

**SENATE COMMITTEE ON BUSINESS & CONSUMER AFFAIRS**

April 30, 1999 Hearing Room C

1:00 PM Tapes 102-104

**MEMBERS PRESENT: Sen. David Nelson, Chair**

**Sen. Lee Beyer, Vice-Chair**

**Sen. Rick Metsger**

**Sen. Charles Starr**

**MEMBER EXCUSED: Sen. Randy Miller**

**STAFF PRESENT: Y. Sherry Sheng, Administrator**

**Nancy Masee, Administrative Support**

**MEASURE/ISSUES HEARD: SB 398 Work Session**

**SB 1089 Work Session**

**SB 1127 Work Session**

**SB 1034 Work Session**

**SB 712 Public Hearing and Work Session**

**SB 915 Work Session**

**SB 785 Work Session**

**SB 1239 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 103, A</b>		
003	Chair Nelson	Opens meeting at 1:10 PM. Opens work session on SB 398.
<b><u>SB 398 WORK SESSION</u></b>		

015	Sherry Sheng	Committee Administrator. Gives background on SB 398 that was heard earlier, passed out of the committee, and returned by the Senate for reconsideration. Explains the SB 398 A2 amendments. Submits <b>(EXHIBIT A)</b> .
045	Mardi Saathoff	Attorney, Oregon Department of Justice (DOJ). States that the A2 amendments are intended to address concerns that were expressed by the community and members of the Senate to allow flexibility in allowing agencies to obtain services on proposed contracts prior to receiving an approval from the Attorney General's office. The A2 amendments allows DOJ to go to other approving agencies over the requesting agency.
065	Saathoff	Mentions that the thresholds on two public contracts have not changed.
069	Chair Nelson	States that SB 398 implements the policy set out during the 1997 Legislature.
090	Don Charlton	Chief Financial Officer, Oregon Department of Human Resources. Supports SB 398. States the need for this bill to implement business operations.
091	Chair Nelson	Asks if this will cause abuse by the parties involved.
092	Charlton	Says SB 398 will handle exceptional circumstances only and abuses will not be allowed.
116	Sen. Beyer	Asks if any assurances are given to not misuse SB 398.
125	Charlton	Answers that SB 398 will allow (ODHR) to use judgment when processes are needed. Allows flexibility to not put a contractor in a tenuous situation, i.e., with the county.
137	Charlton	Gives example of what could happen.
167	Chair Nelson	States that (ODHR) should have the documents reviewed by attorneys before they are put into effect.
<b>168</b>	<b>Sen. Beyer</b>	<b>MOTION: Moves to ADOPT SB 398-A2 amendments dated 04/30/99.</b>
		<b>VOTE: 4-0</b>
		<b>EXCUSED: 1 - Sen. Miller</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>

169	Sen. Beyer	<b>MOTION: Moves SB 398 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 - Sen. Miller</b>
170	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. BEYER will lead discussion on the floor.</b>
171	Chair Nelson	Closes work session on SB 398 and opens work session on SB 1089.
<b><u>SB 1089 WORK SESSION</u></b>		
172	Sheng	Explains that on April 14, 1999 the committee heard two bills related to funding the Dry Cleaner Environmental Response Account. One proposed a decrease to the solvent fee surcharge and an increase per facility charge. SB 1089 would distribute any shortfall among all of the dry cleaning facilities equally and SB 1263 would distribute the shortfall by reassessing the contribution to accounts. After the hearing, members of the Oregon Dry Cleaning Association and the Korean Dry Cleaners Association and representatives of the Department of Revenue and Department of Environmental Quality, met to further explore ways to come together. The ñ1 amendments are the agreement that was structured by these interested parties. Stated that there is a million dollar target which will not be met. There needs to be additional work beyond the session in order for this statutory requirement to be presented. Explains the SB 1089 ñ1 amendments. Submits ( <b>EXHIBIT B</b> ).
250	Chair Nelson	Asks Sheng what the current annual fee is.
260	Sheng	Answers that for "dry stores," if revenue is below \$50,000 a year, the store pays nothing. If revenue is above \$50,000, they pay \$500. States that for "wet stores," the fee is \$1,000.
285	Ann Price	Hazardous Waste Program Manager, Department of Environmental Quality (DEQ). States her concern is that the \$1 million will not be reached. Says there will be many cleanups over the years and this might lead to mismanagement of the solvent. Supports the effort to fund the program which she feels is very successful.
	Chair Nelson	Mentions that this is an insurance program which DEQ has agreed to. Asks Price the number of cleanups performed and the seriousness of each.

319	Price	Says that the program is running smoothly. States there are 13 cleanups under way at this time. States that all individuals have come forward with applications. Says the functioning of the program is going well.
333	Roger Martin	Dry Cleaners Association (DCA). States that with the prospective increase in gallonage in October, the projection is that DCA will meet the \$1 million goal. Comments that DCA is amicable with DEQ.
356	Price	Explains that DEQ is not prepared to take funds and invest them in litigation at this time, although, DEQ is evaluating this.
	Chair Nelson	Asks Martin if DEQ would be the plaintiff in the suit.
369	Martin	Answers that he is not sure.
273	Sen. Metsger	Asks if they have \$1.2 million in the account and if that would keep the program going.
384	Price	Explains yes that is correct but that would probably not meet the need for all cleanups that are scheduled to be done.
400	Sheng	Thanks the dry cleaning community for their work and contribution on SB 1089.
<b>TAPE 102, A</b>		
010	Chair Nelson	Asks if there have been any cleanups to date and what the cost was.
021	Price	Answers they have completed one cleanup but she does not remember the actual cost. Said that she will get those figures for the committee.
025	Martin	Asks the committee if they would instruct ODR to be more forthcoming in sharing needed information.
<b>026</b>	<b>Chair Nelson</b>	<b>MOTION: Moves to ADOPT SB 1089-1 amendments dated 04/29/99.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 n Sen. Miller</b>
	<b>Chair Nelson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>

027	Chair Nelson	<b>MOTION: Moves SB 1089 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 ñ Sen. Miller</b>
028	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. METSGER will lead discussion on the floor.</b>
029	Chair Nelson	Closes work session on SB 1089 and opens work session on SB 1127.
<b><u>SB 1127 WORK SESSION</u></b>		
052	Sheng	Explains that the committee heard this bill on April 19, 1999. Explains SB 1127 ñ3 amendments. States that the decision has been made is to go back to original appointment process set out in statute, which would allow the Governor to nominate. Explains auditing requirements of the balancing of boards. This bill has a prior referral to Ways and Means Committee and that committee can have the financial impact changed. Submits <b>(EXHIBIT C)</b> .
159	Ed Patterson	Oregon Association of Hospitals and Health Systems. Says that he has not seen the ñ3 amendments. Believes that the health profession boards should be treated differently than all other boards because of the significant role that they play in society. States that they need more oversight and less autonomy. States that if there are health related boards mentioned in the ñ3 amendments, he suggests they be taken out.
194	Sen. Beyer	States there is not a clear policy when it comes to boards.
	Chair Nelson	Asks committee if Ways and Means should be notified of their concerns.
219	Sen. Metsger	Asks Nelson if he feels there are other boards included in the ñ3 amendments that should not be included.
	Sheng	Answers that the board who did not want to be included have informed the committee staff.
233	Sen. Metsger	Defers to Beyersí opinion.
234	Sen. Nelson	<b>MOTION: Moves to ADOPT SB 1127-3 amendments</b>

		dated 04/30/99.
		<p><b>VOTE: 4-0</b></p> <p><b>EXCUSED: 1 - Sen. Miller</b></p>
	Chair Nelson	Hearing no objection, declares the motion CARRIED.
236	Sen. Nelson	<p><b>MOTION: Moves SB 1127 to the floor with a DO PASS AS AMENDED recommendation and request SUBSEQUENT REFERRAL to the committee on Ways and Means by prior reference with attention to the Health Occupation Boards.</b></p>
		<p><b>VOTE: 4-0</b></p> <p><b>EXCUSED: 1 - Sen. Miller</b></p>
237	Chair Nelson	Hearing no objection, declares the motion CARRIED.
238	Chair Nelson	Closes work session on SB 1127 and opens work session on SB 1034.
<b><u>SB 1034 WORK SESSION</u></b>		
240	Sheng	Explains that SB 1034 was heard on April 23, 1999. Issues discussed involved the basis for restricted energy electric activity and setting that level at 100 volt-amperes. Applications are limited to outdoor automatic sprinkler and the electricity used for the sprinkler control, as well as outdoor lighting. SB 1034 ñ3 amendments restore the original 100 volt-amperes. Submits <b>(EXHIBIT D)</b> .
341	Sen. Beyer	Feels that the -3 amendments need to be clarified by punctuation.
342	Sen. Starr	<p><b>MOTION: Moves to ADOPT SB 1034 -3 amendments dated 04/30/99.</b></p>
		<p><b>VOTE: 4-0</b></p> <p><b>EXCUSED: 1 - Sen. Miller</b></p>
	Chair Nelson	Hearing no objection, declares the motion CARRIED.

343	Sen. Starr	<b>MOTION: Moves SB 1034 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 - Sen. Miller</b>
345	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. STARR will lead discussion on the floor.</b>
347	Chair Nelson	Closes work session on SB 1034 and opens public hearing on SB 712.
<b><u>SB 712 PUBLIC HEARING</u></b>		
<b>TAPE 103, B</b>		
074	Jan Wick	Evian Water Company, Bend, Oregon. States that Avian Water Company serves 7,000 households. States that two years ago he asked the Public Utility Commission (PUC) to review the possibility of service territory allocations for water companies. The Public Utility Commission indicated at that time that this might be a good idea. States that there are a large number of private utility companies in the Bend area. States that water utilities are the last monopoly. SB 712 provides for service territory allocations amongst private water utilities. States that it was not his intention that this bill have any impact on municipal water suppliers. Feels that it should be amended to more clearly state that it is not intended to have any impact whatsoever on municipal water suppliers.
078	Roger Hamilton	Public Utilities Commissioner. Supports SB 712. States that PUC is willing to work on the amendments with the League of Oregon Cities if necessary. Submits <b>(EXHIBIT E)</b> .
080	Willie Tiffany	League of Oregon Cities (LOC). States that the league initially had concerns with the definition of water utility, but they have since worked those out conceptually. If SB 712 is amended to take out "water utilities," LOC would be in agreement. Agrees to work on the amendments with PUC.
100	Chair Nelson	Closes work session on SB 712. Opens work session on SB 915.
<b><u>SB 915 WORK SESSION</u></b>		
180	Pete Shepherd	Attorney, Financial Fraud and Consumer Protection, DOJ. Explains SB 915 ñ2 amendments attempts to deal with the workability problems that now exist in Oregonís Black Dot Non Solicitation Telephone Law. Explains that because the

		lists are not updated regularly, it is difficult for both businesses and consumers. Explains that the aim of the proposal is to create a private entity, contract administrator who will maintain a single list, but this created a problem for Sprint and other phone companies. Says they would like to be able to use their own professional association as a central list for all of their "do not call" information so that they need make only one contact. Explains that the ñ2 amendments provide that. SB 925 would solve the workability problem for businesses and consumers.
260	Staff	Submits ( <b>EXHIBIT F</b> ).
261	Chair Nelson	Closes work session on SB 951 and re-opens work session on SB 712.
<b><u>SB 712 WORK SESSION</u></b>		
234	Sen. Neil Bryant	Senate District 27. Supports SB 712. States that he will make amendments for the House side. Asks Sen. Nelson to move the bill today.
235	Chair Nelson	<b>MOTION: Moves SB 712 to floor with DO PASS recommendation.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 - Sen. Miller</b>
237	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. BRYANT will lead discussion on the floor.</b>
238	Chair Nelson	Closes work session on SB 712 and re-opens work session on SB 915.
<b><u>SB 915 WORK SESSION</u></b>		
239	Sen. Starr	<b>MOTION: Moves to ADOPT SB 915-2 amendments dated 04/30/99.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 ñ Sen. Miller</b>



	Chair Nelson	Hearing no objection, declares the motion CARRIED.
241	Sen. Starr	<b>MOTION: Moves SB 915 to the floor with a DO PASS AS AMENDED recommendation with subsequent referral to the Judiciary Committee by prior reference.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 - Sen. Miller</b>
242	Chair Nelson	Hearing no objection, declares the motion CARRIED.
250	Chair Nelson	Closes work session on SB 915 and opens work session on SB 785.
<b><u>SB 785 WORK SESSION</u></b>		
297	Sheng	Explains the SB 785 ñ1 amendments. States that SB 785 sets standards for building officials and inspectors. States that there have been concerns that the standards are too high. The ñ1 amendments require Building Codes Division (BCD), through rule, to clarify the practical experience equivalent of minimum standards, therefore providing for some degree of flexibility. Submits <b>(EXHIBIT G)</b> .
300	Joe Brewer	Administrator, Building Codes Division. Supports SB 785.
350	Bill Cross	Building Officials Association. Supports SB 785, but wants to apply a practical examination when the applicants file for job position openings. States that BOA would like to establish a procedure that would allow them to provide an alternative to length of experience requirements.
358	Sen. Beyer	Asks if this puts the agency in the position of certifying applicants.
362	Brewer	Answers yes.
379	John Gervais	National Electrical Contractors. States that SB 785 amendments are an improvement. Feels that standards have been lost in some communities. Asks the Department to be responsible for standards.
409	Sen. Beyer	Asks if there is concern with the certifications.
410	Gervais	Answers yes, but he does support SB 785 with the ñ1 amendments. Says the amendments allow uniform standards throughout the state.

**TAPE 102, B**

006	Sen. Beyer	Comments that municipalities can hire whom they want, but the standards are the state's responsibility.
007	Chair Nelson	Asks for questions.
008	Sen. Metsger	<b>MOTION: Moves to ADOPT SB 785-1 amendments dated 04/30/99.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 ñ Sen. Miller</b>
	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>
009	Sen. Metsger	<b>MOTION: Moves SB 785 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0</b> <b>EXCUSED: 1 ñ Sen. Miller</b>
011	Chair Nelson	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. BEYER will lead discussion on the floor.</b>
012	Chair Nelson	Closes work session on SB 785 and opens work session on SB 1239.
<b><u>SB 1239 WORK SESSION</u></b>		
051	Sheng	Gives background on SB 1239 and the ñ1 amendments. Proposes to direct Department of Consumer & Business Services to adopt rules, which would allow the one and two family dwelling-coding inspectors to conduct electrical and plumbing inspections. Plumbing and electrical inspectors coding pay scales, and written examinations differ. The ñ1 amendments change language. Submits <b>(EXHIBIT H)</b> .
073	Sen. Beyer	Asks about standards.

080	Brewer	Answers the staff has not had time to evaluate amendments. States that this would be a serious move and he needs to evaluate the ñl amendments.
101	Sen. Beyer	Asks if a training path would be provided for electricians and plumbers.
111	Brewer	Explains certification requirements in the two different categories.
117	Sen. Beyer	Asks if the concept is a "cross training" situation between electricians and plumbers.
118	Bill Cross	Oregon Building Officials Association. Says the amendment is to allow one and two family electrical or plumbing inspectors to participate in training programs to prepare for the examination for inspector on the "A" level. Says there needs to be a path for persons to move from one level to the next.
144	Sen. Beyer	Says it takes a number of years to become a licensed electrician or plumber. Asks if this training would take the place of an experienced plumber or electrician.
155	Gervais	Opposes SB 1239. States this is a dangerous bill. Says that just last session there were provisions made for different paths for performing inspections. States that these standards are already in place. Refers to the 1999 Session and the difficulty of cities and counties finding applicants for inspectors. States the need for these inspectors to have had practical experience in the fields of plumbing and electricity. Feels that this bill would drop standards too low.
204	Brewer	Comments that is a decision that this committee must make.
205	Brewer	As of the 1997 Session, a path was created for one and two family dwelling inspectors to become certified through a training course administered by their own building official.
249	Cross	Says qualified individuals can not be found. Says those in the trades do not like to leave their jobs to work for jurisdictions because the pay is so much less.
289	Gervais	Comments on the low pay of inspection authorities. States that the highest construction period in the state has been experienced and is passing now.
315	Sen. Metsger	Refers to the ñl amendments and asks if it allows for conditions to be this strict.
320	Brewer	Answers yes, and there will likely be a fiscal impact. States that they are trying to move away from a journeyman level worker.
367	Jane Cummins	League of Oregon Cities. Comments on the problems that local jurisdictions have finding qualified inspectors. Says there have been some changes but there

		still needs to be an adequate pool of personnel. States that this need has been heard from city managers and building officials.
402	Sen. Beyer	Asks Cummins if she would expect that someone taking the training path should have the same level of training as a journeyman electrician.
407	Cummins	Answers that she has heard from individuals coming from other states that Oregon has unique certification requirements. They feel that they have been qualified to do the work in the state that they left and they feel they should be able to take an exam here in Oregon to do the same, but are not allowed to.
449	Brewer	Says BCD does not want provisional certification because it is too complicated, administratively. States that if a path is created, it should be to take the course and pass the exam.
471	Sen. Starr	Asks Brewer if training was provided by the state, would it be fee supported.
472	Beyer	Believes that it should be fee supported.
<b>TAPE 104, A</b>		
008	Chair Nelson	States that he believes there needs to be a work group formed to analyze this situation. Closes work session and adjourns meeting at 3:03 p. m.

Submitted By, Reviewed By,

Nancy Masee, Y. Sherry Sheng,

Administrative Support Administrator

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Transcribed By,

Paula Merritt,

Administrative Support

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**EXHIBIT SUMMARY**

**A ñ SB 398, -A2 amendments, staff, 2 pp**

**B - SB 1089, -1 amendments, staff, 8 pp**

**C - SB 1127, -3 amendments, staff, 50 pp**

**D - SB 1034, -3 amendments, staff 1 p**

**E - SB 7123, written testimony, Roger Hamilton, 2 pp**

**F - SB 915, -2 amendments, staff, 6 pp**

**G - SB 785, -1 amendments, staff, 1 p**

**H ñ SB 1239, -1 amendments, staff, 1p**