

Feb 14, 1995 Hearing Room 137
3:00 p.m. Tapes 19&22
 Tapes 20&21 not used

Senator Bill Kennemer, Chair
Senator John Lim, Vice-Chair

Carol A. Smith, Committee Assistant

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.

WITNESSES: Bob Shoemaker, Washington County Community Action Organization

Jerralynn Ness, Executive Director for Washington County Community Action
Organization
Jim Hill, Assistant to Senator Hamby
Gary Conkling, Oregon Winegrower's Association
Darlene Meyer, OLCC
Dan McCulloch, Seventh Day Adventist Church
Paul Williamson, OLCC

050 DARRELL FULLER, Committee Administrator: Gives overview of the bill.

057 BOB SHOEMAKER, Washington County Community Action Organization:
Explains purpose of organization and history behind fundraisers. Realize
current regulations
prohibit a proposed fundraiser, hence the bill. Gives further explanation
of what they wish to
accomplish.

118 JERRALYNN NESS, Executive Director for Washington County Community
Action Organization: Explains mission of organization and gives details of
goals for same.
Explains history behind the need for this bill and her support of same.

120 CHAIR KENNEMER: Questions quantities of wine involved in the raffle.

134 NESS: Responds. There will be three winners of fifteen cases each of
the highest quality wines.

137 SHOEMAKER: Elaborates. Wine will be delivered to the homes of winners
by Washington
County Community Action due to statutory requirements.

141 NESS: Believes bill will help other non-profit organizations around the
state in their fund
raising efforts.

148 SHOEMAKER: Mentions that community action directors of the state and
wine wholesalers
also support the bill..

154 SEN DERFLER: Has this been done before?

156 SHOEMAKER: No.

164 SEN. LIM: Is Johnnie Walker included?.

171 NESS: No, wine only..

174 SEN. LIM: No limitation on quantity?

176 NESS: No limitation.

180 JIM HILL, Assistant to Senator Hamby: Senator Hamby supports the bill
to raise
dollars for needed services.

181 CHAIR KENNEMER: No concern about special license and fee?

184 HILL: No.

198 GARY CONKLING, Oregon Winegrowers Association: Views bill as another
means
for small business to contribute to these organizations; quality product,
affordable; expresses
support.

200 CHAIR KENNEMER: Asks that OLCC speak to this.

221 PAUL WILLIAMSON, OLCC: Cites this is a change to public policy,
commissioners have
not formally reviewed, staff has; believe in it. Sees small number of
groups who would qualify for

the exemption.

232 SEN DUKES: Questions OLCC concerns regarding the cost of license.

235 WILLIAMSON: Does not see it as costly, no fiscal impact.

254 SEN LIM: Why not Johnnie Walker.

264 WILLIAMSON: Does not include anything other than wine.

269 DAN MC CULLOCH, Seventh Day Adventist Church: Expresses doubts about message we are sending to our youth when we raffle alcohol as a manner of fundraising.

287 SHOEMAKER: Addresses Sen. Lim's remarks about Johnnie Walker and beer, too. Says fine wine is not the kind of thing that is guzzled. Professes conviction that table wine is in a different category. Expresses desire to have bill in effect in 1995, hopes for emergency clause.

330 CHAIR KENNEMER: Addresses emergency clauses being asked for; not appropriate for this measure.

360 SEN LIM: Question regarding minors receiving the wine in cases of misrepresentation.

361 SHOEMAKER: Explains that wine is delivered to home of the winner, and person taking delivery is required to demonstrate they are adult.

380 Closes PUBLIC HEARING on SB 453.
Opens WORK SESSION on SB 453.

390 MOTION: SENATOR LIM: Moves SB 453 be sent to the floor with a DO
PASS recommendation.

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

CHAIR KENNEMER: The motion CARRIES.

CHAIR KENNEMER will carry the bill.

401 Closes WORK SESSION on SB 453.

TAPES 20,21 Problem occurred could not record on those tapes.
TAPE 22, SIDE A

010 Opens PUBLIC HEARING on SB 407.

011 WITNESSES: Frank Brawner, Oregon Banker's Association
Cecil R. Monroe, DCBS-Division of Finance and Corporate Securities

002 FRANK BRAUNER, Oregon Banker's Association: Presents testimony in support of the bill and the history behind the need for the bill. Explains change in state rule would bring in line with Federal rule.

023 SEN. DERFLER: Questions Federal rule and the bank's requirement for collateral from him.

027 BRAUNER: Responds to question, clarifies Federal rule addresses bank officers and directors and their ability to borrow from their own institution. Refers to Regulation 0; gives a section number, discusses meaning of Regulation 0.

058 SENATOR DUKES: Does this only relate to Credit cards.

060 BRAWNER: Explains.

072 DUKES: Reference to first amendment and fully secured loans.

087 SEN DERFLER: Qualifies a statement, re. borrowing from your institution.

092 BRAWNER: Explains bankers in position that living with Rego is difficult.

102 SEN. DERFLER: Comments re. safety for banks.

CECIL MONROE, Administrator of Finance and Corporate Securities, Dept. of Business and Consumer Services. Gives explanation brings state law within framework of Regulation O, Refers to Oregon's sovereignty. Scrutinizes insider loans; must be supported by excellent data, demonstrate ability to pay more so than customer coming in off the street; higher standard.

Summarizes that they need a tie to..Regulation O; believe liberalization is very much in order.

137 BRAWNER: Qualifies ... Refers to 10, Lines 14-22.

147 CHAIR: Close PUBLIC HEARING on SB 407.

164 CHAIR Opens WORK SESSION on SB 407.

173 MOTION: SEN DERFLER SB 407 to the floor with a DO PASS recommendation.

176 VOTE: Roll is called, motion PASSES.

180 CHAIR Closes the Work Session on SB 407.

CHAIR Opens Public Hearing on SB 415

WITNESSES: Richard Wickham,
Glen Peppercorn, International Llamas Asociation. (for).

189 Witness: For, Mr. Gives Explanation for bill, brief overview of bill and specifics, clarifies.

Refers to slaughter of animal; need for detection of disease when was not intended as a slaughter animal.

232 CHAIR: States he is familiar with the llama industry.

240 WITNESS: Further explains that there are a lot of dollars involved with these animals.

250 SEN DERFLER: Asks question re. other animals moving into same area as llamas.

258 SEN. MCCOY: Questions usual use of animals; pack animals, invites expansion on this.

271 SEN. MCCOY: Goats, others.

285 CHAIR:

GLEN PEPPERCORN, Salem, International Llamas Association (for). States he has written testimoney to be submitted (EXHIBIT A) From Mr.?.....who could not be here today.

WICKHAM: He and his wife do an annual auction, gives large dollar numbers; it is a problem when they get into the larger numbers.

339 CHAIR:

347 SEN. MCCOY: Sold for consumption here?

WICKHAM: No.

353 WICKHAM hard, could move into that.

371 Darrell: no interest from>>>>>???

386 SEN. MCCOY: Comments on feeling.

394 SEN. DUKES: Suggests they are

395 CHAIR: Closes PUBLIC HEARING on SB 415

397 SEN MCCOY wants to hear from Agricultural Department.

411 CHAIR: Asks Darrell to invite AG to be here, and buffalo, emu, etc.

425 CHAIR: Opens PUBLIC HEARING on SB 40

TAPE 22, SIDE B

010: WITNESS: Thomas Erwin, Oregon Insurance Consumer Advocacy Division

024 ERWIN: Gives overview of intent of the legislation, qualifies need
working with ins. lobbyists, there are concerns re. proposed language,
putting individual into a
preferred market.

048 CHAIR: Does not understand discrepancy between existing law, and with
ex. of two companies.
Believes the state is ambiguous. This legislation was brought by a ,,not
an ins. industry. etc.
There is a technical loophole in how to ___it.

068 SEN DUKES: Question re. subjecting holders to a different rate; refers
to the last session when
this came up.

082 ERWIN: Problem was due to that particular company's ambiguity in the
interpretation.

099 SEN DUKES: Quotes from the bill, gives an example of her idea.

111 ERWIN: States there may already be this problem, (Line 7) would be in
this category. They are
willing to put language back in, and address fail to demonstrate driving
experience, and clarify.

137 SEN DUKES: Question re. people in Peace Corp.

143 ERWIN: Concedes that they may want to include clarification re this.

149 SEN DERFLER: Could not hear what he said,. refer to tape: re. refusal
.
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159 ERWIN: Agrees, Explains other underwriting conditions.

173 Witness: Apologizes, agreees.

180 CHAIR: We have other concerns that need to be address. John Powell is
not here to testify.

186 ERWIN: Responds.

190 CHAIR: How many complaints received in a month..

199 ERWIN: Elaborates , Consumer Services and Enforcement Section. Our
program primarily does

public education, complaint report from previous legislation, home, auto,
life, annuities, Senior
Health Benefits Services; etc. Sponsoring agencies for these programs.
Medicare supplement
guide, auto ins. brochure.

228 ERWIN: Continues

230 CHAIR: Question of your relationship to _____

ERWIN: Explains relationship, Job is to keep ear to ground to make
insurance commissioner
aware of any issues to that process. Reports to director, weekly, mentions
Kulongsi, etc.

263 CHAIR: It has been indicated you are not allowed to without consent of
director. If there is a
fiscal impact that is not included in Governor's,,,,, budget. Have come
out in favor of bills that
latitude; is that true of the current one.

289 CHAIR: Reiterates his need to ask.

298 ERWIN: Makes judgment about what he should be doing, reports to
someone, that is done
openly.

314 CHAIR: Closes Public Hearing on SB 40.

332 CHAIR: Announces will not be present for Thursday meeting, Vice-Chair
Lim will preside and
Senator Derfler will be excused.

339 CHAIR Opens Work Session to introduce LC # Regarding ... Introduced
without
objection.

345 CHAIR: Closes the Work Session.

348 CHAIRMAN KENNEMER: Adjourns meeting at 4:30 p.m.