

HOUSE COMMITTEE ON GENERAL GOVERNMENT

February 28, 1997 Hearing Room D

1:00 P.M. Tapes 34 - 35

**MEMBERS PRESENT:**

Rep. Ken Strobeck, Chair

Rep. Dan Gardner, Vice-Chair

Rep. Jim Hill

Rep. Bob Montgomery

Rep. Kurt Schrader

Rep. Liz VanLeeuwen

Rep. Tom Whelan

**MEMBER EXCUSED:**

**STAFF PRESENT:**

Jeri Chenelle, Administrator

Paul Zolezzi, Administrative Support

**MEASURE/ISSUES HEARD:**

**HB 2591 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.**

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 34, A</b>		
004	Chair Strobeck	Convenes meeting at 1:00 PM and opens public hearing on HB 2591.
<b><u>HB 2591 PUBLIC HEARING</u></b>		
010	Jeri Chenelle	Committee administrator summarizes bill.
027	Paul Cleary	Introduces himself as representing Division of State Lands (DSL) and submits ( <b>EXHIBIT A</b> ). Explains current agency budget and HB 2591.

080	Cleary	Explains agency's role in monitoring issuance of gift certificates. Discusses concerns of HB 2591.
120	Rep. Hill	Asks for clarification of <b>(EXHIBIT A)</b> .
125	Cleary	Explains <b>(EXHIBIT A)</b> .
139	Rep. Hill	Asks question regarding division's audit system.
148	Marcella Easley	Introduces herself as Manager of Trust Property Section for DSL. Explains division's audit system regarding gift certificates.
155	Rep. Hill	Asks if gift certificates can be accurately tracked.
165	Cleary	Explains tracking procedures regarding issuance and redemption of gift certificates.
179	Rep. Hill	Asks how DSL is funded.
182	Cleary	Explains agency's funding mechanisms.
192	Rep. Montgomery	Asks what problem is with current gift certificate issuance and redemption procedures.
198	Cleary	Explains current procedures.
220	Rep. Gardner	Asks for clarification of current system.
225	Cleary	Continues explanation of current system.
241	Rep. Whelan	Asks about court decision affecting current system.
245	Cleary	Explains court decision.
272	Chair Strobeck	Asks how long DSL has been claiming unused gift certificate funds.
275	Easley	States reporting has been occurring since 1950's.
288	Rep. VanLeeuwen	Asks what happens to gift certificates when receiver dies.
292	Cleary	States certificates are then void. Explains current issuance procedures.
350	Chair Strobeck	Asks why sales of gift certificates are not official transaction.
355	Cleary	States gift certificates must be used in order to be official. Much like a checking system.
<b>TAPE 35, A</b>		
002	Cleary	Discusses other states procedures regarding gift certificates.
014	Bill Perry	Introduces himself as representing Oregon Restaurant Association. Explains current gift certificate issuance and redemption system. States support of bill.
064	Rep. VanLeeuwen	Asks if gift certificates should have expiration dates.
071	Perry	States that DSL claims unused certificates regardless of whether they have expiration dates.
086	Rep. Schrader	States concern over current gift certificate issuance and

		redemption procedure.
113	Rep. Gardner	States that sixty percent of unused gift certificate funds should go back to buyer, not DSL.
135	Rep. Montgomery	States support of bill.
144	Rep. Hill	States support of bill.
157	Rep. VanLeeuwen	States concern over unclaimed safety deposit box assets.
162	Cleary	Explains processing procedure of unclaimed safety deposit box assets and discusses agency's role.
214	Chair Strobeck	Closes public hearing on HB 2591 and adjourns meeting at 1:45 PM.

Submitted By, Reviewed By,

Paul Zolezzi, Jeri Chenelle,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A - HB 2591 written testimony, Paul Cleary, 4 pp.**