there is no limit on the handling fee and if this amendment were in effect they could still charge the same service and handling fee.
287	Conkling	Comments he has no information about Spokane. Whatever the charge is, it is the subject of the contract written between the promoter of the venue and the

		ticket person and the performer. Adds that this amendment talks about a service charge, but it then says the face value of the ticket must include all charges imposed on the sale of the ticket. Asks if that means the venue profit as well as whatever the promoter might make. Adds that the ticket vendors do not get to decide the price.
318	Rep. Simmons	Comments the amendments remove the cap on what the extra fees can be.
321	John McCully	Comments it would appear that if the service charge can be outside the face value of the ticket, it might help the ticket vendor. Thinks that having the profit for the venue in the ticket price itself is a disadvantage for them. It makes it much more difficult for them to get the benefits they are now able to get under the system that exists.
375	Rep. King	Asks if this is handled differently everywhere or whether it is pretty universal across the country. Comments he is willing to pass the bill forward with the understanding that more information is needed and if we cannot do it effectively, then it should die.
430	Rep. Simmons	Comments he would prefer to wait for further information.
432	Rep. Deckert	Comments he would be willing to adopt the HB 2728-4 amendments or wait on Rep. Simmons' request for more information. Adds that he is not interested in doing anything if it puts Oregon at a competitive disadvantage.
TAPE 43, A		
018	Conkling	Reiterates that the bill would make venues noncompetitive.
024	Rep. Krummel	Asks if all the costs were included in the face value of the ticket whether it would put Oregon at a competitive disadvantage in negotiating with the artists.
041	Conkling	Comments on how business is conducted among the parties.
		VOTE: 7-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Reps. Montgomery, Witt
	Chair Hill	The motion CARRIES.

077	Chair Hill	Closes the work session on HB 2728.
083	Chair Hill	Adjourns meeting at 4:20 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jason Cody,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 1217 ñ prepared statement, Rep. Gordly, 2 pp

B ñ SB 1217, SB 1217-A2 amendments, unknown, 1 p

C ñ HB 2581, HB 2581-1 amendments, Rep. Piercy, 1 p

D ñ HB 2581, prepared statement, Rep. Piercy, 8 pp

E ñ HB 2581, prepared statement, Joanne DeHoff, 1 p

F ñ HB 2581, HB 2581-3 amendments, unknown, 1 p

G - HB 2581, prepared statement, Donalda Dodson, 2 pp

H ñ HB 2271, HB 2271-5 amendments, Mike Dewey, 5 pp

I ñ HB 3219, HB 3219-5 amendments, unknown, 3 pp

J - HB 3219, conceptual amendment, unknown, 1 p

K ñ HB 3219, HB 33219-6 amendment, unknown, 1 p

L ñ HB 3107, HB 3107-1 amendments, Mike Korten Hof, 7 pp

M ñ HB 2827, HB 2827-1 amendments, staff, 1 p

N ñ HB 2968, HB 2968-3 amendments, Rep. Merkley, 3 pp

O ñ HB 3001, HB 3001-3 amendments, Monty King, 1 p

P ñ HB 2740, HB 2740-1 amendments, Darrell Fuller, 4 pp

Q ñ HB 2739, HB 2739-6 amendments, Subcommittee on Regulations, 14 pp

R ñ HB 3144, HB 3144-1 amendments, Michael Smith, 1 p

S ñ HB 3521, HB 3521-1 amendments, Peter Shepherd, 1 p

T ñ HB 3535, HB 3535-1 amendments, Subcommittee on Regulations, 1 p

U ñ HB 3061, HB 3061-1 amendments, Subcommittee on Trade and Econ. Dev., 1 p

V ñ HB 3041, HB 3041-2 amendments, Rep. Hill, 2 pp

W ñ HB 2248, HB 2248-8 amendments, John Powell, 8 pp

X ñ HB 2774, HB 2774-6 amendments, Charles Stern, 12 pp

Y ñ HB 2774, HB 2774-4 amendments, Rep. Hill, 1 p

Z ñ HB 2924, HB 2924-2 amendments, Charles Stern, 2 pp

AA ñ HB 3383, HB 3383-1 amendments, Gary Wright, 2 pp

BB ñ HB 3384, HB 3384-1 amendments, Gary Wright, 1 p

CC ñ HB 2728, HB 2728-4 amendments, Rep. Deckert, 1 p