

SENATE COMMITTEE ON TRANSPORTATION

February 15, 1999 Hearing Room C

3:05 p.m. Tapes 25 - 26

MEMBERS PRESENT: Sen. Marylin Shannon, Chair

Sen. Susan Castillo

Sen. Ted Ferrioli

Sen. Gary George

Sen. Lenn Hannon

MEMBERS EXCUSED: Sen. Joan Dukes

Sen. Mae Yih

STAFF PRESENT: Don Scott, Administrator

Valerie Luhr, Administrative Support

MEASURE/ISSUES HEARD: SB 492 Public Hearing

Introduction of Committee Bill

HB 2195 Public Hearing 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
TAPE 25, A		
003	Chair Shannon	Opens the meeting at 3:14 p.m. Announces she will not hold a public hearing on SB 509 and interested parties have been notified. Opens a public hearing on SB 492.
<u>SB 492 PUBLIC HEARING</u>		
010	Don Scott	Committee Administrator. Reviews provisions of SB 492. States there is a

		question about how the bill meshes with the federal odometer disclosure law and he has asked the witnesses to address the issue.
018	Sen. Peter Courtney	Senate District 17. Explains why he introduced SB 492. Introduces Sarah Barnett and Vern Bibler.
048	Sen. Ferrioli	Corrects a comment made by Sen. Courtney.
063	Vern Bibler	Salem, Oregon. Submits information about speedometer disconnect devices [EXHIBIT A] and testifies in support of SB 492. States Oregon and Washington are the only two states remaining that do not accept the speedometer from a towed vehicle. States there are drivers on Oregon's highways using disconnect devices. Urges the committee to support SB 492 because it will benefit Oregon's recreational vehicle (RV) population.
084	Ferrioli	Asks if a car can be operated while the odometer is disengaged.
087	Bibler	States someone could operate a vehicle. References the information about the Blue Ox Speedometer Disconnect. States the devices can be bought in Oregon, but some companies will not sell them or install them.
106	Sen. Ferrioli	Believes the issue of not having towed miles registered on the odometer is reasonable. States the counter argument would be to not have a car that can be driven without registering miles. Believes it is a consumer protection issue. States the issue might be solved by providing notification that the vehicle may have been towed without registering miles at time of sale. This would achieve the consumer protection objective without overturning the intent of the bill.
118	Chair Shannon	Asks Sen. Ferrioli if he is offering amendments.
120	Sen. Ferrioli	States he wants to understand Bibler's response to the question about whether the vehicle could be driven without showing miles on the odometer.
122	Bibler	States a vehicle could not be driven if the devices are connected.
126	Sen. Ferrioli	States he misunderstood Bibler's first answer. States he was asking whether the car could be driven with the odometer disconnect engaged. According to Bibler, the vehicle could not be driven that way.
130	Bibler	States Sen. Ferrioli is correct. Believes anyone who uses a disconnect device should keep a log of towed miles.
135	Sen. Ferrioli	Believes a log would be a nuisance. Believes it would be beneficial to know a device had been installed.
141	Sen. Courtney	Believes Sen. Ferrioli is right and his question is very incisive. States he does not want to support legislation if a vehicle could be operated when the disconnect device is engaged.
155	Chair Shannon	Asks Bibler if a certain kind of device should be put into the bill. Asks if someone could disconnect an odometer without the disconnect device.
163	Bibler	States the odometer cable would be damaged without a disconnect device.

171	Sen. Hannon	Comments on designing language saying the disconnect device must be certified, without specifically naming a brand; and it would be up to the citizen who chose to use the device to notify Driver and Motor Vehicles Services (DMV) that the device had been used. Asks Bibler if he would object to that language.
180	Bibler	States he does not object.
181	Sen. Hannon	Restates his question. Mentions the person maintaining a logbook. Asks Bibler if he objects.
188	Bibler	States he does not object.
189	Sen. Hannon	Asks Bibler if he has objection to a penalty for anyone caught disconnecting the device. States he is asking because someone could disconnect the odometer and not record actual miles.
196	Bibler	States that is a felony.
197	Sen. Hannon	States the point needs to be driven home.
199	Chair Shannon	States Bibler is saying it is already a felony to disconnect an odometer.
201	Sen. Hannon	States the language would be tied into the existing statute and it would be the hammer to get a person's attention if they circumvented the device.
204	Bibler	Explains it takes two vehicles for the device to operate. States there is no way to operate a vehicle without the odometer working.
210	Sen. Hannon	States he understands. States he is talking about the vehicle that does not have the device. Does not want the person to disconnect the odometer just because the person occasionally tows a vehicle.
215	Bibler	States if a person tows their car, they should have one of the devices and notify DMV.
235	Sara Barnett	Intern, Sen. Peter Courtney's office. Submits and presents testimony in support of SB 492 [EXHIBIT B] . States car manufacturers began switching to electrical odometer systems around 1990. The electrical systems allow for vehicles to be towed without recording the tow miles. Comments on odometer provisions in federal and state law. States some car dealers in the Salem area are unaware of disconnect devices. States one vehicle manufacturer will not honor a vehicle's warranty if a disconnect device has been used.
289	Sen. Courtney	Believes the witness's testimony has been comprehensive.
291	Chair Shannon	States it appears Oregon and Washington are not the only states that do not allow the odometer disconnect devices.
293	Barnett	States the National Conference of State Legislatures (NCSL) is researching states that allow the device, but she has not had a response.
300	Sen. Hannon	Asks Bibler if Arizona allows the devices.

303	Bibler	States he understands Arizona allows them. States users of the devices tell others to not use them in Oregon and Washington.
307	Sen. Hannon	Clarifies the devices can be used the moment you are out of Oregon, but not in Oregon. Asks Bibler if he has information about getting around the federal requirements.
311	Bibler	States he agrees with Sen. Hannon's first statement. States he does not know how to get around the federal requirement.
317	Chair Shannon	States perhaps the committee should call California or Arizona about their laws. Asks Kelly Taylor if she has any information. From the audience Taylor replies she does not have information and is not prepared to testify.
324	Sen. Hannon	Asks Al Elkins what happens when a wrecker tows a car. Asks if the odometer is disconnected under existing law.
331	Al Elkins	Oregon Tow Truck Association. States towers do not disconnect the odometer. States he understands the miles rack up when a vehicle is towed.
336	Sen. Hannon	States that would be the case unless the vehicle is front-wheel drive and the front is lifted off the ground.
339	Elkins	States Sen. Hannon is correct.
340	Sen. Hannon	Clarifies if a vehicle has front-wheel drive and the front wheels are raised off the ground, mileage is not recorded. If a vehicle has rear-wheel drive and its front wheels are raised off the ground, mileage is recorded.
336	Elkins	States his agreement. States mileage might not record when towing disabled vehicles because the vehicles that have been wrecked might not function.
353	Sen. George	Clarifies with Elkins that if a car was a 1991 or 1993 model, had an electrical system, the key was off, and had rear-wheel drive, the mileage would not record if the vehicle was being towed.
358	Elkins	States he does not know. States he has a 1997 vehicle and the mileage is not recorded on it.
363	Sen. George	States the devices appear to be expensive. States one could plan the towing mechanism to raise the drive axle off the ground to stop the odometer. Asks Elkins if he has looked into that.
375	Bibler	States it is safer to have all four wheels of the towed vehicle on the ground, and it is also safer to tow the vehicle because a tow dolly is very cumbersome.
386	Chair Shannon	Requests Taylor to comment.
390	Kelly Taylor	Oregon Department of Transportation (ODOT). States federal rules allow for three "brands" on a title—messages about the vehicle concerning odometers: actual, not actual, or exceeds mechanical limits. States there is not category for "not actual due to being towed." Comments on DMV procedures for processing vehicle title forms. Comments on options for revising the title forms.

TAPE 26, A		
016	Sen. Hannon	Suggests Sen. Courtney, Taylor, and Bibler form a work group to develop suggested language and report back to the committee.
023	Chair Shannon	States her agreement. Closes public hearing on SB 492. Opens works session for possible introduction of committee measures.
<u>INTRODUCTION OF COMMITTEE MEASURE</u>		
033	Scott	Reviews provision LC 2335.
038	Chair Shannon	States she was approached by the Albany and Lake Oswego school districts at the end of the 1997 Session about this legislation. The 1997 bill passed the Senate but not the House. The subject is being reintroduced this session. States many government agencies are exempt from the use fuel tax. The school districts want the exemption because they bus most of their students on city and county roads.
047	Sen. Hannon	MOTION: Moves LC 2335 BE INTRODUCED as a committee bill.
		VOTE: 5-0 EXCUSED: 2 - Dukes, Yih
Chair Shannon		Hearing no objection, declares the motion CARRIED. LC 2335 becomes SB 718.
055	Chair Shannon	Closes work session on LC 2335. Opens public hearing on HB 2195.
<u>HB 2195 PUBLIC HEARING</u>		
061	Scott	Reviews provisions of HB 2195. Reviews the fiscal impact of HB 2195.
077	Kelly Taylor	ODOT. Submits and reviews testimony in support of HB 2195 [EXHIBIT D] . States DMV issues nearly 50 different kinds of license plates.
085	Chair Shannon	Explains a citizen who wanted the committee to introduce a bill that would allow for the sale of license plates to help buy scholarships for children through Support Enforcement approached her. Asks Taylor to talk about the procedure.
094	Taylor	States current law allows for veteran groups, colleges, and nonprofit groups to apply for plates with their name on them. The groups receive the surcharge from the sale of the plates. States 20 groups currently participate, and there is computer capacity for ten more groups. Explains HB 2195 makes license plate fees consistent when somebody requests to change their plates. States fees are inconsistent because the laws passed at various times. Reviews the proposed fees. States HB 2195 will also allow DMV to send a vehicle-related cancellation letter by first-class mail rather than certified mail.
136	Don Scott	States the administrator of the House Transportation Committee asked him to clarify the \$1.50 plate replacement charge. Asks if the \$1.50 is per plate or per vehicle.

140	Taylor	States currently the fee is \$0 to \$11 for a set of plates. The fee will be either \$5 per set or \$11 per set. The \$1.50 is a plate manufacturing fee and it is not being changed.
146	Sen. George	Asks why 279,793 people would change their plates.
148	Taylor	Comments on reasons why people change their license plates, such as liking the letter configurations.
156	Chair Shannon	Closes public hearing on HB 2195. Opens work session on HB 2195.
<u>HB 2195 WORK SESSION</u>		
157	Sen. Hannon	Asks if there are any amendments.
159	Taylor	States the bill is fine the way it is.
160	Sen. Hannon	MOTION: Moves HB 2195 to the floor with a DO PASS recommendation.
		VOTE: 5-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Dukes, Yih
Chair Shannon		The motion CARRIES. SEN. FERRIOLI will lead discussion on the floor.
171	Chair Shannon	Closes work session on HB 2195. Reminds the committee about the February 17 meeting with the Oregon Transportation Commission. States a meeting has not been scheduled for February 19. Declares the meeting adjourned at 3:50 p.m.

Submitted By, Reviewed By,

Valerie Luhr, Megan Palau,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 492, written information, Vern Bibler,

B ñ SB 492, written testimony, Sarah Barnett, 2 pp.

C ñ LC 2335, Staff, 3 pp.

D ñ HB 2195, written testimony, Kelly Taylor, 3 pp.