

**HOUSE COMMITTEE ON COMMERCE**

**SUBCOMMITTEE ON BUSINESS**

April 10, 1997 Hearing Room 357

9:30 A.M. Tapes 34 - 35

**MEMBERS PRESENT:**

Rep. Roger Beyer, Chair

Rep. Richard Devlin

Rep. Bob Montgomery

Rep. Jackie Taylor

**MEMBER EXCUSED:**

**STAFF PRESENT:**

Keith Putman, Administrator

Timaree Whitty, Administrative Support

**MEASURE/ISSUES HEARD:**

HB 2300 Public Hearing

SB 151 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 34, A</b>		
003	Chair Beyer	Opens meeting at 9:31 a.m. Opens public hearing on HB 2300.
<b><u>HB 2300</u></b> <b><u>PUBLIC</u></b> <b><u>HEARING</u></b>		
004	Keith Putman	Committee Administrator reviews provisions of the bill.
013	Pete Shepherd	Attorney, Department of Justice gives testimony in support of HB 2300.

016	Mark Gardner	Special Counsel to the Attorney General, Department of Justice gives testimony in support of HB 2300 and proposed amendment (EXHIBIT A).
067	Rep. Montgomery	Asks how many times this past year have there been claims exceeding \$15,000 limit where people did not receive their money.
074	Shepherd	Responds between 1988 and the fall of 1986 there were fifteen vehicle dealer failures excluding recreational vehicles and manufactured home dealers. The number of victims involved in those claims range from one to over 200. The monetary amount of cumulative injury suffered in those cases ranged from approximately \$2,200 to over \$200,000. These estimates are conservative. Estimating how much loss was suffered is very difficult because some consumers are able to get compensation from various sources.
150	Shepherd	Continues with testimony.
223	Chair Beyer	Requests estimated figures on vehicle dealer claims between 1988 and fall of 1996 be provided to committee.
226	Shepherd	Responds he will provide this data.
228	Gardner	Submits copy of fax from Ashton Bonding for the record (EXHIBIT B).
249	Fred Scott	Seaside resident gives testimony in support of HB 2300.
261	Rep. Montgomery	Asks what the problem with getting his title has to do with increasing the bonding.
268	Scott	Responds he happened to be one of the lucky ones that had DMV assist him in getting his title. Without their assistance he would have been out \$18,000 and could have gone after the dealer's bond.
271	Dennis Keena	Police Officer, Salem Police Department gives testimony in support of HB 2300.
330	Keena	Continues with testimony.
TAPE 35, A		
000	Keena	Continues with testimony.
020	Rep. Montgomery	Asks how many times have people been stopped and arrested for driving a stolen vehicle that they did not in fact steal.
023	Keena	Responds this is an every day occurrence.
026	Chair Beyer	Asks if the dealer actions he described are already illegal.
027	Keena	Responds affirmatively.
033	Tim Schaefer	Marion county resident gives testimony in support of HB 2300.
075	John Powell	Representative, Contractors, Bonding, and Insurance Company (CBIC) gives testimony on HB 2300.
125	Rep. Taylor	Asks if going from \$15,000 to \$25,000 would increase the premium to \$300 per year or would it be in addition to what the premium is presently.

128	Powell	Responds at \$15,000 the preferred price of CBIC is about two percent or \$300 per year. At \$25,000 it would still be two percent or \$500 per year for a net increase of \$200.
133	Rep. Taylor	Asks what qualifications do you require to qualify for a bond.
135	Powell	Responds if there is a traceable problem it substantially diminishes the person's ability to get a bond and probably the only way to get one would be to actually post the cash.
144	Don Miner	Representative, Oregon Manufactured Housing Association gives testimony on HB 2300.
194	Mark Zook	Director of Operations, MAPS Credit Union gives testimony in support of HB 2300.
228	Tom Brough	Representative, Old Republic Surety gives testimony in support of HB 2300.
261	Chair Beyer	Closes public hearing on HB 2300. Opens work session on SB 151.
<b><u>SB 151 WORK SESSION</u></b>		
263	Keith Putman	Committee Administrator reviews provisions of the bill and amendments.
270	Chair Beyer	Asks about removal of emergency clause.
272	Putman	Responds this was not included in the -1 amendment, so he will have to request this change.
293	Chair Beyer	Asks why the emergency clause is needed.
302	James Hamert	Representative, Historic Preservation Office responds that it was his understanding that the emergency clause must remain because it was in the Governor's budget.
312	Putman	Responds this is in the budget for the Department of Economic Development. He sees no reason for the emergency and apologizes for not having this clause removed.
325	Rep. Montgomery	Comments he doesn't remember the committee requesting the removal of the emergency clause; however, if the bill reaches the floor with the emergency clause it will raise more question than we want. He feels removing the clause would not slow down the process, so there is no need to keep it in.
332	Putman	Suggests consulting with Ways and Means on whether this makes a difference.
343	Rep. Montgomery	Asks if this has a subsequent referral to Ways and Means.
344	Putman	Responds no.
345	Rep. Montgomery	Comments he is prepared to make a motion to pass this bill to the full committee without the emergency clause, and then if the full committee feels we should include the emergency clause he is

		prepared to make a motion to add the clause and pass the bill to the floor.
350	Chair Beyer	Comments he is prepared to accept this motion after the -1 amendments have been adopted.
353	Rep. Montgomery	MOTION: Moves to ADOPT SB 151-1 amendments dated 04/03/97.
	Chair Beyer	Hearing no objection, declares the motion CARRIED.
358	Rep. Montgomery	MOTION: Moves SB 151 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 4-0  AYE: In a roll call vote, all members present vote Aye.
	Chair Beyer	The motion CARRIES.  REP. BEYER will lead discussion in full committee.
380	Chair Beyer	Adjourns meeting at 10:26 a.m.

Submitted By, Reviewed By,

Timaree Whitty, Keith Putman,

Administrative Support Administrator

**EXHIBIT SUMMARY**

A - HB 2300, written testimony, Mark Gardner, 5 pp.