

SENATE COMMITTEE ON
BUSINESS AND CONSUMER AFFAIRS

February 21, 1995 Hearing Room 137
 Tapes 25, 26, 27 & 28

MEMBERS PRESENT:

Sen. Bill Kennemer, Chair
Sen. Gene Derfler
Sen. Joan Dukes
Sen. William McCoy
Sen. John Lim, Vice-Chair

STAFF PRESENT:

Darrell W. Fuller, Committee Administrator
Carol A. Smith, Committee Assistant

MEASURES HEARD: SB 411: Public Hearing and Work Session
 SB 412: Public Hearing and Work Session
 SB 468: Public Hearing
 SB 479: Public Hearing
 SB 480: Public Hearing

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 25, SIDE A

005 CHAIR KENNEMER: Calls the meeting to order at 3:10 p.m.

006 Opens PUBLIC HEARING on SB 411

013 DARRELL FULLER, COMMITTEE ADMINISTRATOR: Gives overview of SB 411. No
fiscal or revenue
impact.

019 WITNESSES: Steve Rodeman, Vice President, General Counsel, Oregon
Credit
 Union League
 Dave Tyler, Oregon Credit Union League

020 STEVE RODEMAN, Vice President, General Counsel, Oregon Credit Union
League: Testifies in support of SB
411 (EXHIBIT A)

060 -Federal deposit insurance.
 - Re. Section 7,8,& 9.

085 DAVE TYLER, Oregon Credit Union League: . Is in agreement with Mr.
Rodeman.

090 Closes PUBLIC HEARING on SB 411

092 Opens WORK SESSION on SB 411

094 MOTION: SEN. DUKES: Moves to ADOPT the SB 411-1 Amendments.

VOTE: CHAIR KENNEMER: Hearing no objection, the amendments are ADOPTED.

MOTION: SEN. DUKES: Moves SB 411, as amended, be sent to the Floor with a
DO PASS recommendation.

VOTE: AYES: DERFLER, DUKES, MCCOY, LIM & KENNEMER
 NAY: NONE
 MOTION PASSES

CHAIR KENNEMER: REP. DUKES will lead discussion on the Floor.

098 Closes WORK SESSION on SB 411

110 Opens PUBLIC HEARING on SB 412

112 DARRELL FULLER, COMMITTEE ADMINISTRATOR: Gives overview of SB 412.

113 WITNESSES: Ray Gribling, Oregon Automobile Dealers Association
Dick Withnell, Withnell Dodge
Frank E. Brawner, Oregon Bankers Association

114 RAY GRIBLING, Oregon Automobile Dealers Association:. Submits testimony and amendments in support of SB 412. (EXHIBIT B)

152 SEN. DUKES: Questions ownership of the contract.

176 GRIBLING: Explains.

185 DICK WITHNELL, Withnell Dodge: Testifies in support of SB 412.

193 FRANK BRAWNER, Oregon Bankers Association: Testifies in support of SB 412.

213 SEN. DERFLER: Why are consumer contracts limited to auto dealers?

BRAWNER: The automobile dealers have been pushing for this. Perhaps it has other applications.

218 Closes PUBLIC HEARING on SB 412

219 Opens WORK SESSION on SB 412

220 MOTION: SEN. DERFLER: Move SB 412, as amended, to the Floor with a DO PASS recommendation.

VOTE: AYES: DERFLER, DUKES, MCCOY, LIM & KENNEMER
NAY: NONE
MOTION PASSES

CHAIR KENNEMER: SEN. DERFLER will lead discussion on the Floor.

230 Closes WORK SESSION on SB 412

242 Opens PUBLIC HEARING on SB 479

245 DARRELL FULLER: Gives overview of SB 479.

250 WITNESS: Ray Gribling, Representing Oregon Cemetery Association
Lucinda Potter, Oregon Cemetery Association

252 RAY GRIBLING, Representing Oregon Cemetery Association: Testifies in support of SB 479. (EXHIBIT C)

300 SEN. DERFLER: What is the cost of a certificate?

301 GRIBLING: The industry pays the cost.

302 SEN. DERFLER: Are there any State employees involved?

GRIBLING: Permanent staff for Cemetery and Mortuary Board.

302 SEN. DUKES: Asks for clarification regarding application process.

323 GRIBLING: Responds to Sen. Dukes question.

340 SEN. DUKES: What is the average time taken for a personal background check? Is there a background check on the company?

GRIBLING: Defers to Ms. Potter

351 GRIBLING: Answers a question posed by Sen. Dukes, regarding unethical salesperson.

376 SEN. DUKES: Expresses concern that salesperson is allowed public contact before background check; wants clarification of the wording in the contract.

GRIBLING: Responds.

418 SEN. DERFLER: Questions holder of certificate.

420 LUCINDA POTTER, Oregon Cemetery Association: Testifies in favor of SB
479.

TAPE 26, SIDE A

010 POTTER: Continues with explanation regarding people waiting for receipt
of information on background checks.

020 SEN. DUKES: Questions felony background, anything handling money.

026 GRIBLING: Refers to part of SB 479 that would address the money loss
vs. employer liability.

033 SEN. DUKES: Wants to make sure people have recourse to get their money
back.

038 CHAIR KENNEMER: Wants further study done.

041 SEN. DERFLER: Questions change needed in the law, Section 2, Line 9.

046 POTTER: This section is endowment care person, differs from other
employees.

052 GRIBLING: Further explains amendment.

059 POTTER: Continues, discusses Subsection 6, Page 1, Line 5. Makes
suggestions.

102 POTTER: Continues explanation regarding fees, registration, etc.

110 SEN. DERFLER: Suggests better to license individual for mobility.

119 GRIBLING: Believes that not the case, employer surrender certificate
when employer leaves.

128 CHAIR KENNEMER: Wants to do in-house work SB 479

135 SEN. LIM: Question buying of multiple lots by churches.

147 GRIBLING: Lots bought through the cemetery; licenses needed in that
case.

160 Closes PUBLIC HEARING on SB 479

162 Opens PUBLIC HEARING on SB 480

171 WITNESS: David Noble, General Manager, Lincoln Memorial Park

180 DAVID NOBLE, General Manager, Lincoln Memorial Park: Testifies in
support of SB 480.(EXHIBIT D)

212 NOBLE: Cites a related problem for marketing different plans and
endowment plans Creates market inequity.

258 NOBLE: SB 480 allows marketing fairness .

280 Closes PUBLIC HEARING on SB 480

281 CHAIR KENNEMER: Will schedule a work session on SB 480.

288 Opens PUBLIC HEARING on SB 468.

294 DARRELL FULLER, COMMITTEE ADMINISTRATOR: Gives overview of SB 468.

320 WITNESS: Sue Johnston, Director, Oregon Funeral Directors Association,
John Brenneman, Oregon Funeral Directors Association
Rennia Meek, Oregon Funeral Directors Association
Jim Mountain, Oregon Funeral Directors Association
Gary Simon, Oregon Funeral Directors Association
Lucinda Potter, Oregon Cemetery Association
Walter F. Brown, Oregon Consumer League
Betty Drew, Oregon Educators Association
Oliver Tracy, Jr.
Onieta Turner, Coalition for Funeral Service Accountability
Douglas Ellis, Oregon State Council of Senior Citizens
Nate Davis, Salem Grey Panthers
Jim Davis, Oregon State Council of Senior Citizens

325 SUE JOHNSTON, Director of Funeral Directors Association: Testifies in
support of SB 468. (EXHIBIT E)

358 JOHNSTON: :Lists benefits inherent in the bill.

384 JOHNSTON: Continues.

TAPE 25, SIDE B

020 CHAIR KENNEMER: Questions amendments to bill, and support by Brenneman.

025 JOHN BRENNEMAN, Oregon Funeral Directors Association: Explains -1
amendments. There is conflict
between -1 and -2 amendments; explains.

046 CHAIR KENNEMER: These are ultimately replacing the bill. States was
some confusion at the last minute on the
amendments and re-numbering in time for the meeting.

063 RENNIA MEEK: President-elect, Oregon Funeral Directors Association:
Testifies in support of SB 468.

071 (SENATORS MCCOY and LIM return to the meeting at 4:10 p.m.)

072 MEEK: Gives examples of growth of fees and the effect on their staff.

126 SEN. DUKES: Did your organization oppose increases as they came along?

MEEK: "We did." Not everything was approved.

130 SEN. DUKES and Ms. MEEK discuss fee approval.

136 SEN. MC COY: Discusses fee approval.

154 LUCINDA POTTER, Oregon Cemetery Association Responds to Sen. McCoy.

167 FULLER: Gives information regarding fees.

POTTER: Responds.

165 SEN. DERFLER: Gives us an idea of how the money from the fees is spent.

173 SEN. MC COY: Why do you want to change the State Mortuary Board from 11
to 7 people?

POTTER: Efficiency.

188 POTTER: Responds to time spent in resolution of complaints.

195 GARY SIMON, Oregon Funeral Directors Association.: Gives history of his
experience in the field.

226 JIM MOUNTAIN:, Oregon Funeral Directors Association: Testifies in
support of SB 468. Explains difficulty in
obtaining a quorum on a board of 11. Contrasts that with different numbers
on the board, there is anecdotal evidence,
practical problem exists. (EXHIBIT F)

277 SEN. MCCOY: Discusses attendance record of board members.

305 SEN. DUKES: You want to go from four public members to two.? Are the
public members not attending?

318 MOUNTAIN: Responds no.

338 SEN. DUKES: Main reason is members not attending?

340 MOUNTAIN: No, the number of members is just the problem; it is
inefficient.

366 SEN. LIM: Discusses seeing the chart regarding the fee increase for
the last five years and privatization of the board.

388 CHAIR KENNEMER: Asks Brenneman to give information to the committee.

396 POTTER: Explains section changes.

TAPE 26, SIDE B

010 SEN. MC COY: Questions licensing and qualifications regarding holding room, remains, etc.

018 POTTER: Refers to Section 3; this is a housekeeping measure.

026 BRENNEMAN: Suggests changes to SB 468. Refers to Section 4.

034 POTTER: Discusses Section 5 and. Section 6, subsection 1

070 CHAIR KENNEMER: Refers to the language in current law, as well as in their amendment.

078 MOUNTAIN: Explains the intent. Suggests ways to handle complaints.

097 SEN. DUKES: QuestionSRsigned complaint.
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101 MOUNTAIN: Responds to the question.

119 JOHNSON: Discusses Section 6, subsection 2.

125 SEN. DERFLER: Questions investigation process.

131 JOHNSON: Agrees to need to change that part.

135 JOHNSON: Refers to felony convictions.

155 MOUNTAIN: We have suggestions proposing Section regarding disciplinary complaints. Also regarding information gathered by board, can injure business and personal reputation during proceedings. Refers to inadmissibility of information to cause trouble for the competitor by using information obtained from a board investigation.

201 MOUNTAIN: Continues.

206 SEN. DERFLER: Questions public knowledge of process.

215 MOUNTAIN: The point is to keep from using information gathered by board for other purposes than the board's intent.

229 SEN. MCCOY: Questions the family ability to file suit.

254 MOUNTAIN: Responds to SEN. MCCOY's question. The board may be able to provide some anecdotal information in this regard. Refers to language used in the measure.

275 JOHNSON: Continues regarding amendments Refers to Sections 11 and 14.

296 SEN. HANNON: Suggests a subcommittee is needed to handle the measure. Gives history of the measure before the amendments. Refers to fees.

378 WALTER F. BROWN, Oregon Consumer League: Testifies in opposition to SB 468. (EXHIBIT G)

TAPE 27, SIDE A

010 BROWN: Refers to definitions within the bill. Refers to Section 2 of original bill; safety standards; feels this is a matter of local concern, not federal government.

051 BROWN: Continues, Regarding fee schedules; tables, attendance records, fiscal timeline regarding moneys, involved. Questions of jurisdiction.

098 BROWN: The Mortuary Board has examples of complaints they need to be able to pursue.

131 CHAIR KENNEMER: Asks Potter to get report on attendance; promptness in supplying that.

150 BETTY DREW, Oregon Educators Association: Testifies in opposition to SB 468. Cites personal case with purchased funeral plan deliverance.

189 OLIVER TRACY, JR.: Testifies in opposition to SB 468.
211 ONEITA TURNER: Testifies in opposition to SB 468. (EXHIBIT H)
260 -Refers to board, licensees, duties of the board
316 -Continues from written notes.
355 Reads from written testimony a letter regarding the Massachusetts
industry.
408 -Continues.
TAPE 28 SIDE A
005 TURNER: Continues.
048 DOUGLAS ELLIS, Oregon State Council of Senior Citizens: Testimony in
opposition to SB 468.
072 NATE DAVIS, Salem Grey Panthers: Testifies in opposition to SB 468.
Does not want changes in the numbers of
board and the makeup of the board.
084 JIM DAVIS, Oregon State Council of Senior Citizens: Testifies in
opposition to SB 468. (EXHIBIT I)
135 DAVIS: Continues; urges the committee to reject the measure.
146 DIANE BASSETT, Coalition for Funeral Service Accountability: Testifies
in opposition to SB 468. (EXHIBIT).
213 BASSETT: Continues.
233 BASSETT: Refers to loser paying the fees, in event of claim failure.
255 (SEN. DUKES and SEN. DERFLER are excused.)
277 BASSETT: Proposes SB 468 be dropped and taken up next Legislative
session.
2926 SEN. LIM: Question of downsizing of board or other options.
305 BASSETT: Believes size of the board is not the problem.
335 Closes the PUBLIC HEARING on SB 468.
338 CHAIR KENNEMER: Additional information will be available in the future
on the bill.
339 CHAIR KENNEMER: Adjourns the meeting at 5:50 p.m.

Submitted by,

Reviewed by,

Carol A. Smith
Committee Assistant

Darrell W. Fuller
Committee Administrator

EXHIBIT LOG:

A - Testimony on SB 411, Steven Patrick Rodeman, 3 pages
B - Testimony on SB 412, Ray Gribbling, 4 pages
C - Testimony on SB 479, Ray Gribbling, 2 pages
D - Testimony on SB 480, David E. Noble, 2 pages
E - Testimony on SB 468, Sue Johnson, 7 pages
F - Testimony on SB 469, Jim Mountain, 3 pages
G - Testimony on SB 468, Walter E. Brown, 11 pages
H - Testimony on SB 468, Oneita J. Turner, 8 pages
I - Testimony on SB 468, Jim Davis, 4 pages
J - Testimony on SB 468, Diane Bassett, 21 pages
K - Testimony on SB 479 & SB 480, Diane Bassett, 2 pages
L - Testimony on SB 480, Ray Gribbling, 2 pages