

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON BUSINESS

March 9, 1993 Hearing Room 50 8:30 a.m. Tapes 54 - 55

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

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

MEASURES CONSIDERED: HB 2202 - Public Hearing/Possible Work
Session HB 3072 - Public Hearing HB 2362 - Public Hearing SB 427A -
Public Hearing/Possible 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
Graphic ---]

TAPE 54, SIDE A

002 CHAIR REPINE: Calls the meeting to order at 8:35 a.m.

PUBLIC HEARING ON HB 2202

011 JANET McCOMB, COMMITTEE ADMINISTRATOR: Reviews the bill and
previous public hearing.

044 JACK R. CASSELL, OREGON PUBLIC UTILITIES COMMISSION: Submits
and outlines a letter sent to Rep. Ted Calouri (EXHIBIT A). -Refers to
chart of Residential Service Protection Fund Line Assessment Comparisons
(EXHIBIT B). -Responds to GTE's concerns.

096 REP. WOOTEN: Reserve spending?

MR. CASSELL: All revenue reserves will be expended before increasing
the surcharge or other expenditures.

127 REP. WOOTEN: In what increments and on what timed phase will
these increase?

126 RON EACHUS, CHAIR, PUBLIC UTILITY COMMISSION: Mid-biennium if
continued at the 2.8% increase. -Program is still young. There will be
a sense of growth after two

additional years. -25 cent charge sufficient until year 2000.

223 REP. WOOTEN: Willing to go forward, but concerned with
creating a compounded surcharge for standard ratepayers and users.

247 REP. VanLEEUVEN: Requirements by the ADA?

MR. EACHUS: Yes. Specific rules have been adopted by the FCC.

MR. CASSELL: Explains the relay system.

349 REP. VanLEEUEWEN: Financial assistance?

MR. EACHUS: Eligibility is based on hearing impaired or other disabilities, there should not be an income test applied. Charge applies only to those using the program.

TAPE 55, SIDE A

WORK SESSION ON HB 2202

028 MOTION: Rep. Naito moves HB 2202 to the full Commerce Committee with a do pass recommendation.

VOTE: Motion carries. Rep. VanLeeuwen votes NO.

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

PUBLIC HEARING ON HB 2362

048 JANET McCOMB, COMMITTEE ADMINISTRATOR: Outlines Preliminary Staff Measure Summary (EXHIBIT C).

061 GARY WICKS, ADMINISTRATOR, BUILDING CODES AGENCY: Testifies in favor of HB 2362 and explains proposed amendments (EXHIBIT D).

145 RONALD BURBACK, CARNIVAL GUILD: Testifies in favor of HB 2362 and responds to questions.

218 REP. NAITO: How did you arrive at the liability limits?

MR. WICKS: Working with the industry. -Insurance is not required at this time.

MR. BURBACK: Most insurance companies are switching to aggregate, rather than per occurrence. Majority of carnivals carry \$1 million coverage. 319 IRV HUSTON, AMUSEMENT RIDE INSPECTOR: Responds to questions.

336 REP. NAITO: Are the rides also inspected by insurance companies?

340 MR. HUSTON: No. In most cases insurance representatives are not qualified to make an inspection.

355 CHAIR REPINE: Are carnivals inspected at each set-up point, or is this an annual inspection?

364 MR. HUSTON: Inspections are done on an annual basis. If there has been a major overhaul on the equipment, or an accident, the state requires

reevaluation and inspection.

TAPE 54, SIDE B

021 CHAIR REPINE: Who inspects bungee jumping apparatus?

MR. HUSTON: The company issuing the insurance.

053 CHAIR REPINE: Questions the fiscal impact of this bill.

MR. WICKS: Expenses are approximately \$71,000 per year. -Operating permit revenue is \$30,000 per year. -Inspection revenue is \$41,000 per year. -Next biennium the deficit will be \$26,000.

110 MR. WICKS: Insurance coverage is not required at this time, although most operators do have coverage.

164 CHAIR REPINE: Does this include the rides at K-Mart?

MR. WICKS: No.

PUBLIC HEARING ON HB 3073

230 EMILY CEDARLEAF, MULTIFAMILY HOUSING COUNCIL: Outlines HB 3073 and concerns with the bill.

267 JANET McCOMB, COMMITTEE ADMINISTRATOR: Outlines Preliminary Staff Measure Summary (EXHIBIT E).

CHAIR REPINE recesses the meeting at 9:50 a.m.

CHAIR REPINE reconvenes the meeting at 10:00 a.m.

PUBLIC HEARING ON SB 427A

285 JANET McCOMB, COMMITTEE ADMINISTRATOR: Outlines Preliminary Staff Measure Summary (EXHIBIT F).

320 BRAD HIGBEE, REPRESENTING THE PORTLAND TRAILBLAZERS: Introduces Bob Collier, Oregon Arena Corporation and Mike Seabaugh, Sedgwick James. -Submits and reviews testimony in favor of SB 427 (EXHIBIT G).

373 BOB COLLIER, PROJECT MANAGER, OREGON ARENA CORPORATION: Submits and reviews testimony in favor of SB 427 (EXHIBIT H).

TAPE 55, SIDE B

038 REP. NAITO: How much insurance savings will there be with the wrap-up on this project?

MR. COLLIER: Savings on insurance costs are estimated at \$2-\$4 million, 20% of which goes to the City of Portland.

048 MICHAEL L. SEABAUGH, VICE PRESIDENT, RISK MANAGEMENT, SEDGWICK JAMES OF OREGON: Submits and reviews testimony in favor of SB 427 (EXHIBIT I).

106 CHAIR REPINE: How is the carrier appointed?

MR. SEABAUGH: Specifications have been designed. There are six major insurers that will submit wrap-ups.

159 MR. HIGBEE: Submits for the record a letter of support from Marge Kafoury, City of Portland (EXHIBIT J).

170 REP. NAITO: Fiscal impact? Would there be a substantial savings to the City of Portland?

MR. HIGBEE: There would be a shared savings.

197 RICHARD MCGAVICK, INSURANCE DIVISION, DEPARTMENT OF INSURANCE AND FINANCE: Speaks to the wrap-up insurance program and explains issues of the bill (EXHIBIT K).

WORK SESSION ON SB 427A

330 MOTION: Rep. Rijken moves SB 427A to the full Commerce Committee with a do pass recommendation.

VOTE: Hearing no objection the motion carries. Rep. VanLeeuwen is excused.

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

347 CHAIR REPINE: Adjourns the meeting at 10:30 a.m.

Submitted by:

Reviewed by:

Debbie Schieno
Administrator

Janet McComb Clerk

EXHIBIT LOG:

A - Testimony on HB 2202 - Cassell - 11 pages B - Testimony on HB 2202 - Cassell - 1 page C - Preliminary Staff Measure Summary - 3 pages D - Amendments to HB 2362 - Building Codes Agency - 5 pages E - Preliminary Staff Measure Summary on HB 3073- 2 pages F - Preliminary Staff Measure Summary on SB 427-A - 2 pages G - Testimony on SB 427-A - Higbee - 4 pages H - Testimony on SB 427-A - Collier - 4 pages I - Testimony on SB 427-A - Seabaugh - 1 page J - Testimony on SB 427-A -Kafoury - 1 page K - Testimony on SB 427-A - McGavock - 1 page