

HOUSE COMMITTEE ON COMMERCE

SUBCOMMITTEE ON BUSINESS

March 18, 1997 Hearing Room 357

8:30 A.M. Tapes 22 - 23

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:

SB 246 Public Hearing and Work Session

HB 2260 Public Hearing and Work Session

HB 2467 Public Hearing and Work Session

HB 2785 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.

Tape	Speaker	Comments
TAPE 22, A (Tape 21 not used.)		
003	Chair Beyer	Opens meeting at 8:35 a.m. Opens public hearing on SB 246.

<u>SB 246</u>		
<u>PUBLIC</u>		
<u>HEARING</u>		
009	Keith Putman	Committee Administrator reviews provisions of the bill.
018	Frank Brawner	President, Oregon Bankers Association gives testimony in support of SB 246 (EXHIBIT A).
070	Brawner	Continues with testimony.
125	Rep. Montgomery	Asks if there was any other testimony given before the Senate on this bill.
126	Brawner	Responds no.
127	Rep. Montgomery	Asks if this basically means bringing us into the 20th century on this issue; we are not changing what we are doing, just how we are doing it.
129	Brawner	Responds affirmatively.
130	Rep. Taylor	Asks if the applicant is always the recipient of the letter of credit in international trade, or can it go directly to the manufacturer.
132	Brawner	Responds it can only go to the manufacturer at the direction of the borrower. Letters of credit are technically commercial loans.
153	Rep. Beyer	Asks if this only affects two banks in Oregon or all banks.
159	Brawner	Responds it affects all banks and indirectly affects manufacturers with an interest in broadening their horizons through letters of credit.
168	Rep. Beyer	Asks if there was any opposition to this bill on the Senate floor.
170	Brawner	Responds he believes it passed unanimously.
171	Rep. Beyer	Closes public hearing on SB 246. Opens work session on SB 246.
<u>SB 246</u>		
<u>WORK</u>		
<u>SESSION</u>		
174	Rep. Montgomery	MOTION: Moves SB 246 to the full committee with a DO PASS recommendation.
		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye.
	Chair Beyer	The motion CARRIES. REP. MONTGOMERY will lead discussion in full committee.
180	Chair Beyer	Closes work session on SB 246. Opens public hearing on HB 2260.
<u>HB 2260</u>		
<u>PUBLIC</u>		
<u>HEARING</u>		

186	Keith Putman	Committee Administrator reviews provisions of the bill.
199	Bob Olson	Representative, Oregon State Bar Association gives testimony in support of HB 2260.
207	Jim Nass	Legal Counsel to the Oregon Court of Appeals and Supreme Court and Representative for the Judicial Department gives testimony in support of HB 2260 (EXHIBIT B).
317	Rep. Montgomery	Comments this bill is way overdue.
341	Frank Brawner	President, Oregon Bankers Association gives testimony in support of HB 2260.
357	Rep. Beyer	Comments the committee heard testimony last week in support of a bill that would remove the letter of credit requirement for auto dealers and allow issuance of bonds instead. Asks if this bill would make it easier for this change.
362	Brawner	Responds there should be an option for using either a letter of credit or a bond.
TAPE 23, A		
000	Rep. Taylor	Asks if there is considerable burden on the court to take in cash when a bank must pay the trial court administrator when letters of credit expire.
008	Nass	Responds this is not a burden on the court. Comments under current law one of the ways to support an undertaking is simply walking up to the trial court clerk and handing them cash and that cash is then placed in a bank
017	Chair Beyer	Closes public hearing on HB 2260. Opens work session on HB 2260.
<u>HB 2260</u> <u>WORK</u> <u>SESSION</u>		
019	Rep. Taylor	MOTION: Moves HB 2260 to the full committee with a DO PASS recommendation.
		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye.
	Chair Beyer	The motion CARRIES. REP. TAYLOR will lead discussion in full committee.
028	Chair Beyer	Closes work session on HB 2260. Opens public hearing on HB 2467.
<u>HB 2467</u> <u>PUBLIC</u> <u>HEARING</u>		

035	Keith Putman	Committee Administrator reviews provisions of the bill. Asks if it is correct to consider this a friendly amendment.
049	Frank Brawner	President, Oregon Bankers Association responds this is a friendly amendment and his organization agrees with it. Proceeds with testimony in support of HB 2467.
068	Rep. Montgomery	Asks if it is true that under current law local government cannot charge for notary services, but banks can.
081	Brawner	Responds he is unable to answer that question; however, it is his understanding that most banks don't charge their own customers for this service.
088	Chair Beyer	Comments he is concerned with the amendment opening things up to potential fraud.
099	Tom Wrosch	Corporate Division, Secretary of State responds the amendment will simply allow county and local identification to be used in the same capacity that federal, state, institution and business identification is now used. For example, currently a sheriff's I.D. cannot be used, but a person's BI-Mart card is acceptable; a library card is not considered valid identification, but a Costco card is.
125	Rep. Montgomery	Comments he is for making it easier for a local person to acquire notary services, and against making it more difficult.
138	Chair	Closes public hearing on HB 2467. Opens work session on HB 2467.
<u>HB 2467</u> <u>WORK</u> <u>SESSION</u>		
141	Rep. Devlin	MOTION: Moves HB 2467 to the full committee with a DO PASS recommendation.
		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye.
	Chair Beyer	The motion CARRIES. REP. DEVLIN will lead discussion in full committee.
156	Chair Beyer	Closes work session on HB 2467. Opens public hearing on HB 2785.
<u>HB 2785</u> <u>PUBLIC</u> <u>HEARING</u>		
173	Keith Putman	Committee Administrator reviews provisions of the bill.
181	Frank Brawner	President, Oregon Bankers Association gives testimony in support of HB 2785 (EXHIBIT D).

216	Paul Cleary	Director, Division of State Lands gives testimony in support of HB 2785.
230	Chair Beyer	Asks if this bill would affect restaurant gift certificates being claimed as unclaimed property.
237	Brawner	Responds negatively.
249	Chair Beyer	Closes public hearing on HB 2785. Asks Committee Administrator to request amendments from Legislative Counsel.
260	Chair Beyer	Adjourns meeting at 9:21 a.m.

Submitted By, Reviewed By,

Timaree Whitty, Keith Putman,

Administrative Support Administrator

EXHIBIT SUMMARY

A - SB 246, written testimony, Frank Brawner, 49 pp.

B - HB 2260, written testimony, Jim Nass, 1 p.

C - HB 2467, written testimony, Frank Brawner, 2 pp.

D - HB 2785, written testimony, Frank Brawner, 2 pp.