

HOUSE COMMITTEE ON
COMMERCE SUB-COMMITTEE ON BUSINESS

Hearing Room
Tapes - 12

MEMBERS PRESENT:

REP. LYNN LUNDQUIST, Chair
REP. TONY FEDERICI, Vice-Chair
REP. LARRY WELLS
REP. LYNN SNODGRASS

MEMBER EXCUSED:

STAFF PRESENT:

DANIEL JARMAN, Committee Administrator
JODIE HALL, Committee Assistant

MEASURES HEARD:

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE , A

001 CHAIR LUNDQUIST OPENS MEETING AT 1:45 PM.
002 OPENS PUBLIC HEARING ON HB 2217.
005 JAN SULLIVAN, Director of Secretary State Corporate Division: Testifies in SUPPORT of HB 2217. Enters into testimony Exhibits A, B, and C.
031 TOM WROSCH, Secretary of State Corporate Division: Offers further testimony on HB 2217. Refer to Exhibits D.
079 -trying to reduce fees.
091 -briefly describes fourth provision, refer to Exhibit D, page 2.
119 -summarizes intent of the legislation.
132 -in response to Rep. Snodgrass: Businesses must register every two years to keep track of them and also to meet requirements of other programs.
154 REP. SNODGRASS: Does not understand why business that is 50 years old or so must file every year.
160 SULLIVAN: Replies to Rep. Snodgrass' concern. Every two years a renewal notice is sent. If the business does not respond, the business is

deemed administratively dissolved.

176 -Rep. Snodgrass: With one notice? ---Yes.

-in response to Rep. Wells: Clarifies assumed business name. Why are they

not able to file under the assumed business name? ---Allows people who feel

a need to file to do so, without forcing people to do so.

233 -in response to Rep. Wells: Clarifies current law in comparison to this

bill.

274 -in response to Chair Lundquist: Referring to Exhibit D, page 6; yes, there will be a decrease in revenues.

306 -feels work load will be diminished because of the use of a lock box.

-in response to Chair Lundquist: Yes, is a great savings to the business community.

328 -in response to Rep. Wells: Describes application fee; \$10 plus any extra costs to do business in several counties.

359 CHAIR LUNDQUIST: Requests description of amendments.

364 SULLIVAN: Amendments will do away with Section 9. Refer to Exhibit A, page 2.

391 WROSCH: Refers Chair Lundquist to a one page summary of the amendments, Exhibit E. The amendments are basically language clean-up.

396 CHAIR LUNDQUIST: Requests more clarification on earlier question of Rep. Snodgrass concerning filing yearly versus every other year. Would there be less in house costs?

406 SULLIVAN: Yes, that is correct.

408 WROSCH: Further clarifies costs Chair Lundquist is referring to on page 7 of Exhibit D. Postage is a relatively minor cost in relation to the entire fiscal impact of this legislation.

TAPE 12, SIDE A.

043 WROSCH: Offers further description of expenditures and reason for annual filing.

063 CLOSES PUBLIC HEARING ON 2217.

067 OPENS PUBLIC HEARING ON 2219.

070 TOM WROSCH, Legislative Coordinator, Secretary of State Division: Testifies on HB 2219. Offers as testimony Exhibits E and F.

113 -no fiscal impact to this bill.

115 -further describes administratively dissolved and reinstatement for Rep.

Wells. A dissolved corporation does not have standing in court.

145 -in response to Chair Lundquist: Most businesses file within five years, believe this legislation would not create any undue burdens on companies that have been dissolved over five years.

152 CLOSES PUBLIC HEARING ON HB 2219.

161 OPENS PUBLIC HEARING ON SB 308.

162 FRANK BRAWNER, President, Oregon Bankers Association and the Independent Community Banks of Oregon: Testifies on SB 308, refer to Exhibit G.

Completes legislation passed in the 1983 Legislature. Does not change entry into Oregon, must have an Oregon charter that is three years or older.

200 -offers section by section summary.

243 -unanimously supported by the Oregon Bankers Association.

247 REP. WELLS: Has no problem with the legislation.

260 CECIL R. MONROE, Administrator, Division of Finance and Corporate Securities, Department of Consumer and Business Services: Testifies in SUPPORT of SB 308. Refer to Exhibit H. Includes state chartered banks which are members of the Federal Reserve and national banks in the legislation passed in 1993.

294 -in response to Chair Lundquist: Oregon will be the leader to have such a law across the nation.

315 CLOSES PUBLIC HEARING ON SB 308.

316 OPENS WORK SESSION ON SB 308.

320 MOTION: REP. FEDERICI: Moves to send SB 308 to the Full Committee on Commerce.

325 VOTE: In a roll call vote, all members present vote AYE.

327 CHAIR LUNDQUIST: Motion is ADOPTED.

Rep. Wells will carry SB 308 to the Full Committee on Commerce.

330 CLOSES WORK SESSION ON SB 308.

334 ADJOURNS MEETING AT 2:40 PM.

Submitted by, Reviewed by,

JODIE HALL DANIEL JARMAN
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - Testimony on HB 2217 from Donald W. Douglas, Business Law Section - Jan

Sullivan, Director, Secretary of State Corporation Division - 3 pages.

B - HB 2217-1 Amendment - Jan Sullivan, Director, Secretary of State Corporation Division - 1 page.

C - Oregon Business Guide - Jan Sullivan, Director, Secretary of State Corporation Division - 28 pages.

D - Testimony HB 2217 - Tom Wrosch, Legislation Coordinator, Secretary of State Corporation Division - 10 pages

E - Testimony HB 2219 - Tom Wrosch, Legislation Coordinator, Secretary of State Corporation Division - 4 pages

F - Testimony HB 2219 from Erich W. Merrill, Jr., Business Law Section - Tom Wrosch, Legislation Coordinator, Secretary of State Corporation Division - 1 page

G - Frank Brawner, Oregon Bankers Association, Independent Community Banks of Oregon - 5 pages.

H - Cecil Monroe, Administrator, Division of Finance and Corporate Securities, Department of Consumer and Business Services - 1 page

