

HOUSE COMMITTEE ON COMMERCE

SUBCOMMITTEE ON REGULATIONS

March 12, 1999 Hearing Room 350

2:00 p.m. Tapes 18 - 19

MEMBERS PRESENT: Rep. Bill Witt, Chair

Rep. Jim Hill

Rep. Al King

Rep. Anitra Rasmussen

Rep. Mark Simmons

STAFF PRESENT: Jason Cody, Administrator

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD:

HB 2856 ñ Public Hearing

HB 2975 ñ 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 18, A		
004	Chair Witt	Calls meeting to order at 2:10 p.m. as a subcommittee and opens the public hearing on HB 2856. Present are Rep. Hill and Chair Witt.
<u>HB 2856 ñ PUBLIC HEARING</u>		
006	Jason Cody	Administrator. Explains HB 2856.

012	Rep. Prozanski	Testifies in support of HB 2856. Constituent is concerned that some landlords have used identification stickers affixed to a person's vehicle which identify the person's place of residence. A concern is child abduction. Gives example of relocation of spouse due to family problems. Explains that the goal of HB 2856 is to prohibit landlords from requiring any kind of designation identifying a person's residence.
041	Rep. Prozanski	States he has spoken with Shawn Miller, Oregon Rental Housing Association, about a type of tag or identification that could be temporarily affixed, possibly to the rear view mirror. Thinks it would be a fair means for landlords identifying vehicles as authorized to be on the property.
056	Art Weidel	Requestor of the bill. Explains personal situation. Expresses concerns for child abduction and stalking. Adds that he has checked with the American Civil Liberties Union (ACLU) and there is no constitutional problem.
076	Rep. Prozanski	Adds that they will not be opposed to amendment that will be proposed by Mr. Miller to allow flexibility to use a temporary sticker that could be removed when the vehicle is off the property. .
082	Chair Witt	Asks if they would be opposed to an identification display while the vehicle is on the property.
090	Rep. Prozanski	Responds he thinks identification while the vehicle is on the property is appropriate. Suggest the name of the complex not be on the identification tag or sticker.
092	Chair Witt	Comments the committee will ask Mr. Miller to get amendments and run them by Rep. Prozanski before holding a work session on the bill.
097	Shawn Miller	Oregon Rental Housing Association. States they have two concerns. One is property rights while on the property. Their association supports the public safety issue while the person is off the property. The responsibility is on the landowner while the vehicle is on the property. The landlords need to know who can be on the property. Would be happy going to the removable identification that hangs on the visor. Would like time to allow landlords to switch to the new system.
125	Rep. Hill	Suggests those tenants who have concerns should be able to go to the landlord and request a removable identification.
138	Miller	Acknowledges Mr. Weidel's concern. That is why the landlords are going to the removable identifications.
147	Chair Witt	Asks if Rep. Hill's suggestion is that a removable identification be provided at the request of a tenant.

152	Weidel	Thinks if there were a stiff penalty, people would be hesitant to remove a temporary sticker. Suggests the identification does not need to identify the complex where people live.
168	Rep. Hill	Asks if Mr. Weidel is suggesting the landlords record license plate numbers and that the residents have no responsibility.
172	Weidel	Comments the license plate is always on the car and a description of the car can be in the office.
174	Miller	Comments he would be opposed to going to just a license plate identification.
216	Rep. Simmons	Asks if Mr. Weidel has examples of where someone used a parking sticker to track someone down.
217	Weidel	Responds he does not have specific examples but does hear of cases where someone is trying to find out where someone else lives.
231	Rep. Simmons	Comments it would seem to be a hit and miss situation or trial by error if someone were using a parking sticker to find where someone lives..
262	Rep. Simmons	Comments it would be difficult to see identification through tinted windows.
270	Weidel	Comments he sees no reason for the name of the complex.
280	Miller	Comments on tinted windows on vehicles.
319	Chair Witt	Comments there can be a safety issue and the identification should be easily removable and be required to be displayed only while the vehicle is on the property. Suggest Miller talk with Rep. Prozanski to reach an agreement on something that is workable for the landlords and that meets the intentions of the bill.
355	Miller	States he will talk to Rep. Prozanski and Weidel and come back to the committee.
360	Rep. Simmons	Asks if someone has been denied a rental because they refused to put a sticker on their car.
371	Weidel	Responds the he knows of no requirements other than registering the description and license plate of the car with the rental office.
385	Rep. Simmons	Asks who would pay for the towing charges if a tenant forgot his/her tag and the car got towed.

403	Weidel	Responds he thinks the tenant would be liable.
405	Miller	Agrees with Weidel. Adds that most landlords would have that in their rental agreement.
450	Chair Witt	Comments he thinks there are some safety issues, but does not believe anyone wants to impose unnecessary burdens on landlords. Thinks committee should allow Rep. Prozanski, Weidel and Miller to work on the bill.
467	Chair Witt	Closes the public hearing on HB 2856.
TAPE 19, A		
035	Chair Witt	Opens a public hearing on HB 2975.
<u>HB 2975 n PUBLIC HEARING</u>		
038	Cody	Reviews HB 2975.
049	Rep. Hill	Comments he assumes there is a revenue impact on the bill and requests that staff ask Legislative Revenue to review the bill.
057	Joe Brewer	Administrator, Building Codes Division, Department of Consumer and Business Services (DCBS). States he has a fiscal impact statement, but is not sure the bill is being evaluating the bill the way it was intended. Submits and reads a prepared statement (EXHIBIT A) in support of HB 2975.
108	Brewer	Explains they are currently estimating the fiscal impact to be approximately \$1.4 million, but it will be significantly less if the bill only impacts electrical permit fees.
112	Rep. Hill	Asks what activities are covered under ORS 479.510 to 479.945 (Section 2(2)).
118	Brewer	Responds that is the electrical safety law and relates to compliance, administrative activities, permitting and inspection and certification of inspectors to enforce the law.
124	Rep. Hill	Asks if DCBS does inspections of electrical installations throughout the state.
125	Brewer	Explains that the division does only electrical inspections in jurisdictions where the local municipality or county has chosen not to assume the responsibility. The division is the provider of last resort.

139	Rep. Hill	Asks if there is a mechanism to redistribute the fees out to jurisdictions that are providing the services.
143	Brewer	Explains surcharges collected by the state and activities performed by the Division throughout the state.
168	Rep. King	Asks what the one-percent charge would be on.
174	Brewer	Responds the issue confused the department in reading the bill. In their initial reading they believed it impacted only electrical permits and electrical inspection activities. Subsequently, they believe it is an all building permits around the state. The intent was that HB 2975 cover only electrical permits sold throughout the state.
193	John Gervais	National Electrical Contractors Association (NECA). Comments he will be making some comments on behalf of Local 48 of the International Brotherhood of Electrical Workers. Explains that last year the division was facing a shortage of funds and came to the Electrical Board, which has the authority to raise fees. An agreement was reached between the Electrical Board, the industry and others that if the fees were going to be raised, they would go for an increase to offset the permits to help defray the increase to the public. Part of the strategy was to impact the license fees, which have not increased since 1985, and which have had to include continuing education. Over one-half the amount that would be collected would come from the people working in the industry. Adds that Rep. Gardner supports that position as a licensed electrician and that Rep. Gardner will be voting for the bill.
215	Gervais	Comments they attempted to find money from two sources to equal the 26.8 percent. The one- percent surcharge on electrical permits only statewide is to cover activities that local governments do not do and some activities that they should do but do not. Inspections in the rural areas of the state are very uneconomical. They feel this is a balanced approach.
240	Chair Witt	Asks if they anticipate a reduction in the electrical permit fees, at least the increase, that were raised last year if HB 2975 passes.
244	Gervais	States that the agreement, by letter, from the State of Oregon is that they will then roll back the fees 26.8 percent.
259	Chair Witt	Asks if the reduction comes from the increase in the license fee under Section 3 of the bill.
260	Gervais	Responds it comes from Section 2 and Section 3.
265	Brewer	Comments that the commitment the division made was to roll back the permit fee a proportionate amount. It would not necessarily be a 26.8 percent rollback. It would be a proportionate amount to maintain the revenue stream that was identified as being needed to maintain on-going operations.

278	Chair Witt	Asks if the letter of understanding is available to the committee.
268	Gervais	Responds affirmatively.
280	Brewer	Agrees to provide a copy of the letter of agreement.
288	Chair	Asks what the differences are between HB 2975 and SB 287.
291	Gervais	Explains differences.
300	Chair Witt	Asks if Section 3 of HB 2975 is also in SB 287.
299	Gervais	Responds negatively.
314	Gervais	Thinks language in HB 2975 is clear and it applies only to electrical permits.
341	Rep. Hill	Asks what the intention is for the dollars in Section 2 (2).
340	Gervais	Explains they are intended for electrical activities.
356	Chair Witt	Asks Gervais if SB 287 would take care of Section 2 of HB 2975.
380	Gervais	States they could withdraw Section 2.
TAPE 18, B		
003	Adrienne Sexton	Fiscal Analyst, Legislative Fiscal Office. Advises that she had received information from the department based on the bill as interpreted. Their calculations were based on the building permits issued and not only on the electrical element of a building permit. Offers to prepare fiscal statement on amendments if the committee desires.
019	Gervais	Comments he does not think there is a need for amendments but would support them if they are necessary.
021	Chair Witt	Asks that Gervais meet with staff to try to better define the language and that Sexton look at the fiscal impact.
031	Shawn Miller	Independent Electrical Contractors. Testifies in opposition to HB 2975. The bill only deals with the electrical portion in DCBS. SB 287 will be up for work session and has been sold to everybody in the industry. Believes there is a need for the two-percent surcharge to cover all the administrative duties in DCBS.

		Does not believe Section 3 of HB 2975 is necessary. The surcharge would cover the entire administration.
059	Chair Witt	Asks if the two-percent surcharge on the inspection fees offsets the 26.8 percent increase on the electrical permit fees last July.
065	Miller	Responds that he believes it does.
070	Brewer	Explains fee proposal last July. Adds that he does not know if the fee increase proposed in HB 2975 would be adequate to roll back the entire 26.8 percent. Will provide that information.
088	Chair Witt	Asks about the fee in SB 287
091	Brewer	Explains the fee increase in SB 287 is intended to solve a problem in the Structural and Mechanical fund. The two percent surcharge will generate additional revenues to allow the division to roll back the electrical permit fees, but does not know to what level they can be rolled back.
098	Scott Barrie	Oregon Building Industry Association (OBIA). Testifies in opposition to HB 2975. OBIA is not opposed to SB 287 and believes it is the better solution. Believes HB 2975 covers all permits.
131	Jane Cummins	League of Oregon Cities (LOC). Comments that LOC reads HB 2975 to say the surcharge increase would apply to all permits around the state. Comments on policy of raising surcharges to offset Building Code Division fees. Comments that setting up the surcharge several years ago was for good reason. LOC thinks it needs to be looked at. Adds that if the surcharge is raised in SB 287 to defray the costs of administration, not inspection, LOC questions the connection of reducing electrical fees. Currently there is a five-percent surcharge at the Building Codes Division: one percent is for training, two percent is for defrayal of inspection costs, and two percent is for defrayal of administrative costs. They are requesting an increase in the administrative cost surcharge but using it to defray inspection costs. LOC believes it is time to reevaluate how everyone in the state is being charged to keep permits low in other parts of the state.
181	Chair Witt	Advises that the subcommittee will look at the bill again with amendments.
183	Chair Witt	Closes the public hearing on HB 2975 and adjourns meeting at 3:17 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jason Cody,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ HB 2975, prepared statement, Joe Brewer, 1 p