

HOUSE COMMITTEE ON
COMMERCE SUB-COMMITTEE ON BUSINESS

Hearing Room
Tapes - 73

MEMBERS PRESENT:

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

MEMBER EXCUSED:

REP. LARRY WELLS

STAFF PRESENT:

DANIEL JARMAN, Committee Administrator
JODIE HALL, Committee Assistant

MEASURES HEARD:

SB 1035 - Public Hearing and Work Session
SB 415 - Public Hearing and Work Session
SB 200 - Public Hearing and Work Session
SB 990 - Public Hearing and Work Session
SB 440 - Public Hearing and Work Session
SB 473 - Public Hearing and Work Session
SB 410 - Public Hearing and Work Session
SB 486 - Public Hearing and Work Session

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

000 CHAIR LUNDQUIST OPENS THE MEETING AT 1:30 PM.

003 OPENS PUBLIC HEARING ON SB 1035.

WITNESS: WILLIAM D. SCHWAB, Senior Vice President, Capital Consultants

004 WILLIAM D. SCHWAB, Senior Vice President, Capital Consultants:
Testifies in SUPPORT of SB 1035.

-Explains different rating of bonds; A, AA, AAA, and B.

-None of the bonds issued have a US Treasury allocation.

053 -In response to Rep. Snodgrass: Clarifies that there are no additional amendments to the bill.

-Guaranteed contracts should be excluded from corporate bonds.

078 -In response to Chair Lundquist: Yes, would like greater diversification for corporate bonds.

088 CLOSES PUBLIC HEARING ON SB 1035.

089 OPENS WORK SESSION ON SB 1035.

097 MOTION: REP. FEDERICI: Moves to send SB 1035 to the Full Commerce Committee with a DO PASS recommendation.

099 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is
EXCUSED.

101 CHAIR LUNDQUIST: The MOTION CARRIES.

102 CHAIR LUNDQUIST will carry SB 1035 to the Full Commerce Committee.

103 CLOSES WORK SESSION ON SB 1035.

104 OPENS PUBLIC HEARING ON SB 415.

WITNESS: REP. LYNN LUNDQUIST, District 39

107 DAN JARMAN, Committee Administrator: Summarizes SB 415 for the Committee.

117 REP. LYNN LUNDQUIST, District 39: Testifies in SUPPORT of SB 415.
-No opposition in the Senate.

132 -In response to Vice-Chair Federici: Explains that emus and ostriches were not considered as additions under this provision. They are ratites.

147 -In response to Vice-Chair Federici: Explains which category alpacas and llamas are under.

157 -In response to further inquiries or Vice-Chair Federici: Explains importance of adding llamas and alpacas to the sales provisions of the Uniform Commercial Code to use as collateral when borrowing or for selling.

Does not have anything to do with butchering or slaughtering.

194 CLOSSES PUBLIC HEARING ON SB 415.

195 OPENS WORK SESSION ON SB 415.

196 MOTION: REP. LUNDQUIST: Moves SB 415 be sent to the Full Commerce Committee with a DO PASS recommendation.

198 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

201 VICE-CHAIR FEDERICI: The MOTION CARRIES.

202 CHAIR LUNDQUIST will carry SB 415 to the Full Commerce Committee.

204 CLOSSES WORK SESSION ON SB 415.

205 OPENS PUBLIC HEARING ON SB 200.

WITNESSES: RANDALL EDWARDS, Executive Assistant, State Treasurer's Office
GARY COMBS, Real Estate Investment Officer, State Treasurer's Office

210 RANDALL EDWARDS, Executive Assistant, State Treasurer's Office: Testifies in SUPPORT of SB 200.

240 GARY COMBS, Real Estate Investment Officer, State Treasurer's Office: Testifies in SUPPORT of SB 200. Exhibits A and B.

268 -In response to Rep. Federici: Explains reasons why an individual would

not be licensed as investment advisers in the State of Oregon.

288 -In response to Chair Lundquist: Explains that there are many regulations for real estate investment licenses, that indeed no more regulations are necessary.

292 -Explains exemptions further for Rep. Federici.

309 CLOSSES PUBLIC HEARING ON SB 200.

310 OPENS WORK SESSION ON SB 200.

312 MOTION: REP. FEDERICI: Moves SB 200 be sent to the Full Commerce Committee with a DO PASS recommendation.

313 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

315 CHAIR LUNDQUIST: The MOTION CARRIES.

316 REP. SNODGRASS will carry SB 200 to the Full Commerce Committee.

317 CLOSSES WORK SESSION ON SB 200.

319 OPENS PUBLIC HEARING ON SB 990.

WITNESSES: KEN ARMSTRONG, Executive Director, Oregon Public Ports Association
KEITH LEAVITT, Ports and Transportation Manager, Oregon Economic Development Department

320 KEN ARMSTRONG, Executive Director, Oregon Public Ports Association: Testifies in SUPPORT of SB 990.

431 KEITH LEAVITT, Ports and Transportation Manager, Oregon Economic Development Department: In SUPPORT of SB 990. Exhibit C.

450 REP. FEDERICI: Expresses his support of SB 990.

463 CLOSES PUBLIC HEARING ON SB 990.

464 OPENS WORK SESSION ON SB 990.

465 MOTION: REP. FEDERICI: Moves SB 990 be sent to the Full Commerce Committee with a DO PASS recommendation.

467 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

469 CHAIR LUNDQUIST: The MOTION CARRIES.

479 CHAIR LUNDQUIST will carry SB 990 to the Full Commerce Committee

480 CLOSES WORK SESSION ON SB 990.

TAPE 73, SIDE A

045 OPENS PUBLIC HEARING ON SB 440.

WITNESSES: JIM MARKEE, Oregon Collectors Association
ROY NEWMAN, Oregon Collectors Association
CECIL MONROE, Administrator, Division of Finance and Corporate Securities,

DCBS

047 JIM MARKEE, Oregon Collectors Association: Testifies in SUPPORT of SB 440.
-Introduces Mr. Newman and Mr. Monroe.

056 ROY NEWMAN, Oregon Collectors Association: Testifies in SUPPORT of SB 440. Exhibit D.

079 MARKEE: In response to Rep. Federici: Explains Senate amendments. The Senate believed this should be in statute.

086 -Legal analysis from Mr. Hasson, who could not attend. Exhibit E.

094 CECIL MONROE, Administrator, Division of Finance and Corporate Securities, DCBS: In SUPPORT of SB 440.

095 CLOSES PUBLIC HEARING ON SB 440.

096 OPENS WORK SESSION ON SB 440.

099 MOTION: REP. FEDERICI: Moves SB 440 be sent to the Full Commerce Committee with a DO PASS recommendation.

102 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

104 CHAIR LUNDQUIST: The MOTION CARRIES.

105 REP. FEDERICI will carry SB 440 to the Full Commerce Committee.

107 CLOSES WORK SESSION ON SB 440.

108 OPENS PUBLIC HEARING ON SB 473.

WITNESS: GENOA INGRAM, Oregon Association of Realtors

109 GENOA INGRAM, Oregon Association of Realtors: Testifies in SUPPORT of SB 473. Exhibit F.
-Discusses the results of the survey on the last page of Exhibit F on a survey Ms. Ingram conducted.
-Explains the types of education courses the Oregon Association of Realtors would like to see.
-Explains that she has included in her testimony several letters from those that had testified in the Senate.

203 -Responds to Rep. Federici: Believes Barbara Sue Seal would be in support.

206 DAN JARMAN, Committee Administrator: Stan Mayfield, the Real Estate Agency has no position on this bill.

214 INGRAM: Explains that Emily Cedarleaf, Multifamily Housing is in support. No fiscal impact for the agency.

221 -In response to Chair Lundquist: Describes "clock hour".

226 -In response to Rep. Federici: Further describes "clock hour". Explains that if you take a fifty minute course, considered an hour.

237 CLOSES PUBLIC HEARING ON SB 473.

238 OPENS WORK SESSION ON SB 473.

239 MOTION: REP. FEDERICI: Moves SB 473 be sent to the Full Commerce Committee with a DO PASS recommendation.

241 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

243 CHAIR LUNDQUIST: The MOTION CARRIES.

245 REP. SNODGRASS will carry SB 473 to the Full Commerce Committee.

246 CLOSES WORK SESSION ON SB 473.

247 OPENS PUBLIC HEARING ON SB 410.

WITNESSES: SAMPLE LINDHOLM, Executive Director, Manufactured Housing Communities of Oregon
ALAN ASHMAN, Building Codes Division

249 SAMPLE LINDHOLM, Executive Director, Manufactured Housing Communities of Oregon: Testifies in SUPPORT of SB 410. Exhibit G.

-Submits a letter in SUPPORT of SB 410 from Mr. Paul Koch, Altramar Mobile Home Parks of Oregon. Exhibit H.

287 -In response to Chair Lundquist: Yes, many laws have not been enforced for some time.

305 ALAN ASHMAN, Building Codes Division: Explains for Rep. Federici slabs required by statute.

325 -Responds further to Rep. Federici: Explains sanitation regulation.

332 CLOSES PUBLIC HEARING ON SB 410.

333 OPENS WORK SESSION ON SB 410.

334 MOTION: REP. FEDERICI: Moves SB 410 be sent to the Full Commerce Committee with a DO PASS recommendation.

336 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

338 CHAIR LUNDQUIST: The MOTION CARRIES.

342 REP. SNODGRASS will carry SB 410 to the Full Commerce Committee.

344 CLOSES WORK SESSION ON SB 410.

348 OPENS PUBLIC HEARING ON SB 486.

WITNESSES: SUSAN SCHNEIDER, City of Portland, Government Relations Office
LISSA DRUBACK, Administrative and Policy Manager, Combined Sewer Overflow Program, City of Portland
DON WADDELL, Insurance Consultant, Sverdrup Civil, Inc.

350 SUSAN SCHNEIDER, City of Portland, Government Relations Office: Testifies in SUPPORT of SB 486.

388 LISSA DRUBACK, Administrative and Policy Manager, Combined Sewer Overflow Program, City of Portland: Testifies in SUPPORT of SB 486. Exhibit I.

416 -Clarifies for Chair Lundquist that there is currently 6 billion gallons

of combined sewage overflow and storm water enters the Willamette River on an annual basis.

-Refers the Committee to Exhibit J.

-Explains ways the City of Portland plans to decrease sewer overflow.

TAPE 72, SIDE B

030 DRUBACK: Continues with testimony.
045 -In response to Chair Lundquist: Explains further the employment strategies to assist minority or small businesses in getting involved in the project.

055 DON WADDELL, Insurance Consultant, Sverdrup Civil, Inc.: Testifies in SUPPORT of SB 486. Exhibit K.
-Explains importance of owner-controlled insurance.

117 DRUBACK: Responds to Rep. Snodgrass explaining how owner-controlled insurance is funded.

136 WADDELL: Responds further to Rep. Snodgrass.
143 -Responds further to Rep. Snodgrass, Explains that the company would not pay "liberty" for workers compensation, would be covered under the City of Portland.
156 -Explains the cost difference between subsidized program and without the program for Rep. Snodgrass.

169 -Clarifies for Rep. Federici that over a nine year period, over a \$5 million savings.

180 DRUBACK: Explains for Rep. Federici where the overflow will go.

192 SCHNEIDER: In response to Chair Lundquist: Explains protections built into the bill for smaller companies.

228 WADDELL: Explains further for Chair Lundquist that the Oregon Professional Insurance Agents Association does not oppose the bill.

234 CLOSES PUBLIC HEARING ON SB 486.
235 OPENS WORK SESSION ON SB 486.

245 REP. SNODGRASS: Explains her concerns that she feels business is being taken away from private enterprise.

258 SCHNEIDER: Explains that this is owner controlled not owner insurance, insurance will be bid out. Has not been bid yet.

263 DRUBACK: Once Legislative Authority is given, will arrange for a bid.

267 WADDELL: Explains how the figures were compiled without actual bids.
275 -In response to Rep. Snodgrass: In reference to the West Side Light Rail Project, would not anticipate something similar in cost.
294 -Clarifies for Rep. Snodgrass that the East and West Side Light Rail projects utilized owner controlled insurance.
315 -Agrees with Rep. Snodgrass: Explains that the cost will be less than the West Side Light Rail project.

320 CHAIR LUNDQUIST: FOR THE RECORD: Small insurance agents do not oppose the bill.

329 WADDELL: Explains for Chair Lundquist where the \$5 million savings was derived from. Depends on cost/loss ratio.
356 -In response to Chair Lundquist: This bill allows contractors and the city to be combined into one insurance agency.

372 MOTION: REP. FEDERICI: Moves SB 486 be sent to the Full Commerce Committee with a DO PASS recommendation.

373 VOTE: In a roll call vote, all members present vote AYE. REP. WELLS is EXCUSED.

375 CHAIR LUNDQUIST: The MOTION CARRIES.

377 CHAIR LUNDQUIST will carry SB 486 to the Full Commerce Committee.

379 CLOSES WORK SESSION ON SB 486.
382 MEETING IS ADJOURNED.

Submitted by, Reviewed by,

JODIE HALL DANIEL JARMAN
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - Testimony in SUPPORT of SB 200 - Gary Combs, Real Estate Investment Officer, State Treasurer's Office - 2 pages
B - Letter to Mr. Peter H. Zappula from Gary Combs - Combs - 2 pages
C - Port Planning and Marketing Fund Grant Program - Keith Leavitt, Ports and Transportation Manager, Oregon Economic Development Department - 6 pages
D - Testimony in SUPPORT of SB 440 - Roy Newman, Oregon Collector's Association - 7 pages
E - Testimony from Mr. Jeffery Hasson, Legal Counsel for the Oregon Collector's Association - Jim Markee, Oregon Collector's Association - 2 pages
F - Testimony in SUPPORT of SB 473 - Genoa Ingram, Oregon Association of Realtors - 14 pages
G - Testimony in SUPPORT of SB 410 - Sample Lindholm, Executive Director, Manufactured Housing Communities of Oregon - 2 pages
H - Letter in SUPPORT of SB 410 from Mr. Paul Koch, Altramar Mobile Home Parks of Oregon - Lindholm - 2 pages
I - Testimony in SUPPORT of SB 486 - Lissa Druback, Administrative and Policy Manager, Combined Sewer Overflow Program, City of Portland - 2 pages
J - Combined Sewer Overflor Program - Druback - 1 page
K - Testimony in SUPPORT of SB 486 - Don Waddell, Insurance Consultant, Sverdrup Civil, Inc. - 2 pages