

**HOUSE COMMITTEE ON COMMERCE**

**April 30, 1999 Hearing Room 350**

**1:00 p.m. Tapes 44 - 46**

**MEMBERS PRESENT: Rep. Jim Hill, Chair**

**Rep. Ryan Deckert, Vice-Chair**

**Rep. Al King**

**Rep. Jerry Krummel**

**Rep. Anitra Rasmussen**

**Rep. Diane Rosenbaum**

**Rep. Mark Simmons**

**Rep. Bill Witt**

**MEMBER EXCUSED: Rep. Bob Montgomery**

**STAFF PRESENT: Jim Stembridge, Manager, Policy, Research & Committee Services**

**Annetta Mullins, Administrative Support**

**MEASURE/ISSUES HEARD: HB 2579 ñ Work session**

**SCR5-A ñ Public Hearing and Work Session**

**HB 2093 ñ Work Session**

**HB 2734 ñ Work Session**

**HB 3388 ñ Work Session**

**HB 3556 ñ Work Session**

**HB 3558 ñ Work Session**

**HB 3336 ñ Work Session**

**HB 2735 ñ Work Session**

**HB 2576 ñ Work Session**

**HB 3283 ñ Work Session**

**HB 3601 ñ Work Session**

**HB 3615 ñ Work Session**

**HB 2663 ñ Work Session**

**HB 2728 ñ Work Session**

**HB 3241 ñ Work Session**

**HB 2271 ñ Reconsideration 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 44, A</b>		
004	Chair Hill	Calls meeting to order at 1:35 and opens the work session on HB 2579.
<b><u>HB 2579 ñ WORK SESSION</u></b>		
	Rep. Witt	Explains HB 2579.
026	Rep. Rosenbaum	Declares a potential conflict of interest. Comments that the staff measure summary indicates she voted against the bill but believes Rep. Rasmussen was a member of the subcommittee.
037	Rep. Rasmussen	Explains she did vote against the bill and will continue to do so. She is not convinced there is enough competition in yellow pages to justify removal from the process.
050	Rep Witt	Comments that Rep. Rasmussen's position 10 or 15 years ago would have some very strong merit because the directory or yellow page type business had not developed as it has today. Believes when one looks at the variety of ways in which advertising and directories can be conveyed, it is appropriate at this time to recognize these are two separate businesses—one regulated and one not regulated---and by computing in the revenues we are telling the companies with directory advertising businesses that if they run their business well, we will take a big chunk of their revenues to lower the rates on their regulated business.
060	Rep. Witt	<b>MOTION: Moves HB 2579 to the floor with a DO PASS recommendation.</b>
064		<b>VOTE: 5-2-2</b>

		<b>AYE: 5 - Deckert, King, Krummel, Witt, Hill</b> <b>NAY: 2 - Rasmussen, Rosenbaum</b> <b>EXCUSED: 2 - Montgomery, Simmons</b>
	<b>Chair Hill</b>	<b>The motion CARRIES.</b>  <b>REP. WITT will lead discussion on the floor.</b>
070	Chair Hill	Opens public hearing on SCR 5A.
<b><u>SCR 5A ñ PUBLIC HEARING</u></b>		
072	Jim Stembridge	Manager, Policy, Research & Committee Services. Explains SCR 5A.
072	Sen. John Lim	District 11. Testifies in support of SCR 5A. Adds that he did not request that the words in lines 12 and 13 be put in the bill and it is immaterial to him. Comments that he has information from the Embassy in Washington, D. C. that the president of South Korea can possibly come to the United States in early July. Adds that he might take the letter to Korea personally. Comments that if there is objection to the language in lines 12 and 13, that it should be removed by conceptual amendments because he needs the resolution as soon as possible so he can carry it to Korea.
164	Chair Hill	Comments his concern is not that Sen. Lim has not well served the State of Oregon, but does not think it is a good idea to have sitting legislators have references to themselves in bills passed through the legislature.
173	Chair	Closes public hearing and opens work session on SCR 5A.
<b><u>SCR 5-A ñ WORK SESSION</u></b>		
181	Chair Hill	Comments that Sen. Lim is going to Korea and thinks it would be appropriate for this legislative assembly to authorize Sen. Lim to hand deliver a copy of the resolution. Suggests the amendment would be to strike lines 12 and 13 on page one of the resolution and insert, "Resolved, That State Senator John Lim may carry this resolution to appropriate representatives of the government of the Republic of Korea; and be it further".
188	Sen. Lim	Suggest the amendment be to just strike lines 12 and 13.

198	Rep. King	Comments he believes having the senator recognized as an official representative and carrying the resolution does have value for the message and the state.
212	Rep. Rasmussen	<b>MOTION: Moves to SUSPEND the rules for the purpose of adopting conceptual amendments to SCR 5A.</b>
		<b>VOTE: 7-0-2</b> <b>EXCUSED: 2 - Rep. Montgomery, Simmons</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
213	Rep. Rasmussen	<b>MOTION: Moves to AMEND SCR 5A on page 1, delete lines 12 and 13 and insert "Resolved, That Senator John Lim is authorized to carry this resolution to the appropriate representative of the government of the Republic of Korea; and be it further".</b>
226	Rep. Rasmussen	Assures Sen. Lim that she holds him in very high esteem.
233	Sen. Lim	Comments that if things work out he will carry the resolution, but if things do not work out and he will send the resolution.
239	Rep. Krummel	Asks if the conceptual amendment will cause a fiscal impact.
240	Chair Hill	Indicates there will not be a fiscal impact.
243		<b>VOTE: 7-0-2</b> <b>EXCUSED: 2 - Rep. Montgomery, Simmons</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
245	Rep. DECKERT:	<b>MOTION: Moves SCR 5A be sent to the floor with a BE ADOPTED AS AMENDED recommendation.</b>
247		<b>VOTE: 7-0-2</b>

		<b>EXCUSED: 2 - Rep. Montgomery, Simmons</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. KING will lead discussion on the floor.</b>
253	Chair Hill	Opens work session on HB 2093.
<b><u>HB 2093 ñ WORK SESSION</u></b>		
266	Stembridge	Explains the HB 2093-3 amendments <b>(EXHIBIT A)</b> have just been received.
269	Chair Hill	Notes HB 2093 has subsequent referral to Revenue. Adds that sending it to Revenue allows the discussion relating to investing capital in businesses in Oregon to go on. Adds that the amendment is in addition to the printed bill.
278	Stembridge	Advises that the committee previously adopted the ñ1 amendments.
285	Rep. Deckert	Comments that the-1 amendments are an exemption for logging equipment and the ñ3 amendments relate to venture capital. .
<b>291</b>	<b>Rep. Deckert</b>	<b>MOTION: Moves to ADOPT HB 2093-1 amendments dated 04/30/99.</b>
287	Rep. King	Declares a potential conflict interest and asks for a moment to review the ñ3 amendments.
298	Rep. Krummel	Explains the concept of the ñ1 amendments was introduced at the Subcommittee on Trade and Economic Development on Wednesday. Advises that the subcommittee adopted the ñ1 amendments to get to the incentive for logging companies to buy more environmentally sensitive equipment. Adds that the concept of the ñ3 amendments was proposed to the subcommittee and the subcommittee was served with notice of the pending amendments.
329	Rep. Krummel	Advises that Rep. Montgomery did express a concern about including a lot of things into the one bill.
335	Chair Hill	Outlines options for the committee to proceed with action on the amendments.

346	Rep. Deckert	Withdraws his motion to adopt the HB 2093-3 amendments.
347	Chair Hill	Closes work session on HB 2093 and opens work session on HB 2734..
<b><u>HB 2734 n WORK SESSION</u></b>		
369	Rasmussen	Asks where the HB 2734-4 ( <b>EXHIBIT B</b> ) amendments come from.
372	Chair Hill	Respond that the n4 amendments are offered by the attorney generalis office and the Automobile Dealers Association.
373	Darrell Fuller	Oregon Auto Dealers Association. Explains that the HB 2734-4 amendments replace the original bill and are in some ways the substance of SB 382. Explains work group activities during the previous interim. Adds that the Speaker requests the bill go to ways and means to look at the fiscal and revenue impacts because of todayis deadline.
400	Rasmussen	Asks if the bill creates a fund, funded in part by a fee on the purchase of each car, and if it is moving toward a damage recovery fund and away from bonding.
408	Fuller	Responds it is not intended to replace the bond. It creates a fund consumer would have access to. The initial funding of the program is through a \$5 surcharge on dealers for every vehicle they purchase until the fund is created; it is stabilized by fees paid by dealers who enter the marker place.
423	Rep. Witt	Asks if it is true the fee that dealers collect for each vehicle sold increases.
423	Fuller	Explains that in the final sections of the bill the administrative rule under DOJ that allows vehicle dealers to recover costs for processing paperwork for titling and registering vehicles on behalf of DMV is moved from statute to rule and is adjusted from \$35 to \$45.
439	Rep. Witt	Asks if Mr. Fuller meant to say the rule would be moved to statute.
440	Fuller	Corrects his statement: the rule would be moved to statute.
447	Rep. Witt	Comments that by statute currently dealers are getting an additional \$10 on each vehicle sold for the processing fee and at the same time the dealers are paying \$5 into the fund.
450	Fuller	Responds the \$5 dealer fee for creating a recovery fund would only occur for a short period of time in the initial funding.
454	Rep. Witt	Asks if the consumer is paying the \$5 or if the consumer will be paying the \$45.

457	Fuller	Responds that as the bill is written the dealer will pay the fee. Explains that the initial concept was that the consumer would pay the fee but it got into difficulty with the constitutional requirement that titling and registration fees and gas taxes be used only for highway fund purposes.
469	Rep. Witt	Comments that under the ñ4 amendments everyone who buys a car will be subject to the \$45 maximum fee, where the maximum fee by rule was \$35. Temporarily the dealers will be paying \$5 into the fund, but once the fund grows to \$700,000 the dealers will no longer have to pay into the fund.
476	Fuller	Responds that once the \$5 fee goes away when the fund is created, new entrances into the dealer market place will pay to keep the fund balanced. Adds that the \$35 fee would be increased to \$45 and it is not a fee that dealers can require consumers to pay.
<b>TAPE 45, A</b>		
<b>037</b>	<b>Rep. Rasmussen</b>	<b>MOTION: Moves to ADOPT HB 2734-4 amendments dated 04/30/99.</b>
041	Rep. Witt	Comments he is uneasy because this is trading something that was in rule and will be in statute and will probably, in a majority of cases, raise consumer fees with the increase being more than the dollars that will go into the fund. Believes it provides a net windfall to the auto dealers as part of their participation in the fund.
048	Chair Hill	Comments that Rep. Witt's concern can be discussed in Ways and Means.
050	Krummel	Comments he has questions also that need to be raised in Ways and Means: how many dealers go out of business on a regular basis, and if a used car dealer goes out of business, how are customers handled, and what happens if the fund goes broke.
056	Rep. King	Declares a potential conflict of interest.
<b>060</b>		<b>VOTE: 7-1-1</b> <b>OBJECTIONS: 1 Witt</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	<b>Chair Hill</b>	<b>Recognizing OBJECTION BY REP. WITT, declares the motion CARRIED.</b>
<b>062</b>	<b>Rep. Hill</b>	<b>MOTION: Moves HB 2734 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.</b>

063		<b>VOTE: 7-0</b> <b>OBJECTIONS: 1 - WITT</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	Chair Hill	Recognizing <b>OBJECTION BY REP. WITT</b> , declares the motion <b>CARRIED</b> .
070	Chair Hill	Opens work session on HB 3388.
<b><u>HB 3388 ñ WORK SESSION</u></b>		
072	Stembridge	Explains HB 3388 and that the subcommittee adopted the ñ2 amendments making changes to the Unlawful Trade Practices Act. Also that conceptual amendments were presented by Pete Shepherd, Oregon Justice Department. Advises that the HB 3388-3 amendments ( <b>EXHIBIT C</b> ) are a combination of the ñ2 amendments and the conceptual amendment.
091	Rep. Deckert	Explains that HB 3388 comes from the Subcommittee on Regulations.
104	Rep. Krummel	Asks what the point type would look like.
114	Rep. Rasmussen	Discusses point types.
121	Rep. Rosenbaum	Asks if the ñ2 amendments are included in the ñ3 amendments.
142	Chair Hill	Comments that staff will provide copies of the amendments and closes the work session on HB 3388.
141	Chair	Opens a work session on HB 3556.
<b><u>HB 3556 ñ WORK SESSION</u></b>		
148	Rep. King	Explains HB 3556 as amended with the ñ1 amendments by the Subcommittee on Regulations.
168	Rep. King	<b>MOTION: Moves HB 3556 to the floor with a DO PASS AS AMENDED recommendation.</b>
170	Rep. Witt	Comments that HB 3556 also sets up a \$50 license fee for limited elevator



		journeymen. Adds that testimony in committee was that under current regulations and statutes people who are working on elevators do not have the requisite training. This sets up a program of licensing them and charging a small fee for the costs..
173	Rep. Krummel	Asks if the bill will improve safety for the people who use elevators and escalators.
183	Rep. King	Responds it is for all parties, but will particularly protect the public.
186	Rep. Krummel	Asks if the fee is to help fund the program.
189	Rep. King	Explains the fee is to fund the cost of oversight.
<b>195</b>		<b>VOTE: 8-0-1</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. KING will lead discussion on the floor.</b>
198	Chair Hill	Opens work session on HB 3558.
<b><u>HB 3558 ñ WORK SESSION</u></b>		
<b>203</b>	<b>Rep. King</b>	<b>MOTION: Moves HB 3558 to the floor with a DO PASS AS AMENDED recommendation.</b>
212	Stembridge	Advises that copies of the ñ1 amendments can be provided to the committee.
217	Chair Hill	Asks if the ñ1 amendments were adopted in subcommittee.
223	Rep. Witt	Advises that HB 3558 was amended in subcommittee.
227	Rep. Rosenbaum	Asks if the bill exempts apprentices and journeymen plumbers from getting this license, and if it says once they have the license they cannot install the listed items.

252	Burton Weast	Explains that the bill with the amendment is to make clear that while the journeymen are exempt from the fire marshal's license to do ordinary plumbing work on an LP system, if they go into the LP business, they are required to get the license. Adds the amendment says the journeyman or apprentice may not install an LP gas tank or make a connection to the tank. That distinguishes them from working on a house and installing or working on the tank. If someone installs or works on a tank, that person must be licensed by the fire marshal. Work on the other side of the line is ordinary plumbing work and the person does not have to be licensed by the fire marshal.
277		<b>VOTE: 7-0-2</b>  <b>EXCUSED: 2 - Reps. Deckert, Montgomery</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. KING will lead discussion on the floor.</b>
290	Chair Hill	Opens work session on HB 2093.
<b><u>HB 2093 n WORK SESSION</u></b>		
296	Rep. King	Comments that the venture capital program will help businesses in Oregon . Speaks of the beneficial aspects of the tax credits in Section 14. Believes it is worth a chance to see if it is a good idea.
362	Chair Hill	Comments the bill has a steep hill to climb because of the tax credit and the state's ability to afford it.
373	Rep. King	Comments he is not interested in offering tax credits to secondary market type situations.
387	Rep. Simmons	Comments he is concerned with bogging the bill down.
393	Chair Hill	Explains the bill is going to Revenue.
403	Rep. Simmons	Comments he will vote no on the-3 amendments because it is important to maintain property taxes.
410	Rep. Witt	Comments he is on the Revenue Committee and will support getting the bill down to Revenue.

423	Rep. Rosenbaum	Comments she objects to putting more tax credits into the law and objects to the ñ3 amendment as well as the bill.
433	Rep. Witt	Comments he supports adoption of the ñ3 amendments and the bill.
440	Rep. Rasmussen	Comments she has an opportunity to work for and be friends with people in high technology startups and is very aware there is a very real capitalization issue in Oregon for high tech startups. Adds she does not have a Revenue report attached to the ñ3 amendments but will move the amendments into the bill in order to generate a Revenue impact statement. Adds she may find herself saying we cannot afford it this session..
479	Rep. Krummel	Comments he will support the ñ3 amendments only to get them to Revenue and hopes Revenue will separate it out.
488	Rep. King	Comments since this is venture capital, regardless of whether the tax credit is there or not, we likely will have some revenue impact because they donít always work out.
<u><b>TAPE 44, B</b></u>		
<b>044</b>	<b>Rep. King</b>	<b>MOTION: Moves to ADOPT HB 2093-3 amendments dated 04/30/99.</b>
		<b>VOTE: 5-2-2</b> <b>AYE: 5 - King, Krummel, Rasmussen, Witt, Hill</b> <b>NAY: 2 - Rosenbaum, Simmons</b> <b>EXCUSED: 2 - Deckert, Montgomery</b>
	<b>Chair Hill</b>	<b>The motion CARRIES.</b>
<b>052</b>	<b>Rep. Witt</b>	<b>MOTION: Moves HB 2093 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on REVENUE by prior reference.</b>
057	Rep. King	Declares a potential conflict of interest.
062	Chair Hill	Reminds members that the HB 2093-1 amendments were adopted in subcommittee.

		<b>VOTE: 6-1-2</b>  <b>AYE: 6 - King, Krummel, Rasmussen, Simmons, Witt, Hill</b>  <b>NAY: 1 - Rosenbaum</b>  <b>EXCUSED: 2 - Deckert, Montgomery</b>
	<b>Chair Hill</b>	<b>The motion CARRIES.</b>
073	Chair Hill	Opens work session on HB 3336.
<b><u>HB 3336 n WORK SESSION</u></b>		
079	Stembridge	Reviews HB 3336 with the n3 amendments. Explains the emergency clause is not needed and that the subcommittee adopted the n2 amendments and conceptual amendments changing the date.
<b>098</b>	<b>Rep. Witt</b>	<b>MOTION: Moves HB 3336 to the floor with a DO PASS AS AMENDED recommendation.</b>
<b>100</b>	<b>Rep. Rasmussen</b>	<b>MOTION: Moves to AMEND the motion to send HB 3336 to the Floor, to instead send the bill to the Revenue Committee.</b>
108	Rep. Krummel	Comments HB 3336 was heard in the Trade and Economic Development Subcommittee and thinks sending the bill to Revenue would allow a fair look at what the impact on local government is because all cities do not pay the hotel owners for collecting the tax.
140	Rep. King	Comments he feels the motel industry is having to pay an expense that is a burden to them. At the same time the legislature passes laws that impact local governments and this bill has the potential to solve the dilemma. Adds he would vote against the bill in its present form but if paragraph 4 were eliminated on page 2 that has the effect of prohibiting local government from being able to raise the tax to allow them to recover the loss, it would be potentially fair to both. The motel industry would be able to collect what it costs them to service the collection. At the same time the local government would be able to maintain their revenue integrity.
159	Rep. Witt	Comments his concern is that when an imposition is placed on private business owners to do work for government such as collecting tax revenues, there should be some fair remuneration for that. Some cities have adopted a policy and some have not. The issue is one of fundamental fairness. Adds he will no longer oppose the amendment by Rep. Rasmussen to his motion.

172	Rep. Simmons	Comments information he has received indicates 73 percent of the jurisdictions do allow a five- percent collection fee. Another nine percent allow a collection fee of between one and four percent and only 18 percent do not allow a collection fee. The impact on local government will be minimal at best and would oppose sending the bill to Revenue.
187	Rep. King	Declares a potential conflict of interest.
188	Rep. Witt	Comments he will work to try to pass the bill in Revenue because it is fair to the business owners who are collecting revenues for city governments.
214	Rep. Rasmussen	Comments that on a fundamental level we are dealing with revenue issuesóa local governmentís ability to create and collect revenue and on that basis alone it requires referral to the Revenue Committee. Adds that she will ask for a fair hearing in Revenue.
222	Witt	Comments he does not think there is a requirement that the bill go to Revenue and thinks the thrust of the bill is fairness to business owners.
241	Rep. Krummel	Moves the previous question.
248		<b>VOTE: 6-2-1</b> <b>AYE: 6 - Deckert, King, Krummel, Rasmussen, Rosenbaum, Hill</b> <b>NAY: 2 - Simmons, Witt</b> <b>EXCUSED: 1 - Montgomery</b>
	<b>Chair Hill</b>	<b>The motion CARRIES.</b>
261	Chair Hill	Advises members that the motion before the committee is to send HB 3336 as amended to the Revenue Committee.
281		<b>VOTE: 5-3-1</b> <b>AYE: 5 - Krummel, Rasmussen, Rosenbaum, Witt, Hill</b> <b>NAY: 3 - Deckert, King, Simmons</b> <b>EXCUSED: 1 - Montgomery</b>
	<b>Chair Hill</b>	<b>The motion CARRIES.</b>

302	Chair	Opens work session on HB 2735.
<b><u>HB 2735 n WORK SESSION</u></b>		
327	Rep. Witt	Explains that the Subcommittee on Regulations rewrote the bill with the HB 2735-5 amendments. Highlights the provisions of the bill as amended.
345	Rep. Witt	<b>MOTION: Moves HB 2735 to the floor with a DO PASS AS AMENDED recommendation.</b>
350	Rep. King	Declares a potential conflict of interest.
353	Rep. Krummel	Asks if someone purchases a new motor home and the oven goes out, whether the dealer would be exempted from having to repair the oven because they sell motor homes and do not sell ovens.
358	Rep. Witt	Responds that motor homes are excluded from the bill.
		<b>VOTE: 8-0-1</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
Chair Hill		<b>Hearing no objection, declares the motion CARRIED.</b>
395	Chair Hill	Opens work session on HB 2576.
<b><u>HB 2576 n WORK SESSION</u></b>		
407	Chair Hill	Comments the HB 2576-3 amendments ( <b>EXHIBIT D</b> ) were adopted conceptually in subcommittee.
418	Rep. Rasmussen	Asks Pete Shepherd, Oregon Justice Department, to confirm that the n3 amendments are the conceptual amendments adopted by the subcommittee.
422	Pete Shepherd	Oregon Justice Department. States he is the attorney in charge of the Financial Fraud Consumer Protection Section. Confirms the n3 amendments are the result of the work group and believes they are the same as conceptually adopted by the subcommittee.

429	Chair Hill	Asks if the industry representatives agree with the ñ3 amendments.
	Chair Hill	Acknowledges nods of approval in the audience.
432	Rep. Rasmussen	<b>MOTION: Moves to ADOPT HB 2576-3 amendments dated 04/30/99.</b>
		<b>VOTE: 6-0-3</b> <b>EXCUSED: 3 - Rep. Montgomery, Simmons, Witt</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>
449	Rep. Rasmussen	<b>MOTION: Moves HB 2576 to the floor with a DO PASS AS AMENDED recommendation.</b>
452	Rep. Rosenbaum	Declares a potential conflict of interest.
459	Rep. Rasmussen	Declares a potential conflict of interest because she has been slammed during the past year.
468		<b>VOTE: 6-0-3</b> <b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
	Chair Hill	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. RASMUSSEN will lead discussion on the floor.</b>
<b><u>Tape 45, B</u></b>		
025	Chair Hill	Opens work session on HB 3283.
<b><u>HB 3283 ñ WORK SESSION</u></b>		

027	Chair Hill	Asks if there has been agreement among the parties.
028	Diane Cowan	Oregon People's Utility Districts Association. Reports they are close to agreement and requests that HB 3283 be moved to Rules Committee so they may continue their negotiations.
031	Rep. Hill	<b>MOTION: Moves HB 3283 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Rules, Elections, and Public Affairs.</b>
		<b>VOTE: 6-0-3</b> <b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
Chair Hill		<b>Hearing no objection, declares the motion CARRIED.</b>
036	Chair Hill	Opens work session on HB 3601.
<b><u>HB 3601 in WORK SESSION</u></b>		
037	Chair Hill	Advises that HB 3601 needs to be referred to the Committee on Rules.
039	Rep. King	<b>MOTION: Moves HB 3601 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Rules, Elections, and Public Affairs.</b>
		<b>VOTE: 6-0</b> <b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
Chair Hill		<b>Hearing no objection, declares the motion CARRIED.</b>
049	Chair Hill	Opens work session on HB 3615.
<b><u>HB 3615 in WORK SESSION</u></b>		



049	Chair Hill	Advises that HB 3615 has a subsequent referral to Ways and Means and he would like to move the bill to Ways and Means.
051	Rep. Deckert	<b>MOTION: Moves HB 3615 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means by prior reference.</b>
052	Rep. Rasmussen	Asks what the purpose of the bill is.
056	Rep. Deckert	<b>Withdraws his motion.</b>
057	Chair Hill	Closes the work session on HB 3615.
068	Chair Hill	Opens work session on HB 3388.
<b><u>HB 3388 n WORK SESSION</u></b>		
069	Chair Hill	Advises that members now have copies of the staff measure summary.
080	Rep. Deckert	Explains that the n2 amendments concerned the point type and the n3 amendments provide remuneration for seniors who have been wronged and gives them legal recourse.
090	Stembridge	Advises members the n2 amendments and conceptual amendments were adopted in subcommittee. Suggest the members review the n3 amendments to verify that they are the conceptual amendments adopted by the subcommittee. Adds that the n3 amendments include the n2 amendments.
100	Rep. Deckert	Explains that the n3 amendments are the conceptual amendments that were adopted plus the n2. Suggest the committee adopt the n3 amendments to make sure everyone knows what is in the bill.
103	Rep. Deckert	<b>MOTION: Moves to ADOPT HB 3388-3 amendments dated 04/29/99.</b>
		<b>VOTE: 6-0-3</b> <b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
		<b>Chair Hill</b> <b>Hearing no objection, declares the motion CARRIED.</b>

111	Rep. Deckert	<b>MOTION: Moves HB 3388 to the floor with a DO PASS AS AMENDED recommendation.</b>
115	Rep. Krummel	Asks if this bill has any effect on the lottery.
118	Rep. Deckert	Responds not that he is aware.
119	Chair Hill	Comments the lottery is defined in statute as something very specific.
127	Rep. Krummel	Comments his understanding is that this is to try to keep companies from sending sweepstake entries to people and when the people send in the entry the company sends a free gift and a bill for a \$28 handling fee.
130	Rep. Deckert	Responds that is one of the goals, at least to provide a disclaimer up front and to provide recourse under the elderly abuse statute.
133		<b>VOTE: 7-0-2</b>  <b>AYE: 7 - Deckert, King, Krummel, Rasmussen, Rosenbaum, Witt, Hill</b>  <b>EXCUSED: 2 - Montgomery, Simmons</b>
	Chair Hill	<b>The motion CARRIES.</b>
		<b>NOTE: REPS. RASMUSSEN AND WITT VOTE AYE (SEE TAPE AT 269 - 290).</b>
145	Chair Hill	Opens work session on HB 2663.
<b><u>HB 2663 - WORK SESSION</u></b>		
148	Chair Hill	Advises committee it is his intention to move HB 2663 to Ways and Means as a vehicle to carry changes in policies.
155	Rep. Hill	<b>MOTION: Moves HB 2663 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.</b>
		<b>VOTE: 5-0-4</b>  <b>EXCUSED: 4 - Reps. Montgomery, Rasmussen, Simmons, Witt</b>

	Chair Hill	Hearing no objection, declares the motion CARRIED.
161	Chair Hill	Opens work session on HB 2728.
<b><u>HB 2728 ñ WORK SESSION</u></b>		
160	Rep. Deckert	Explains that HB 2728 relates to ticket fees. Explains that the HB 2728-8 amendments ( <b>EXHIBIT E</b> ) are a compromise. The amendments contain a disclosure provision that the handling charge will be included in advertising. Advises that the committee needs to remove the ñ4 amendments adopted last Friday and put in the ñ8 amendments.
		Rep. Deckert is acting as chair in the absence of Chair Hill.
190	Rep. Rasmussen	<b>MOTION: Moves to REMOVE the HB 2728-4 amendments from HB 2728.</b>
200	Rep. Krummel	Asks if Mr. Conkling has seen the ñ8 amendments.
200	Gary Conkling	Ticketmasters. States he has seen the ñ8 amendments, appreciates Rep. Deckert's willingness to reach the compromise and supports the ñ8 amendments.
223		<b>VOTE: 6-0-3</b> <b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
	Vice Chair Deckert	Hearing no objection, declares the motion CARRIED.
226	Rep. Rasmussen	<b>MOTION: Moves to ADOPT HB 2728-8 amendments dated 04/30/99.</b>
230	Rep. Rosenbaum	Notes the amendments delete lines 13 through 16 on page 1 and put in a new section. Asks if lines 17 through 21 remain in the bill.
239	Stembridge	Advises that lines 17 - 21 stay in and provide an exemption.
		<b>VOTE: 6-0-3</b>

		<b>EXCUSED: 3 - Reps. Montgomery, Simmons, Witt</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>265</b>	<b>Rep. Rasmussen</b>	<b>MOTION: Moves HB 2728 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 6-1-2</b> <b>AYE: 6 - Deckert, King, Krummel, Rasmussen, Rosenbaum, Hill</b> <b>NAY: 1 - Witt</b> <b>EXCUSED: 2 - Montgomery, Simmons</b>
		<b>Chair Hill</b>
		<b>The motion CARRIES.</b>
<b><u>HB 3388</u></b>		
<b>284</b>	<b>Rep. Witt</b>	<b>MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. WITT to vote on passage of HB 3388.</b>
		<b>VOTE: 7-0</b> <b>EXCUSED: 2 - Reps. Krummel, Montgomery</b>
		<b>Chair Hill</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
<b>286</b>		<b>REP. WITT VOTES AYE ON PASSAGE OF HB 3388.</b>
<b>288</b>	<b>Rep. Rasmussen</b>	<b>MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. RASMUSSEN to vote on passage of HB 3388.</b>

	Chair Hill	Hearing no objection, declares the motion CARRIED.
290		REP. RASMUSSEN VOTES AYE ON PASSAGE OF HB 3388.
306	Chair Hill	Asks that the committee stand at ease.
306	Chair Hill	Reconvenes the meeting at 3:39 p.m. and opens work session on HB 3241.
<b><u>HB 3241 n WORK SESSION</u></b>		
330	Schelly Jensen	Explains that the original bill would have eliminated the PUC's ability to look at affiliate transactions between regulated telecommunication utilities and their affiliates. The n1 amendments ( <b>EXHIBIT F</b> ) raise the current requirement of filing contracts \$25,000 and over to \$100,000 and over and also eliminate an annual report regarding affiliate transactions.
354	Joan Smith	Public Utility Commissioner. Comments they have been working with Sprint, in particular, and GTE to discuss how they are going to deal with affiliate interests. Explains that the issue is how the accounting statutes can be used to govern the relationships between the regulated telephone companies and their affiliates. Affiliates include internet services, software, real estate, auto leasing, headquarter services and the like.
367	Smith	States that for GTE in Oregon, 43 percent of their expenses are through affiliate arrangements. For U. S. West, it is 6.4 percent of their revenues in Oregon. PUC is trying to find a way where the safeguards can be maintained. The affiliate interest statutes provide against discrimination in favor of affiliates or self-dealings.
383	Smith	Comments she has just seen the amendments today but cannot imagine her colleagues would object to the \$100,000.
392	Smith	Adds that they worry not only about the filing of the contracts but knowing exactly how much was spent on them in any given year.
407	Rep. Deckert	<b>MOTION: Moves to ADOPT HB 3241-1 amendments dated 04/23/99.</b>
415	Rep. King	Asks if the PUC has taken a position on the bill with the n1 amendments.
416	Smith	Responds the PUC has not because they have just seen the amendments and have only discussed them informally. Adds that the PUC opposed the original HB 3241. They think they can work through a solution to the n1 amendments.

429	Rep. Rosenbaum	Declares a possible conflict of interest.
432		<b>VOTE: 7-0-2</b> <b>EXCUSED: 2 - Reps. Krummel, Montgomery</b>
	Chair Hill	Hearing no objection, declares the motion CARRIED.
437	Rep. Deckert	<b>MOTION: Moves HB 3241 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 7-0-2</b> <b>EXCUSED: 2 - Reps. Krummel, Montgomery</b>
	Chair Hill	Hearing no objection, declares the motion CARRIED.
		Rep. Witt will lead discussion on the Floor.
<u>TAPE 46, A</u>		
<u>HB 2271 RECONSIDERATION</u>		
024	Rep. Rasmussen	<b>MOTION: Moves to SUSPEND the rules for the purpose of possible reconsideration of HB 2271.</b>
		<b>VOTE: 8-0-1</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	Chair Hill	Hearing no objection, declares the motion CARRIED.
029	Rep. Simmons	<b>MOTION: Moves to RECONSIDER the vote by which HB 2271 was sent to the Floor.</b>

030	Rep. Rasmussen	Asks for what purpose the committee is reconsidering the bill.
037	Chair Hill	Explains that after the committee adopted amendments, the parties have a new agreed-upon version.
046		<b>VOTE: 8-0-1</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
047	Chair Hill	Opens work session on HB 2271.
<b><u>HB 2271 n WORK SESSION</u></b>		
050	Sandy Flicker	Oregon Rural Electric Cooperative Association. Explains the n5 amendments were presented shortly before the last hearing. There had been a verbal agreement on the compromise and unfortunately realized the n5 amendments, after further review, did not reflect the compromise that had been reached. They have asked Legislative Counsel to revisit the amendment to make sure they do reflect the verbal agreement that had been agreed to as a compromise. Believes the n6 amendments do reflect the compromise.
061	Mike Dewey	Oregon Cable Association. Comments he agrees with Ms. Flicker.
065	<b>Rep. Rosenbaum</b>	<b>MOTION: Moves to DELETE THE HB 2271-5 amendments.</b>
068		<b>VOTE: 8-0-1</b> <b>EXCUSED: 1 - Rep. Montgomery</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
069	<b>Rep. Rasmussen</b>	<b>MOTION: Moves to ADOPT HB 2271-6 amendments dated 04/30/99.</b>
071		<b>VOTE: 8-0-1</b>

		<b>EXCUSED: 1 - Rep. Montgomery</b>
	<b>Chair Hill</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>073</b>	<b>Rep. Rasmussen</b>	<b>MOTION: Moves HB 2271 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 7-0-2</b> <b>EXCUSED: 2 - Rep. Deckert, Montgomery</b>
		<b>Chair Hill</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>Rep. Witt will lead discussion on the Floor.</b>
<b>084</b>	<b>Chair Hill</b>	<b>Opens work session on HB 3615.</b>
<b><u>HB 3615 n WORK SESSION</u></b>		
<b>090</b>	<b>Chair Hill</b>	<b>MOTION: Moves HB 3615 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.</b>
		<b>VOTE: 5-2-2</b> <b>OBJECTIONS: Reps. Rasmussen, Rosenbaum</b> <b>EXCUSED: 2 - Reps. Deckert, Montgomery</b>
		<b>Chair Hill</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
<b>106</b>	<b>Chair hill</b>	<b>Adjourns meeting at 3:47 p.m.</b>



Annetta Mullins, Jim Stembridge

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A ñ HB 2093, HB 2093-3 amendments, Oregon Emerging Business, 11 pp**

**B ñ HB 2734, HB 2734-4 amendments, Attorney General's Office and Auto Dealers Assoc., 18 pp**

**C ñ HB 3388, HB 3388-3 amendments, Pete Shepherd, 21 pp**

**D ñ HB 2576, HB 2576-3 amendments, Pete Shepherd, 5 pp**

**E ñ HB 2728, HB 2828-8 amendments, Rep. Deckert, 1 p**

**F ñ HB 3241, HB 3241-1 amendments, Schelly Jensen, 4 pp**

**G ñ HB 2271, HB 2271-6 amendments, Sandy Flicker and Mike Dewey, 5 pp**