

SENATE COMMITTEE ON  
BUSINESS AND CONSUMER AFFAIRS

Hearing Room  
Tapes 45, 46, 47 & 48

MEMBERS PRESENT:

Sen. Bill Kenemer, Chair  
Sen. John Lim, Vice-Chair  
Sen. Joan Dukes  
Sen. William McCoy

MEMBER EXCUSED:

Sen. Gene Derfler

STAFF PRESENT:

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

MEASURES HEARD:

SB 266: Work Session  
HB 2135: Work Session  
HB 2094: Work Session  
SB 574: Work Session  
SB 410: 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 45, A

002 CHAIR KENEMER: Calls the meeting to order at 3:00 p.m.

003 CHAIR: Opens WORK SESSION on SB 266.

004 DARRELL FULLER, Committee Administrator: Explains we are going to review several amendments for SB 266 which will be encompassed in the -8 amendments.

016 CHAIR: Does committee want to address alcohol content amendment?

024 SEN. MCCOY: Addresses -8 amendments, including the 5.5 percent.

031 SEN. DUKES: Is it controversial outside of the committee?

WITNESSES: Dave Heynderickx, Deputy Legislative Council  
Richard Kosesan, Coors Brewing Company  
Mark Nelson, Anheuser Busch  
Paul Romain, Beer and Wine Distributor's

Association

Mike Reed, Oregon Liquor Control Commission

040 RICHARD KOSESAN, Coors Brewing Company: We don't think it is a controversial amendment. The question is really not the rate but the labeling that is an issue; it is strictly a labeling and cost savings issue for them.

051 CHAIR: What is the national standard?

053 KOSESAN: Responds.

055 SEN. MCCOY: Question regarding the standard.

059 KOSESAN: That is outdated.

(3:15 SEN. LIM joins the meeting.)

063 MARK NELSON, Anheuser Busch: Simply a labeling issue, not as much for as others who have different brands.

For us it is not as much an issue, we don't have any now but we may in the future and the way this is written we could not call it beer with percentage given here.

080 KOSESAN: Responds to a question from SEN. DUKES asking what is worst thing that can happen if we don't.

085 PAUL ROMAIN, Beer and Wine Distributors: The labeling does exist for the Oregon micro breweries because a good deal of their product does not fall into that category. We would like to make it easier, five and a half is a compromise number. It will affect nobody's alcohol consumption; we would like to see it do that. It will be a lot easier for people when they do their labels.

109 SEN. MCCOY: Is not too comfortable with this. Wants to hear from OLCC.

114 MIKE REED, Oregon Liquor Control Commission: Responds to question from SEN. MCCOY. The change from four to five is primarily from weight to volume. It does not create a regulatory concern.

131 CHAIR: Would you call this a market consideration?

154 CHAIR: We are actually in a work session, will wait a week for all parties to review.

159 DAVE HEYNDERICKX, Deputy Legislative Council: You should have two new sets -7 and -8. explains -7 is really a composite of those from previous meetings. The primary thing done is -7 got rid of one half of the bill to do with license consolidation. Refers to alcohol percent by volume and explains.

186 HEYNDERICKX continues:  
-changes proposed by OLCC in the -3 amendments;  
--brew pubs;  
--financial assistance;  
--special events

217 CHAIR: Believes we have the votes if he wants to go quicker.

228 SEN. MCCOY: Beer is now four percent by weight. Move it up to five percent by volume?

230 HEYNDERICKX: It is exactly the same thing and explains.

266 HEYNDERICKX: Responds to question from SEN. MCCOY regarding amendment changes.

272 REED: Names a year and explains licenses and quotas. There are currently about 80 class A dispenser licenses available.

320 REED: Continues to explain licenses, and numbers available.

332 HEYNDERICKX: Refers to class B licenses. The OLCC will have to be consulted before you adopt the final amendments. It will be under existing authority and explains. As a practical matter on Class B licenses there hasn't been a lot of ratcheting going on.

380 CHAIR: Asks committee if ready to make a motion.

390 MOTION: SEN. LIM moves to ADOPT the SB 266-8 amendments.

VOTE: CHAIR: There being no objection the -8 amendments are ADOPTED.

EXCUSED: DERFLER

400 CHAIR: One week is given to study. We would like to move it out next week.

407 SEN. DUKES: Are -7 identical to what we adopted before?

410 HEYNDERICKX: Should all be in the -7, and you authorized those.

422 FULLER: Briefly outlines and explains the work done to date on the amendments.

CHAIR: Closes WORK SESSION on SB 266.

440 CHAIR: Opens WORK SESSION on HB 2135.

441 DARRELL FULLER, Committee Administrator: Explains history of the measure and reason for need to rescind the committee's do pass recommendation.

460 CHAIR: Is asked by committee staff member to call brief recess. Tape 46 is defective. Picked up TAPE 48.

TAPE 48, SIDE A

002 CHAIR: Restarts meeting.

004 MOTION: CHAIR moves to SUSPEND THE RULES for POSSIBLE RECONSIDERATION of HB 2135.  
VOTE: MOTION PASSES.  
AYES: DUKES, MCCOY, LIM and KENNEMER  
EXCUSED: DERFLER  
MOTION: SEN. DUKES moves to RECONSIDER the DO PASS recommendation for HB 2135.  
VOTE: MOTION PASSES and the vote in reconsidered.  
AYES: DUKES, MCCOY, LIM, KENNEMER  
EXCUSED: DERFLER

019 CHAIR: Closes WORK SESSION on 2135.

022 CHAIR: Opens WORK SESSION on 2094.

025 DARRELL FULLER, Committee Administrator: Explains statutory conflict with changes proposed in HB 2098 which has passed the Senate and the House. HB 2094 will need to be amended to take into account the changes made in HB 2098.

MOTION: SEN. LIM moves to SUSPEND THE RULES for POSSIBLE RECONSIDERATION of HB 2135.  
VOTE: MOTION PASSES.  
AYES: DUKES, MCCOY, LIM and KENNEMER  
EXCUSED: DERFLER  
MOTION: SEN. LIM moves to RECONSIDER the DO PASS recommendation for HB 2135 in order to consider CONCEPT AMENDMENTS.  
VOTE: MOTION PASSES.  
AYES: DUKES, MCCOY, LIM, KENNEMER  
EXCUSED: DERFLER

054 FULLER: Gives history of HB 2094 and HB 2098. The changes are purely technical. In HB 2098 we changed the name of the board of examining engineers and we changed engineering and training to engineering interns. We changed land surveyor in training to land surveyor intern. We made those changes, then came HB 2094 which makes changes regarding education that can be allowed in consideration for taking the examination. Because they were drafted on the old statutory language it created a problem. We need to amend HB 2094 with the new language.

MOTION: SEN. DUKES moves to ADOPT the HB 2094-1 conflict amendments dated 3-9-95.  
VOTE: CHAIR: Hearing no objection the HB 2094-1 conflict amendments are ADOPTED.  
EXCUSED: DERFLER

094 MOTION: SEN. DUKES moves HB 2094, AS AMENDED, to the Floor with a DO PASS recommendation.  
VOTE: MOTION PASSES.  
AYES: DUKES, MCCOY, LIM and KENNEMER  
EXCUSED: DERFLER  
CARRIER: DUKES

CHAIR: Closes WORK SESSION on 2094.

100 CHAIR: Opens WORK SESSION on SB 574.

MOTION: SEN. MCCOY moves SB 574 WITHOUT RECOMMENDATION AS TO PASSAGE and REFER to Health and Human Services.  
VOTE: MOTION PASSES.  
AYES: DUKES, MCCOY, LIM and KENNEMER  
EXCUSED: DERFLER

122 CHAIR: Closes WORK SESSION on SB 574.

123 CHAIR: Announces for the record SB 440 has been pulled from today's

hearing, the proponent was still working on amendments; it is rescheduled for March 30.

126 CHAIR: Opens PUBLIC HEARING on SB 410.

128 DARRELL FULLER, Committee Administrator: Explains that at a past hearing we requested testimony from mobile home tenants.

134 WITNESSES: Sample Lindholm, Multnomah Housing Council  
Emily Cedarleaf, Multnomah Housing Council  
Patrick Lewis, Building Codes Division  
Patricia Schwock, Manufactured Mobile Home Owners Coalition  
Bud Norte, Manufactured Mobile Home Owners Association,  
Northwest

152 SAMPLE LINDHOLM, Multnomah Housing Council: Submits written testimony (EXHIBIT A) in support of the bill. Explains it is a housekeeping bill. Refers to -1 amendments.

180 EMILY CEDARLEAF, Multnomah Housing Council: Refers to -2 amendments. (EXHIBIT B). Refers to the Fair Housing Act which required them to include children. This created a conflict; Oregon did not have facilities for children as mobile home courts were all adult. The conflict requires owners to evict some tenants. Refers to Landlord Tenant Act. This is still a problem to grandfather the requirement.

245 SEN. DUKES: Addresses the Federal Fair Housing Act.

248 CEDARLEAF: Responds to SEN. DUKES. Explains the transference problems caused between seniors and families with children.

264 SEN. MCCOY: Can you deny housing to them?

274 CEDARLEAF: Ten families could move there but it would not necessarily be safe.

290 CEDARLEAF: Owners were in between a rock and a hard spot. We tried all kinds of ways to accommodate it.

319 PATRICK LEWIS, Building Codes Division: (EXHIBIT F) Refers to part of the amendment that they would have to change.

335 SEN. DUKES: We are not changing anything in the law regarding this?  
(4:10 SEN. LIM leaves the meeting.)

340 LEWIS: Gives specific area of the amendment where this is taken care of. Refers to a minimum spare requirement of 2500 square feet.

379 SEN. MCCOY: Ask if any of those that were created before converted. States it's not fair to them if we don't have the rest comply.

405 LEWIS: Yes, it is a tradeoff. In either situation it isn't fair, it's picking your poison.

TAPE 45, SIDE B

015 CHAIR: These older parks, the units, if pre-1976 cannot be moved. Addresses the dilemma of displacement of units.

034 CEDARLEAF: Explains the elections available if creating senior citizen housing and criteria. Refers to the Federal Fair Housing Act and investment required of owners and compliance in relation to HUD.

(SEN. LIM has left the meeting.)

039 PATRICIA SCHWOK, Manufactured Mobile Home Owners Coalition: Submits written testimony (EXHIBIT G). Lives in one of the 55 and older parks. Certainly there needs to be provisions if there are going to be children in the parks. The ugly word is our rents are going to increase. Supportive, but doesn't like solution. Doesn't have an answer.

054 BUD NORTE, Manufactured Mobile Home Owners Association, Northwest: Testimony in support of the bill (EXHIBIT E). We are between a rock and a hard spot.

058 SEN. DUKES: Question regarding parks prior to Federal Fair Housing Act and making the changes in sunset. We either move senior citizens out or allow families to move in and their children who are low income families and they don't get what the other kids who can afford to live elsewhere do.

080 CEDARLEAF: In response to SEN. DUKES states we have people who have been in non-compliance since March 13, 1989 just waiting for which lawsuit is going to happen first.

084 CHAIR: Gives an overview of the problem, referring to units in his district. Addresses the motivation of the tenants in moving there.

103 NORTE: There is another limitation that is based on the statutes. If they are in a two bedroom unit you can only have two children. It's not like moving in with a whole flock of kids.

129 SEN. DUKES: Can you deny housing based on age?

132 CEDARLEAF: Four cities cannot. They are covered under the Fair Housing Act, so there is no way you can do that. Addresses problems.

154 CEDARLEAF: We had one day's notice to implement when President Reagan signed the bill. Refers to a conference committee meeting and fallout from that.

188 CHAIR: If we took the CEDARLEAF amendments are you okay with the bill?

193 SCHWOCK: Refers to temporary housing in times of disaster. Raises concerns she has regarding minimum sanitation requirements. Feels we need to enforce minimum sanitation requirements.

213 LEWIS: The bill has nothing to do with this. This is an OSHA responsibility and others to deal with the sanitation requirements. Refers to issuance of permits.

229 CHAIR: So this will not alter requirements because separate statutes deal with that?

252 SEN. MCCOY: Believes we should make a survey of how many places cannot meet the standards. States we have to make some effort to see that nobody gets hurt.

262 SEN. DUKES: We cannot see that that nobody gets hurt. Explains that a family with kids has a better chance of getting help than somebody over 65.

287 LINDHOLM: Refers to specific area of the bill that she wants to be sure isn't taken out.

309 CHAIR: Discussion takes place regarding time constraints, numbers of bills and length of meetings.

330 SEN. MCCOY: Addresses the problems relative to time constraints and the workload.

384 LEWIS: Addresses the elimination of the 4,000 square foot requirement. You can have a 4,000 square foot lot and still not have space for kids. I didn't want people to assume every park in the state always has had playgrounds.

435 CHAIR: Refers to BADGER's letter (EXHIBIT H) and asks if there were concerns that needed to be addressed.

TAPE 48, SIDE B

006 CEDARLEAF: Gives examples of problems at the parks; cost and maintenance factors, talks about public phones and vandalism and other problems.

015 SEN. DUKES: What is the cost of installing a pay phone?

016 CEDARLEAF: Last time I checked it was about \$4,000. Outsiders start using it for drug drops. There is vandalism; moving inside makes it not available for tenants. One owner told me he was spending over \$1200 a month to keep it there.

030 CEDARLEAF: States cost factor. You offset to pay for it with rent; trying to keep affordable.

034 LEWIS: States the telephone requirements for the mobile home parks were added in 1959. In the manufactured homes today every space has telephone lines available to it; the tenant has an option. Believes it is an obsolete requirement. Addresses construction code and application of the statutes currently.

056 SCHWOCK: Addresses the public telephone issue.

068 NORTE: States they have a pay phone in front of the clubhouse; but it is so expensive from a maintenance aspect. The kids tear it apart; the cost figure of \$4,000 is likely low.

077 CHAIR: If we have the CEDARLEAF amendments is that the best we can do with this bill?

082 CHAIR: Asks each of the witnesses if comfortable with the bill. States committee will get the amendments drafted in final form and schedule a work session.

090 CHAIR: Closes the PUBLIC HEARING ON SB 410.

CHAIR: Adjourns the meeting at 4:45 p.m.

Submitted by, Reviewed by,

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

EXHIBIT SUMMARY:

A - Testimony on SB 410, Sample Lindholm, Multnomah Housing Council - 1 page  
B - Proposed amendments to SB 410, Emily Cedarleaf, Multnomah Housing Council - 1 page  
C - Testimony on SB 410, Paul Koch, Altramar Mobile Home Parks of Oregon - 2 pages  
D - Proposed amendments to SB 410, John Brenneman - 1 page  
E - Testimony on SB 410, Bud Norte, Manufactured Mobile Home Owners Association - 1 page  
F - Testimony on SB 410, Patrick Lewis, Building Codes Division - 2 pages  
G - Testimony on SB 410, Patricia Schwoch, Manufactured Mobile Home Owners Coalition - 1 page  
H - Testimony on SB 410, submitted by committee on behalf of Ardyth Badger - 1 page