

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON BUSINESS

February 16, 1993 Hearing Room 50 8:30 a.m. Tapes 32 - 33

MEMBERS PRESENT: Rep. Bob Repine, Chair Rep. Hedy Rijken, Vice-Chair
Rep. Lisa Naito Rep. Cynthia Wooten Rep. Eldon Johnson

MEMBERS EXCUSED: Rep. VanLeeuwen

STAFF PRESENT: Janet McComb, Committee Administrator Debbie
Schieno, Committee Clerk

MEASURES CONSIDERED: HB 2112 - Public Hearing HB 2048 - Public
Hearing HB 2097 - Work Session HB 2106 - Work Session

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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. [--- Unable To Translate
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TAPE 32, SIDE A

002 CHAIR REPINE: Calls the meeting to order at 8:38 a.m.

WORK SESSION ON HB 2097

015 JANET MCCOMB, COMMITTEE ADMINISTRATOR: Outlines the Preliminary
Staff Summary and explains that the bill will be moved to the
Agriculture

Committee at the request of Rep. VanLeeuwen (EXHIBIT A).

MOTION: Rep. Naito moves HB 2097 be referred to the Agriculture
Committee at the request of Rep. VanLeeuwen.

VOTE: Hearing no objection the motion passes. Reps. Rijken and
VanLeeuwen excused. (Rep. Rijken later votes AYE, see page 3)

REP. VANLEEUEWEN will lead discussion in the full Commerce Committee.

WORK SESSION ON HB 2106

030 JANET MCCOMB, COMMITTEE ADMINISTRATOR: Outlines the purpose
of the bill.

046 MOTION: Rep. Naito moves HB 2106 to the full Commerce Committee
with a do pass recommendation.

VOTE: Hearing no objection the motion carries. Reps. Rijken and
VanLeeuwen excused. (Rep. Rijken later votes AYE, see page 3)

REP. WOOTEN will lead discussion in the full Commerce Committee.

PUBLIC HEARING ON HB 2112

069 JANET McCOMB, COMMITTEE ADMINISTRATOR: Outlines the Preliminary Staff Measure Summary (EXHIBIT B).

082 GEOFF GUILFOY, DEPARTMENT OF INSURANCE & FINANCE: Outlines the purpose of HB 2112.

128 MARY ALICE BJORK, ADMINISTRATOR, INSURANCE DIVISION, DEPARTMENT OF INSURANCE & FINANCE: Submits and reviews testimony on HB 2112 (EXHIBIT

C).

240 REP. JOHNSON: Why do premium finance companies exist?

BJORK: Originated for the large premiums in commercial insurance.

261 REP. JOHNSON: Is the interest regulated?

BJORK: Regulation is explicit in what can be charged.

298 REP. WOOTEN: Is there an advantage to deregulation creating an imbalance and competitiveness?

312 BJORK: There are states that do not regulate premium finance companies. Competition does not increase the number of premium finance companies.

420 REP. NAITO: Will there be any regulation over the premium finance companies?

424 GUILFOY: Possibly under the financial institution regulation.

TAPE 33, SIDE A

014 REP. NAITO: Questions door to door sales for premium finance companies?

019 BJORK: They would need a connection with the person they are calling on, an insurance agent or insurance company.

029 REP. WOOTEN: Questions motorist service clubs.

045 BJORK: The only thing that can be regulated, or is of concern, is the insurance product sold by clubs.

117 DELL ISHAM, AAA OF OREGON: Neutral on the bill. AAA represents 24% of the motorists in Oregon.

190 MARVIN FJORDBECK, REPRESENTING TRANSAMERICAN INSURANCE FINANCE COMPANY: Testifies in opposition to the Insurance Division deregulating. -Suggests moving the regulation now performed by the Insurance Division to the Department of Finance and Corporate Securities. -Offers proposed amendments to HB 2112, deleting the language repealing 746.405 to 746.530.

370 JACK HOLCOMB, EUGENE, OREGON: Speaks to the bill and its legislative intent (EXHIBIT D). -Shifting the burden will not save money.

TAPE 32, SIDE B

020 HOLCOMB: Concerned with enforcement in the state of Oregon.

046 CHAIR REPINE: Questions revenue.

066 ELAINE DAY, DEPARTMENT OF INSURANCE & FINANCE: Explains the fiscal impact of HB 2112.

PUBLIC HEARING ON HB 2048

147 ED GRAHAM, EXECUTIVE SECRETARY, STATE BOARD OF ENGINEERING EXAMINERS: Testifies on HB 2048 and outlines the purpose of the bill. Addresses

their billing for approximately four months of Attorney General services (EXHIBIT E). -Offers proposed amendments to HB 2048 (EXHIBIT F).

255 CHAIR REPINE asked if members would like the proposed amendments to be drafted in LC form?

Members agreed.

266 MOTION: REP. RIJKEN requests that the rules be suspended to allow her to vote on HB 2907 and HB 2106.

VOTE: Hearing no objection the motion carries.

REP. RIJKEN votes AYE on HB 2907 and AYE on HB 2106.

286 CHAIR REPINE: Adjourns the meeting at 9:55 a.m.

Submitted by:

Reviewed by:

Debbie Schieno
Administrator

Janet McComb Clerk

EXHIBIT LOG:

A - Preliminary Staff Measure Summary on HB 2097 - 2 pages B - Preliminary Staff Measure Summary on HB 2112 - 2 pages C - Testimony on HB 2112 - Bjork - 2 pages D - Testimony on HB 2112 - Holcomb - 1 page E - Testimony on HB 2048 - Graham - 4 pages F - Proposed amendments to HB 2048 - Graham - 2 pages