

HOUSE COMMITTEE ON COMMERCE

SUBCOMMITTEE ON REGULATIONS

April 21, 1999 Hearing Room 350

3:00 p.m. Tape 43 - 44

MEMBERS PRESENT: Rep. Al King

Rep. Anita Rasmussen

Rep. Mark Simmons

MEMBER EXCUSED: Chair Witt

STAFF PRESENT: Jason Cody, Administrator

Nancy Geisler, Administrative Support

MEASURE/ISSUES HEARD: HB 2576 Public Hearing

HB 3383 Public Hearing

HB 3384 Public Hearing

HB 3383 Work Session

HB 3384 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 43, A		
006	Acting Chair Simmons	Opens meeting at 4:22 p.m. and opens public hearing on HB 2576.
<u>HB 2576 ñ PUBLIC HEARING</u>		

026	Peter Shepherd	<p>Attorney-in-Charge, Financial Fraud, Consumer Protection Section, Department of Justice (DOJ). Presents testimony in support of HB 2576 and presents the ñ1 amendments (EXHIBIT A). Gives four basic concepts underlying the drafting of the proposed amendments:</p> <ul style="list-style-type: none"> • Ensuring consistency with federal law. • Providing businesses with remedies against slamming (switching customer services without authorization from customer). • Dealing with slamming complaints about local telephone service and intra-LATA and inter-LATA telephone service. • Providing other carriers with remedies against slamming.
076	Shepherd	Reports he is open to questions and will provide any assistance the committee needs.
095	Rep. Rasmussen	Asks if other people wish to testify.
102	Bruce Shaull	Lobbyist, Sprint. Testifies in support of HB 2576, with concerns. Believes slamming is a problem. Remarks that for a company like Sprint the overriding concern is consistency with federal rules.
133	Shaull	States they believe the FCC rules apply to at least the intrañLATA portions of long distance, as well as inter-LATA. Asks if they can revisit the issue on Monday, April 26, 1999.
140	Rep. Rasmussen	Remarks that HB 2576 is already posted for Monday.
143	Reed Harris	Program Manager, Consumer Services Division, Public Utility Commission. Testifies in support of HB 2576. Notes that slamming has been an increasing problem. Comments they do not want to exclude the informal dispute resolution process.
158	Rep. King	Asks if there are any fines for telecommunications companies in HB 2576. Expresses concern that telecommunications companies employing subcontractors should have responsibility for the work performed by the subcontractors.
190	Harris	States he agrees with this, and it should be addressed.
198	Shepherd	<p>Reports that the ñ1 amendments address the concern which Harris expressed. Adds the entity which contracted for telecommunication services would have the following remedies:</p> <ul style="list-style-type: none"> • The long distance company could withhold payment from the telemarketer which caused the damages. • The long distance company would have a claim against the telemarketing firm.

230	Shepherd	Adds the consumer is held harmless by the dispute resolution mechanisms of the process, and the two companies involved adjust the liability for the loss between them under HB 2576.
243	Rep. King	Asks how many slams are reported to the DOJ per year and how many solicitations occur in Oregon per year. Inquires if the companies slamming are phone center contractors for major carriers, or are they private sales people in boiler rooms.
247	Shaull	Responds he is not certain, but adds that both have been done.
276	Rep. King	Notes it has come to his attention that there were 1,064 slamming complaints in 1998.
281	Shepherd	Comments the statistics between October 1997 and October 1998 show there were 1,393 slamming complaints to the DOJ. Reports he has no further information about what kinds of companies are doing this. Adds there is a mix.
296	Rep. King	Remarks it would be helpful to the committee if they could have a summary of federal rules regarding these issues.
306	Rep. Rasmussen	Urges involved members to work closely with Mr. Shepherd. States this is a consumer issue and hopes the committee can work their way through HB 2576.
319	Acting Chair Simmons	Closes public hearing on HB 2576 and opens public hearing on HB 3383 and HB 3384.
<u>HB 3383 AND HB 3384 n PUBLIC HEARING</u>		
324	Rep. Gary Hansen	District 17. Explains HB 3383 and HB 3384.
366	Gary Wright	Lobbyist, U.A. Local 290 Plumbers and Pipefitters. Testifies in support of HB 3383 and presents the n1 amendments (EXHIBIT B).
TAPE 44, A		
014	John Endicott	Lobbyist, Local 290. Testifies in support of HB 3383. Explains changes suggested in the n1 amendments.
030	Gary Wright	Presents testimony in support of HB 3384 (EXHIBIT C). Explains HB 3384.
060	Raymond Brever	Medical Gas Instructor, Local 290. Presents testimony in support of HB 3384 (EXHIBIT D). Notes there are many horror stories regarding installation of medical gas. Expresses a desire that HB 3384 go to the Plumbing Board so they

		can expand their license so that people inspecting these installations are people they normally deal with.
080	Jason Cohen	President, Portland Chapter, American Society of Plumbing Engineers. States he has seen many problems with medical gas system installations. Reports that the Plumbing Engineers Society strongly endorses HB 3384.
90	Doug Currie	Heinz Mechanical, Local 290. Testifies in support of HB 3384. Notes that the safety of the public comes first. Explains that medical gas systems are critical in design and installation, and this requires proper education and licensing.
103	Dana Roberts	Acting Deputy Administrator, Building Codes Division. Presents testimony regarding HB 3383. (EXHIBIT E) . Advises that Building Codes is responsible for administration and enforcement of the State Building Code, which includes the Boiler Safety Program. Notes the Board of Boiler Rules oversees this program and maintains a balance between the safety of the public and rigid code enforcement. States that HB 3383 is permissive in nature.
138	Dana Roberts	Presents testimony regarding HB 3384 (EXHIBIT F) . Reports that medical gas systems are not regulated. States the Building Codes' opinion is that it may be wise for Oregon to regulate these systems.
166	Tom Lindberg	Chairman, Board of Boiler Rules. Testifies in support of HB 3383. Notes they want to ensure the safety of Oregon's citizens concerning piping and pressure vessels.
185	Acting Chair King	Asks if anyone else wishes to speak concerning HB 3383 or HB 3384.
188	Burton Weast	Lobbyist, Plumbing, Heating, and Cooling Contractors. States they support HB 3383 and HB 3384 and encourage the committee to approve them.
194	Kathryn VanNatta	Northwest Pulp and Paper Association. Testifies regarding HB 3383 and explains they are comfortable with the bill's amendments. States that regulation of piping would require 2.5 additional full-time employees (FTEs) at a cost of approximately \$250,000. Notes that the Building Codes Division has the statutory authority to charge fees to defray these costs. Asks who those fees would be charged to.
209	Lindberg	Answers that typically the contractor pays as part of the installation fee. Adds the agency is self-funded, and so the expense is turned over to the customer in the end.
221	Acting Chair King	Asks if the fees would be charged on contracting work to be done in the future, but this work cannot be done currently.
224	Lindberg	Answers that is correct.

227	Rep. King	Asks if Weast heard the response to the question.
229	Weast	Answers he did. States that customarily one pays fees as they get their permits and have inspections. Adds this is the normal process for them, so they have no problem with paying for this work.
233	Rep. Simmons	Inquires how much fees will rise with regulation.
235	Weast	Answers he suspects the fees would only be paid for permits on this particular work. Adds all the fees would not rise, just the ones for this activity.
240	Acting Chair King	Asks Van Atta if her concerns were answered satisfactorily.
242	Van Atta	Answers yes.
254	Rep. King	Closes public hearing on HB 3383 and HB 3384 and opens work session on HB 3383.
<u>HB 3383 n WORK SESSION</u>		
270	Rep. Rasmussen	MOTION: Moves to ADOPT HB 3383-1 amendments dated 4/12/99.
		VOTE: 3-0 EXCUSED: 1 - Rep. Witt
275	Acting Chair King	Hearing no objection, declares the motion CARRIED.
277	Rep. Rasmussen	MOTION: Moves HB 3383 to the full committee with a DO PASS AS AMENDED recommendation.
		VOTE: 3-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt
283	Acting Chair King	The motion CARRIES.

		REP. KING will lead discussion in full committee.
289	Rep. King	Closes work session on HB 3383 and opens work session on HB 3384.
<u>HB 3384 n WORK SESSION</u>		
293	Rep. Rasmussen	MOTION: Moves to CONCEPTUALLY AMEND HB 3384 on page 1, in line 22, strike the word "antiseptic" and replace it with "anesthetic."
		VOTE: 3-0 EXCUSED: 1 - Rep. Witt
297	Acting Chair King	Hearing no objection, declares the motion CARRIED.
299	Rep. Rasmussen	MOTION: Moves HB 3384 to the full committee with a DO PASS AS CONCEPTUALLY AMENDED recommendation.
		VOTE: 3-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - Rep. Witt
302	Acting Chair King	The motion CARRIES. REP. KING will lead discussion in full committee.
	Rep. King	Closes work session on HB 3384 and adjourns the meeting at 4:35 p.m.

Submitted By, Reviewed By,

Nancy Geisler, Jason Cody,
Administrative Support Administrator

EXHIBIT SUMMARY

A ñ HB 2576, proposed ñ1 amendments and summary, Peter Shepherd, 9 pp

B ñ HB 3383, proposed ñ1 amendments, Gary Wright, 2 pp

C ñ HB 3384, written testimony, Gary Wright, 2 pp

D ñ HB 3384, written material, Raymond Brever, 1 p

E ñ HB 3383, written testimony, Dana Roberts, 1 p

F ñ HB 3384, written testimony, Dana Roberts, 1 p