

HOUSE COMMITTEE ON
COMMERCE SUB-COMMITTEE ON BUSINESS

Hearing Room
Tapes 82 - 85

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
PAULA GILMER-PURCELL, Clerk

MEASURES HEARD:

SB 940 - Public Hearing and Work Session
SB 1027 - Public Hearing and Work Session
HB 3048 - Work Session
SB 455 - Public Hearing
SB 1047 - Public Hearing and Work Session
HB 2763 - Work Session
SB 22 - Work Session
HB 3278 - Work Session
SB 38 - Public Hearing and Work Session
SB 1095 - Public Hearing and Work Session
SB 26 - 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 , SIDE A

008 CHAIR LUNDQUIST: Brings the meeting to order at 1:58 p.m.

010 OPENS PUBLIC HEARING ON SB 940.

WITNESSES: SEN. BILL KENNEMER, District 12
PATRICIA O'SULLIVAN, Department of Business and Consumer Affairs
PETE SHEPHERD, Department of Justice
JON BROBST, Executive Director, Riverside Travel Group
DELL ISHAM, The Raz Transportation Company

013 SEN. BILL KENNEMER, District 12: Testifies in SUPPORT of SB 940.
026 -In 1993, travel agencies were required to have a bond of a \$100,000,
this bill lowers the bond to \$10,000.
040 -Claims must be filed within 30 days.
052 -Explains exemptions within the bill.

058 PATRICIA O'SULLIVAN, Department of Business and Consumer Affairs:
Testifies in support of SB 940.
-Explains that SB 940 is companion bill to HB 2647.

069 -In response to Chair Lundquist: The bill would insure that companies
that work with schools have required bonds ahead of time.

081 CHAIR LUNDQUIST: Clarifies that he doesn't want to narrow it to where
the schools must have this for field trips.

085 SEN. KENNEMER: Agrees with Chair Lundquist.

095 O'SULLIVAN: In response to Rep. Snodgrass: Yes, there would be bonding

requirements for companies in WA or ID working with Oregon groups.

098 SNODGRASS: Does not see that the \$10,000 will cover problems with large groups.

102 SEN. KENNEMER: Responds to Rep. Snodgrass explaining the costs incurred for tour groups with a higher bond.

110 O'SULLIVAN: Responds further to Rep. Snodgrass: Explains a brief history of bonding requirements for travel groups.

124 -In response to Rep. Snodgrass: Explains the costs for bonds to the business.

134 -In response to Rep. Snodgrass: Explains review of businesses for costs of bonding requirement.

143 SEN. KENNEMER: Explains limited problems in Oregon. Sees this as a trial "balloon".

152 PETE SHEPHERD, Department of Justice: Testifies in SUPPORT of SB 940.

164 -Believes this establishes an enforceable registration process.

174 -This bill will improve the financial security.

183 JON BROBST, Executive Director, Riverside Travel Group: Testifies in SUPPORT of SB 940. Has concerns. (Exhibit A.)

225 -The bond will protect only the tip of the iceberg.

253 -Believes this bill is a step forward.

267 DELL ISHAM, The Raz Transportation Company: Testifies in OPPOSITION to SB 940.

-Has minor concern with definition of motor carrier on line 17 of page 2. Section referred to has no definition of motor carrier.

-Discusses list of exemptions. Would like the committee to review non profit businesses within these exemptions.

338 BROBST: The recommendations received at the last hearing, suggest a sliding scale for the bond. I suggest the 10,000 while looking at more consumer protection.

374 CHAIR LUNDQUIST: What about the non-profits?

378 ISHAM: Just because they are non profit, does not mean they are not corrupt.

385 -In response to Chair Lundquist: Yes, there was testimony in the Senate.

390 SEN. KENNEMER: Explains specific reference to the Oregon statutes which specifies non-profit uses of motor vehicles. Does not agree that nonprofits should be exempt from statutes.

420 -Responds to Chair Lundquist: Explains ORS 767.005 more specifically.

426 BROBST: In response to Rep. Snodgrass: The "good" travel agencies carry bonds on their own.

430 CLOSING PUBLIC HEARING ON SB 940.

TAPE 83, SIDE A

025 OPENS WORK SESSION ON SB 940.

035 MOTION: REP. FEDERICI: Moves SB 940 be sent to the Full Commerce Committee with a DO PASS recommendation.

040 CHAIR LUNDQUIST: Responds to Rep. Wells explaining committee discussion concerning the \$50,000. Although bonds were previously required, they were not being utilized.

056 REP. SNODGRASS: Explains that as she heard it, the sliding scale is still being considered.

060 CHAIR LUNDQUIST: Explains that they are supposed to be registered and licensed.

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

072 CHAIR LUNDQUIST: The MOTION CARRIES.

078 REP. SNODGRASS will carry SB 940 to the Full Committee on Commerce.
080 CLOSSES WORK SESSION ON SB 940.
095 OPENS PUBLIC HEARING ON SB 1027.

WITNESSES: KEN ARMSTRONG, Oregon Public Ports Association
SEN. JOAN DUKES, District 1
JOHN RAYBURN, Port of Newport
JON JAQUA, Deputy Director, Economic Development Department
KEITH LEAVITT, Ports and Transportation Manager, Economic Development
Department

100 KEN ARMSTRONG, Oregon Public Ports Association: Testifies in SUPPORT of
SB 1027. Provides written testimony (Exhibit B).

171 SEN. JOAN DUKES, District 1: Testifies in SUPPORT of SB 1027.
198 -The Ports have become frustrated, they need a place in government to
help them.
212 -Explains the importance of Ports in her district.

243 REP. FEDERICI: We are also semi privatizing the tourism in Oregon.

254 JOHN RAYBURN, Port of Newport: Testifies in SUPPORT of SB 1027.
292 -The fishing industry on a whole is in great shape.

313 JON JAQUA, Deputy Director, Economic Development Department: Testifies
in SUPPORT of SB 1027.
335 -The advisory committee will be of value to us.

343 KEITH LEAVITT, Ports and Transportation Manager, Economic Development
Department: Testifies in SUPPORT of SB 1027.

369 -In response to Rep. Snodgrass: The \$25,000 from the general fund will
be absorbed within the budget.

379 REP. SNODGRASS: Recommends that the fiscal be changed to reflect the
new information from the testimony given.

395 JAQUA: Explains the fiscal impact.

410 CLOSSES PUBLIC HEARING ON SB 1027.

413 OPENS WORK SESSION ON SB 1027.

419 MOTION: REP. WELLS: Moves to send SB 1027 to the Full Committee on
Commerce with a DO PASS recommendation.

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

423 CHAIR LUNDQUIST: The MOTION CARRIES.

425 REP. FEDERICI will carry SB 1027 to the Full Committee.

429 CLOSSES WORK SESSION ON SB 1027.

443 OPENS WORK SESSION ON HB 3048.

WITNESSES: REP. JANE LOKAN, District 25
JOAN PLANK, Department of Transportation (ODOT)
CAMERON BIRNEY, Department of Consumer and Business Services

445 REP. JANE LOKAN, District 25: Testifies in support of House Bill 3048.
446 -Submits the HB 3048 -8 amendment. (Exhibit C.)

TAPE 82, SIDE B

040 REP. LOKAN: We have agreed to have the Transportation Department
perform a feasibility study.

055 -In response to Rep. Wells: Are these the same as the conceptals?
(Exhibit D)

060 -Responds further to Rep. Wells: No, there is no fiscal impact at this
time.

067 JOAN PLANK, Department of Transportation (ODOT): Testifies on House
Bill 3048.

079 -Just received the amendments and have not had a time to look thoroughly
at them in order to prepare a fiscal statement.

088 REP. LOKAN: In response to Rep. Wells: There was no particular reason that ODOT was chosen.

094 PLANK: In response to Rep. Snodgrass: Her position is governmental relations.

099 -In response to further inquiries of Rep. Snodgrass: No, she does not get involved with contracts.

107 CAMERON BIRNEY, Department of Consumer and Business Services: Testifies in SUPPORT of House Bill 3048.

126 REP. LOKAN: I would be happy to work with DAS.

138 SNODGRASS: Will be have time to get a fiscal by Thursday?

140 REP. FEDERICI: Yes.

158 CLOSES WORK SESSION ON HB 3048.

160 OPENS PUBLIC HEARING ON SB 455.

WITNESSES: REP. LIZ VANLEEUWEN, District 37
STEPHEN KAFOURY, Professional Land Surveyors of Oregon
TYLER PARSONS, Parsons Surveying
VERLE C. MOORE, Moore Surveying
TIM FASSB ENDER, Chairman, Professional Land Surveyors of Oregon
GARY HUTCHESON, Past-Chairman, Professional Land Surveyors of Oregon
RAY WILKESON, Oregon Forest Industries Counsel
JERRY JUSTICE, Clackamas County

162 REP. LIZ VANLEEUWEN, District 37: Testifies in support of SB 455.

176 STEPHEN KAFOURY, Professional Land Surveyors of Oregon: You should have the hand engrossed version of this bill.

186 DAN JARMAN, Committee Administrator: Sue Hanna testifies last time that there were some problems and the provision of going on the property without approval could be unconstitutional.

221 JARMAN: Continues to go over the conceptual amendments, they will be re-worked.

234 REP. VANLEEUWEN: I hope you adopt our amendments also.

241 -Our amendments talk about the availability of the survey.

256 REP. FEDERICI: Reads Rep. VanLeeuwen's amendments.

257 REP. WELLS: Are you talking about line 14? I thought you were talking about putting out yellow stakes.

266 KAFOURY: We have some surveyors that will testify to this.

268 REP. SNODGRASS: Rep. Vanleeuwen, yours are different than the -8 amendments?

281 KAFOURY: We want to talk about the -7 amendments.

294 REP. VANLEEUWEN: The -7 amendments were ones that were agreed to by Sen. Kintigh, Oregonions in Action and the Land surveyors.

319 KAFOURY: The last time we met I said that we would have some surveyors come to testify.

-Summarizes the -7 amendments.

338 -Explains protections for land owners.

369 -In response to Rep. Federici: Explains changes within the bill require

putting the purpose and availability of the survey down.

400 In response to Rep. Wells: Explains when that would be done.

455 -In response to Rep. Federici: Clarifies the reasons for referring to urban growth boundaries within the bill.

462 TYLER PARSONS, Parsons Surveying: Testifies in SUPPORT of SB 455. Submits written testimony of Raymond E. Wilson and Robert J. Schultz. (Exhibit E)

TAPE 83, SIDE B

040 PARSONS: Continues with testimony.
074 -In response to Rep. Wells: Explains that there was an oversight on
line 15 of the bill in defining "land owner or occupant".
096 -In response to Rep. Wells: The intention of the bill is to allow
surveyors to enter onto private property without permission.

115 VERLE C. MOORE, Moore Surveying: Testifies in SUPPORT of SB 455.
(Exhibit F.)
122 -In a boundary line dispute, being able to get on the property is very
important and can be a problem.
139 -This bill legitimizes what we have always been doing.
183 -In response to Rep. Snodgrass: Explains that he recalls one time when
he was denied entry onto property, most other times entry is not difficult
once the owner understands what the surveyors are doing.

214 PARSONS: Responds to Rep. Snodgrass: Explains what the notices will
look like.
250 -Explains for Rep. Snodgrass: Business cards are usually left at the
front door.

276 KAFOURY: In response to Rep. Snodgrass: Explains how he intends to
inform owners about allowances for a copy of the survey.

291 PARSONS: Explains for Rep. Snodgrass "timely manner".

321 SNODGRASS: Expresses her concerns about the timelines and lack of
response.

354 KAFOURY: In response to Rep. Wells: Believes that with an attempt to
notify, have addressed property rights issues.

378 TIM FASSBENDER, Chairman, Professional Land Surveyors of Oregon:
Testifies in SUPPORT of SB 455.
404 -We have 45 days to file the survey once we set the corner stone.

412 GARY HUTCHESON, Past-Chairman, Professional Land Surveyors of Oregon:
Testifies in SUPPORT of SB 455.
421 -Explains legal ramifications of the bill.
431 -In response to Rep. Snodgrass: Believes that urban reserves would be
part of the urban growth boundary.

452 RAY WILKESON, Oregon Forest Industries Counsel: Testifies in SUPPORT of
SB 455.
-Discusses senate bill that addressed property lines, would have required a
survey to be done before any foresting took place on personal property.

TAPE 84, SIDE A

030 WILKESON: Continues with testimony.

040 JERRY JUSTICE, Clackamas County: Testifies in support of the bill.

062 CLOSES PUBLIC HEARING ON SB 455.

064 OPENS PUBLIC HEARING ON SB 1047.

WITNESSES: BRAD HIGBEE, Coalition for Safety and Cost-Effective Growth in
Oregon
JIM DAVIS, Argonaut Insurance, Boise, Idaho
JIM CRAVEN, Counsel, American Electronics Association

067 BRAD HIGBEE, Coalition for Safety and Cost-Effective Growth in Oregon:
Testifies in SUPPORT of SB 1047. Provides written testimony. (Exhibit G.)
117 -Explains that larger contract jobs would only qualify for wrap-up
insurance.

125 JIM DAVIS, Argonaut Insurance, Boise, Idaho: Testifies in SUPPORT of SB
1027.
-Believes SB 1027 is a win-win situation for everyone.

156 JIM CRAVEN, Counsel, American Electronics Association: Testifies in
SUPPORT of SB 1027.
165 -SB 1027 will save our companies money and create a safer work site.

177 HIGBEE: Explains what he meant when mentioning that these are unrelated
construction contracts.
203 -Explains for Rep. Snodgrass the relationship between the Portland sewer

project and the wetland project.

214 -Responds again to inquiries of Rep. Snodgrass.

248 -Explains for Chair Lundquist how he reached the hundred million dollars.

260 -In response to Chair Lundquist: Yes, the insurance industry is in agreement with this.

311 CLOSES PUBLIC HEARING ON SB 1047.

313 OPENS WORK SESSION ON SB 1047.

318 MOTION: REP. FEDERICI: Moves to send SB 1047 to the Full Committee on Commerce with a DO PASS recommendation.

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

324 CHAIR LUNDQUIST: The MOTION CARRIES.

325 CHAIR LUNDQUIST will carry SB 1047 to the Full Committee on Commerce.

327 CLOSES WORK SESSION ON SB 1047.

330 OPENS WORK SESSION ON HB 2763.

WITNESSES: BOB BURR, President, Oregon State Pharmacists
DARRYL PERKENSON, Pharmacist
JIM GARDNER, Pharmaceutical Research and Manufacturers of America (PhMRA)

334 BOB BURR, President, Oregon State Pharmacists: Testifies in SUPPORT of House Bill 2763.

379 -Shows two inhalers, explains that the wholesale cost is the same for each.

421 DARRYL PERKENSON, Pharmacist: Testifies in SUPPORT of SB 2763.

452 -Offers illustration of price fixing. (Exhibit H.)

TAPE 85, SIDE A

040 PERKENSON: The manufactures pay the insurance companies so they can compete in the market.

087 JIM GARDNER, Pharmaceutical Research and Manufacturers of America (PhMRA): Testifies in OPPOSITION to HB 2763.

095 -Requests the committee members to look beyond those in support and in opposition.

137 -There are laws they can use if they think that there is price fixing going on.

156 -In response to Chair Lundquist: Explains why nursing homes are opposed

to the bill.

172 MOTION: REP. FEDERICI: Motion to move HB 2763 to the Full Committee on Commerce with a DO PASS recommendation and a subsequent referral to Ways and Means.

174 REP. SNODGRASS: Expresses her concerns of HB 2763. Supports motion for a subsequent referral to Ways and Means.

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

194 CHAIR LUNDQUIST: The MOTION CARRIES.

196 CHAIR LUNDQUIST will carry HB 2763 to the Full Committee on Commerce.

199 MOTION: REP. SNODGRASS: Requests that the Speaker appoint an interim committee to study this issue further.

211 CHAIR LUNDQUIST: Hearing no objections, the MOTION is ADOPTED.

213 CLOSES WORK SESSION ON HB 2763.

218 OPENS WORK SESSION ON SB 22.

219 MOTION: CHAIR LUNDQUIST: Moves to TABLE SB 22.

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

224 CHAIR LUNDQUIST: The MOTION CARRIES.

238 CLOSES WORK SESSION ON SB 22.

240 OPENS WORK SESSION ON HB 3278.

WITNESSES: JULIE BRANDIS, Association Oregon Industries
MARY ALICE BJORK, Administrator, Insurance Division, Department of Consumer
and Business Services
PETE SHEPHERD, Department of Justice

241 JULIE BRANDIS, Association Oregon Industries: Explains the -6
amendments to the bill.
-Has completely modified the definition of service contract.

245 MARY ALICE BJORK, Administrator, Insurance Division, Department of
Consumer and Business Services: Testifies in SUPPORT of House Bill 3278
-6.
-DCBS is comfortable with the bill, their concerns have been addressed.
-Has concerns about lightning.

255 PETE SHEPHERD, Department of Justice: We feel this is an improvement
and will support this bill.

260 BRANDIS: Comments further on new language to the -6 concerning page 3,
Section 3.

286 DAN JARMAN, Committee Administrator: Explains for Rep. Federici that
the -6 replaces the -5 amendments adopted in the last work session.

292 MOTION: REP. FEDERICI: Moves ADOPTION of the -6 amendments.

293 CHAIR LUNDQUIST: Hearing no objections, MOTION is ADOPTED.

298 MOTION: REP. FEDERICI: Moves to send HB 3278, AS AMENDED, to the Full
Committee on Commerce with a DO PASS recommendation.

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

306 CHAIR LUNDQUIST: The MOTION CARRIES.

319 BRANDIS: Explains that there will be an amendment on the Senate side to
further clarify the definition of obligor.

322 REP. FEDERICI will carry HB 3278 to the Full Committee on Commerce.

332 CLOSES WORK SESSION ON HB 3278.

334 OPENS PUBLIC HEARING ON SB 38.

WITNESS: LINDA RIDDELL, Administrator, Appraiser Certification Board

337 LINDA RIDDELL, Administrator, Appraiser Certification Board: Testifies
in SUPPORT of SB 38. (EXHIBIT I.)

416 -In response to Rep. Snodgrass: If the main office of an appraiser is
in another state, the records would be kept in the home office.

423 -In response to Chair Lundquist: Records would be mailed if needed from
another state.

438 CLOSES PUBLIC HEARING ON SB 38.

439 OPENS WORK SESSION ON SB 38.

440 MOTION: REP. FEDERICI: Moves to send SB 38 to the Full Committee on
Commerce with a DO PASS recommendation.

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

446 CHAIR LUNDQUIST: The MOTION CARRIES.

449 REP. WELLS will carry SB 38 to the Full Committee on Commerce.

458 CLOSES WORK SESSION ON SB 38.

035 OPENS PUBLIC HEARING ON SB 1095.

WITNESS: GARY OXLEY, United Grocers

040 GARY OXLEY, United Grocers: Testifies in SUPPORT of SB 1095.
-Describes the retailers affected by the \$1,000 minimum amount.
-Lottery Commission does not object to the measure.
079 -In response to Chair Lundquist: Explains who determines the amount.

085 CLOSSES PUBLIC HEARING ON SB 1095.

086 OPENS WORK SESSION ON SB 1095.

090 OXLEY: Explains the Senate amendments for Rep. Federici.

096 MOTION: REP. FEDERICI: Moves to send SB 1095 to the Full Committee on
Commerce with a DO PASS recommendation.

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

197 CHAIR LUNDQUIST: The MOTION CARRIES.

199 REP. SNODGRASS will carry SB 1095 to the Full Committee on Commerce

114 CLOSSES WORK SESSION ON 1095.

115 OPENS PUBLIC HEARING ON SB 26.

WITNESS: ELEANOR GUNDRAN, Administrator, Landscape Architect Examiners Board

118 ELEANOR GUNDRAN, Administrator, Landscape Architect Examiners Board:
Testifies in SUPPORT of SB 26. (EXHIBIT J).

150 -In response to Rep. Federici: Explains the difference between a title
and a practice statute and the board's policy-making function.

178 CLOSSES PUBLIC HEARING ON SB 26.

180 OPENS WORK SESSION ON SB 26.

192 MOTION: REP. SNODGRASS: Moves to send SB 26 to the Full Committee on
Commerce with a DO PASS recommendation.

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

197 CHAIR LUNDQUIST: The MOTION CARRIES.

199 REP. SNODGRASS will carry SB 26 to the Full Committee on Commerce.

210 MEETING ADJOURNED AT 5:00.

Transcribed by, Reviewed by,

JODIE HALL DANIEL JARMAN
Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - Testimony in SUPPORT of SB 940 - Jon Brobst, Executive Director,
Riverside Travel Group - 11 pages
B - Testimony in SUPPORT of SB 1027 - Ken Armstrong, Oregon Public Ports
Association - 2 pages
C - HB 3048 -8 Amendments - Rep. Jane Lokan, District 25 - 2 pages
D - Conceptual Amendments to HB 3048 - Rep. Lokan - 3 pages
E - Testimony in SUPPORT of SB 455 from Raymond E. Wilson and Robert J.
Schultz - Tyler Parsons, Parsons Surveying - 1 page
F - Testimony in SUPPORT of SB 455 - Verle C. Moore, Moore Surveying - 1
page
G - Testimony in SUPPORT of SB 1047 - Brad Higbee, Coalition for Safety and
Cost-Effective Growth in Oregon - 10 pages
H - Testimony in SUPPORT of HB 2763 - Darrly Perkinson, Pharmacist - 1 page
I - Testimony in SUPPORT of SB 38 - Linda Riddell, Administrator, Appraiser

Certification Board - 1 page
J - Testimony in SUPPORT of SB 26 - Eleanor Gundran, Administrator,
Landscape Architect Examiners Board - 1 page