

SENATE COMMITTEE ON BUSINESS & CONSUMER AFFAIRS

April 23, 1999 Hearing Room C

1:00 PM Tapes 95 - 96

MEMBERS PRESENT: Sen. David Nelson, Chair

Sen. Lee Beyer, Vice-Chair

Sen. Randy Miller

Sen. Charles Starr

MEMBER EXCUSED: Sen. Rick Metsger

STAFF PRESENT: Y. Sherry Sheng, Administrator

Nancy Masee, Administrative Support

MEASURE/ISSUES HEARD:

SB 1117 Work Session

SB 1085 Work Session

HB 2813 Work Session

SB 931 Public Hearing and Work Session

SB 1055 Public Hearing

SB 1086 Public Hearing

SB 254 Public Hearing and Work Session

SB 915 Public Hearing SB 1034 Public Hearing

SB 1116 Public Hearing

SB 1257 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.

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TAPE/#	Speaker	Comments
TAPE 95, A		
003	Chair Nelson	Opens meeting at 1:00 PM. States there will be referral of SB 1117, SB 1085, and HB 2813 to other committees. Opens work session on SB 1117.
<u>SB 1117 WORK SESSION</u>		
005	Sherry Sheng	Committee Administrator. States that by concurrence of the chairs, SB 1117 has been requested to be referred to the Rules and Elections Committee, without recommendation.
017	Sen. Beyer	MOTION: Moves SB 1117 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on RULES and ELECTIONS.
018		VOTE: 3-0 EXCUSED: 2 - Metsger, Miller
019	Chair Nelson	Hearing no objection, declares the motion CARRIED.
020	Chair Nelson	Closes work session on SB 1117. Opens work session on SB 1085.
<u>SB 1085 WORK SESSION</u>		
020	Chair Nelson	MOTION: Moves SB 1085 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on TRANSPORTATION.
		VOTE: 4-0 EXCUSED: 1 ñ Metsger
021	Chair Nelson	Hearing no objection, declares the motion CARRIED.

022	Chair Nelson	Closes work session on SB 1085. Opens work session on HB 2813.
<u>HB 2813 WORK SESSION</u>		
023	Chair Nelson	MOTION: Moves HB 2813 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on PUBLIC AFFAIRS.
		VOTE: 4-0 EXCUSED: 1 ñ Metsger
024	Chair Nelson	Hearing no objection, declares the motion CARRIED.
025	Chair Nelson	Closes work session on HB 2813. Opens public hearing SB 931.
<u>SB 931 PUBLIC HEARING</u>		
040	Brian Boe	Portland General Electric (PGE). Refers to the previous hearing on this bill and explains questions asked at that time. Says the bill changes the dollar threshold for utilities that are transferring property with approval from Public Utility Commission. Says raising the threshold amount, taking into consideration the inflation rate, was determined to be \$100,000.
041	Chair Nelson	Asks for further questions. Closes public hearing on SB 931. Opens work session on SB 931.
<u>SB 931 WORK SESSION</u>		
042	Sen. Starr	MOTION: Moves SB 931 to the floor with a DO PASS recommendation.
		VOTE: 4-0 EXCUSED: 1 ñ Metsger
043	Chair Nelson	Hearing no objection, declares the motion CARRIED. Sen. MILLER will lead discussion on the floor.

044	Chair Nelson	Closes work session on SB 931. Opens public hearing on SB 1055.
<u>SB 1055 PUBLIC HEARING</u>		
078	Brian Doherty	Western States Petroleum Association. Gives reasons for SB 1055 that creates exception to tied house prohibitions of liquor law. Explains how this bill will allow a subsidiary to operate the same as the parent company. Says the Oregon Liquor Control Commission does not object to SB 1055.
100	Chair Nelson	Asks for questions.
102	Sheng	Explains amendments.
103	Sen. Beyer	Asks if these amendments were agreed on by OLCC.
123	Doherty	Answers that all the amendments have been presented to the parties.
133	Sheng	Says the bill is scheduled for a work session next week when the amendments will be ready.
135	Chair Nelson	Closes public hearing on SB 1055 and says the work session is scheduled next Wednesday. Opens public hearing on SB 1086.
<u>SB 1086 PUBLIC HEARING</u>		
145	Paul Cosgrove	Representing the company, VIE, which sponsored SB 1086. Introduces Bill Skowronnek. Describes SB 1086 which deals with how lenders and borrowers obtain verification of income and employment when they are applying for loans. SB 1086 would set up a process of obtaining this information from the Employment Department online. Presents (EXHIBIT A) .
160	Bill Skowronnek	President of VIE, a joint venture between First American Financial and Northwest Mortgage. Says this bill would allow access of unemployment insurance wage records to consumer reporting agencies. Consent comes from the consumer and is voluntary for their loan process. This process benefits lenders to expedite the loan process; it allows loans to go through quicker. Removes employer from verification of employment.
197	Cosgrove	Refers to new amendments requested for next work session to clarify.
205	Annette Talbot	Employment Department. Explains the department's support of SB 1086. The department worked with VIE to draft SB 1086. Presents (EXHIBIT B) .
263	Chair Nelson	Asks if there could be problems in the closing process if a person could

		unwittingly sign the release.
270	Skowronnek	Explains the many papers to sign during the loan process and has asked that the consent form be separate.
285	Cosgrove	Explains the consent comes at the beginning of the loan process and would be separate from the large number of documents to be signed.
295	Betsy Earls	Associated Oregon Industries (AOI). Supports SB 1086. Presents (EXHIBIT C).
330	Chair Nelson	Says there will be a work session on SB 1086 next week. Closes public hearing on SB 1086. Opens public hearing on SB 254.
<u>SB 254 PUBLIC HEARING</u>		
354	Richard Caplinger	Employed by Pendleton Grain Growers. Supports SB 254 which will relax the time limit for perfecting purchase money security interests on true fixtures, such as pump houses, building annexes and others; it will define fixtures to exclude domestic pumps and accessories of pumps, which should not be considered fixtures. Says he finances domestic pumps. Explains the current fixture financing process. Shortness of time, legal descriptions, and the process is so cumbersome that sales are difficult.
360	Sheng	Asks what the intent is in Section 4.
TAPE 96, A		
010	Chair Nelson	Asks about Section 4.
013	Caplinger	Reads a part of Section 4. Explains if the law changes, some loans will have an extra ten days to file. Says this bill will not be adverse to anyone in any significant way.
034	Chair Nelson	Asks for questions. Closes public hearing on SB 254. Opens work session.
<u>SB 254 WORK SESSION</u>		
040	Chair Nelson	MOTION: Moves SB 254 to the floor with a DO PASS recommendation.
		VOTE: 3-0 EXCUSED: 2 ñ Metsger, Miller

041	Chair Nelson	<p>Hearing no objection, declares the motion CARRIED.</p> <p>SEN. NELSON will lead discussion on the floor.</p>
042	Chair Nelson	Closes work session on SB 254. Opens public hearing on SB 915.
<u>SB 915 PUBLIC HEARING</u>		
050	Pete Shepherd	Financial Fraud Consumer Protection, Department of Justice (DOJ). DOJ does not support SB 915, as introduced. States there are problems for consumers and businesses that want to abide by the consumer protection laws. Updating of lists takes at least a year. When the "black dot" law was adopted, sources of customers were not so numerous. Explains the 11 amendments proposed by DOJ. Presents (EXHIBIT D).
055	Bruce Shaull	Representing Sprint. Opposes SB 915, as written, however, the language is being worked on. Explains telemarketing firms get lists from many sources. Says that companies would need to check with individual states and suggests one source that would be nationally accessible. Presents (EXHIBIT E).
140	Shaull	Talks about using a national list and structuring SB 915 differently. Agrees to the concept of SB 915.
155	Gary Bauer	Oregon Telecommunications Association. A small telephone company on the coast whose customers complained about solicitors' calls generated the drafting of SB 915. Explains automatic dialing machines that can cause persons to get calls with no one on the other end. Presents (EXHIBIT F).
185	Chair Nelson	Asks groups to amend SB 915 and come back next week. Closes public hearing on SB 915. Opens public hearing on SB 1034.
<u>SB 1034 PUBLIC HEARING</u>		
200	Gary Wilson	Building Codes Division (BCD). Opposes SB 1034. Describes different codes. Says the bill conflicts with national standards. The concern is with public safety. Transformers with greater than 100 volt amperes (VA) must comply with national electrical code standards. Presents (EXHIBIT G).
250	Chair Nelson	Asks if this bill can be fixed.
252	Wilson	Asks where they are going with this bill.
260	Sen. Starr	States the proposed amendment is to insert 300 VA, instead of 100 VA.

264	Wilson	Explains how 300 VA would be installed. It would need to be installed by a licensed electrician. The limited energy license is only qualified to install low voltage circuitry.
280	Tony DeSantis	Landscape Contractor. This is for landscape lighting outdoors. Now 100 VA can be installed and 300 VA is what is wanted. Presents (EXHIBIT H).
333	Wilson	Explains 100 VA does not have enough energy to shock or cause a fire. Over 300 VA power installation requires household wiring, conduit and wire, according to the national electrical code. When you leave 100 VA, it goes to power.
395	DeSantis	Describes a lighting system that is 500 watts. Wants to simplify the installation of outdoor lighting systems by installing two 250 watts or something comparable. Nothing changes except the size of the unit to plug in.
410	Ken Keudell	Landscape Contractors Board. Explains the history of this issue. Says questions arise about the use of 100 VA in the landscape contracting industry. There needs to be an increase in what is allowed and also allow a price break for the consumer.
420	Wilson	Comments on some language errors in the bill that say amps rather than volt-amperes. Volt-ampere is power. Current is how large the power is. The push is voltage. Ampere is the amount of flow.
450	Chair Nelson	Asks them to get together and fix the language in the bill.
TAPE 95, B		
030	Chair Nelson	Closes public hearing on SB 1034. Opens public hearing on SB 1116.
<u>SB 1116 PUBLIC HEARING</u>		
047	Fred Van Natta	Oregon Building Industry Association (OBIA). Says the issue is where building designers fit in the industry. SB 1116 is not intended to affect manufactured home designers. Explains the ñ1 amendments to SB 1116. Introduces Pat Bridges and Leon Oliver.
079	Leon Oliver	Grants Pass. Explains the limitations of building designers in the building industry. Explains how they cannot register and be covered by the Contractors Board.
109	Tom Sears	President, Northern Chapter American Institute of Building Designers. Explains that the architects have tried to put designers out of business.

168	Sears	Continues explaining how the building designers operate.
183	Chair Nelson	Asks for questions.
186	Sheng	Asks about the ñ1 amendments. Asks what good a registration program does.
190	Oliver	States it would establish that the designer met certain criteria and education.
204	Sears	Explains how registering contractors was the first attempt.
226	Oliver	The Building Codes Division (BCD) determines whether plans are exempt or not. Feels that BCD should administer this program.
235	Sen. Beyer	Asks if this would preclude anyone from remodeling their house.
360	Oliver	If it is a business, they should be registered. If it is a one-time thing it does not need to be registered.
253	Sears	Explains engineer and architect services compared to building designers.
277	Chair Nelson	Asks for questions.
283	Diana Madaneta	Executive Director, Architects Council. Explains the architect's title registration and a practice registration. To call oneself a landscape architect, one must register with the landscape architect board. This bill does not create a valid registration for building designers. Opposes having building designers licensed. Says a title registration would be appropriate for building designers.
346	Sen. Beyer	Asks if they are opposed to the bill.
366	Madaneta	Responds that the bill is not registering anything. Says the point of being registered is to set one aside from others, to have a title. Does not see that in this bill.
369	Chair Nelson	Asks for questions.
373	Joe Brewer	Administrator, Building Codes Division (BCD). BCD is neutral about this bill. Says the bill would allow BCD to set some standards. It also proposes continuing education. Education and/or experience standards should be added for building designers. Presents (EXHIBIT I) .
411	Sen. Beyer	Comments that the bill does not say what standards would be used.

427	Brewer	Answers that BCD interpreted the bill as giving them authority to set standards.
TAPE 96, B		
011	Brewer	Knowledge of the code and continuing education are needed.
012	Sen. Beyer	Asks if lack of registration has been a problem.
018	Brewer	Says there has been difficulty in getting plans approved and inconsistencies across jurisdictions.
027	Chair Nelson	Asks for questions.
049	Madaneta	Some people will not be able to pass whatever standards are set up. Asks why the building designers are licensing.
069	Chair Nelson	Asks parties to get together. Closes public hearing on SB 1116. Opens public hearing on SB 1257.
<u>SB 1257 PUBLIC HEARING</u>		
880	Donald Lamb	St. Vincent de Paul. Supports SB 1257 to increase the amount of recycled materials used by the public. St. Vincent de Paul is in the business of recycling which creates jobs and new products.
102	Sen. Susan Castillo	Senate District 20. Supports SB 1257. Explains creating incentives to use recycled materials is the intent of this bill.
116	Dugan Petty	State Purchasing Manager for the Department of Administrative Services (DAS). Explains the intent of bill is to increase recycled material. As written, it has a broad scope. Says the bill changes the definition of recycled material, which would be a problem. Thinks the intent of the bill could be accomplished with different language. Presents (EXHIBIT J) .
166	Terry McDonald	St. Vincent de Paul, Eugene. Says the intent was to create opportunities for using recycled materials. There are many viable materials that can be used through recycling.
200	Chair Nelson	Says there is more work to do on this bill. Adjourns meeting at 2:45 PM.

Submitted By, Reviewed By,

Nancy Masee, Y. Sherry Sheng,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 1086, Written testimony, Paul Cosgrove, 2 pp

B ñ SB 1086, Letter, Annette Talbott, 2 pp

C ñ SB 1086, Written testimony, Betsy Earls, 1 p

D ñ SB 915, Written testimony, Pete Shepherd, 9 pp

E ñ SB 915, Written testimony, Bruce Shaull, 1 p

F ñ SB 915, Written testimony, Gary Bauer, 1 p

G ñ SB 1034, Written testimony, Gary Wilson, 1 p

H ñ SB 1034, Written testimony, Tony DeSantis, 1 p

I - SB 1116, Written testimony, Joe Brewer, 1 p

J ñ SB 1257, Written testimony, Dugan Petty, 1 p