

HOUSE COMMITTEE ON GENERAL GOVERNMENT

June 8, 1993

Hearing Room 357 8:30 a.m.

Tapes 48 - 51

MEMBERS PRESENT: Rep. Cedric Hayden, Chair Rep. Jim Edmunson,
Vice-Chair Rep. Ken Baker Rep. Carl Hosticka Rep. Patti Milne Rep. Chuck
Norris Rep. Lonnie Roberts Rep. Sharon Wylie

MEMBERS EXCUSED: Rep. Del Parks

STAFF PRESENT: Janet Adkins, Committee Administrator Amy
Jahnke, Committee Clerk

MEASURES CONSIDERED: SB 106 SB 103

[--- Unable To Translate Graphic ---]

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 48, SIDE A

004 CHAIR HAYDEN: Calls meeting to order at 8:35 a.m.

SB 103 - PUBLIC HEARING Witnesses: Mike Meredith, Oregon Trucking
Association Lanny Gower, Consolidated Freightways Joan Plank, Division
of Motor Vehicles (DMV) Joanne Peterson, Division of Motor Vehicles
(DMV)

008 JANET ADKINS, COMMITTEE ADMINISTRATOR: Explains SB 103 and
submits a Staff Measure Summary and Fiscal Impact Statement. (EXHIBIT A)

028 MIKE MEREDITH, OREGON TRUCKING ASSOCIATION: Testifies in support
of SB 103 and introduces Lanny Gower.

045 LANNY GOWER, CONSOLIDATED FREIGHTWAYS: Testifies in support of
SB 103 and submits written testimony. (EXHIBIT B) > Vehicle
Identification Number Inspections (VIN) > Disadvantages of current
system

069 REP. BAKER: What is the difference between the title and
registration process? 071 GOWER: They are two separate processes. >
Title is ownership process, you can title a trailer in Oregon and

register it in another state > Registration is making the vehicle legal
to operate

076 REP. BAKER: Is registration a manufacturing process?

077 GOWER: I don't know if that would be the exact way to explain it,
maybe DMV could. > Registration is just like on your car (2 years)

083 CHAIR HAYDEN: Titling is an initial acceptance or change of
ownership and registration is annually or biannually?

085 GOWER: The registration on commercial trailers in Oregon is a permanent registration process. The annual registration for commercial vehicles

according to Oregon system is collected on the power units.

089 REP. NORRIS: Your example of a large carrier may have a pool of ten thousand trailers that are part of their nationwide fleet, is it fair to think that if this is the case and they have ten thousand trailers that they would be registered or titled in a variety of states?

093 GOWER: Depending on how the company operates, most large companies prefer to have their trailer fleets registered in one state,

administratively it is easier to register ten thousand trailers on a yearly basis or however it's done with one state than a thousand trailers in ten states each. We can conform our computers and data processing systems for electronic transfer or printing forms, etc.

100 REP. NORRIS: Do you generally register them in the state in which the headquarters of the firm is located, what about Consolidated?

103 GOWER: Administrative headquarters are in Portland, about 1,700 people. > Executive offices in California, a couple hundred people. > Locations throughout the country. > Don't currently register whole fleet in Oregon, due to problems

getting VIN inspections on trailers.

109 CHAIR HAYDEN: Wouldn't an organization tend to register in the state where it was economically advantageous?

111 GOWER: Yes. Interstate registration for both tractors and trailers is supposedly set up by the states so there are no advantages from a tax

standpoint to choosing one state over the other. If we register our fleet in Oregon, we will still pay our California registration fees to the State of California in the same manner we do now. We would administratively be doing that through the State of Oregon rather than through another state.

128 CHAIR HAYDEN: Does an organization such as yours with trucks and trailers have to pick a U.S. state?

132 GOWER: Yes. (EXHIBIT C) Submitted by Joanne Peterson for the record.

140 JOAN PLANK, DIVISION OF MOTOR VEHICLES (DMV): Testifies in support of SB 103. > Purpose of bill was to eliminate a piece of paper required by statute that DMV and PUC wanted to do away with, extra copy of trip permit

was being used by PUC as scratch paper. > Doing away with the VIN inspection when vehicles were being

transferred from one state and owner staying the same

148 REP. NORRIS: Rental vehicles - have we had any thought of doing away with special rental plates for passenger cars?

165 JOANNE PETERSON, DIVISION OF MOTOR VEHICLES (DMV): We do not have unique rental plates in Oregon, other than the rental trailer and truck fleets that are registered for interstate operation. Regular passenger

cars will get a regular plate much like on your car.

173 CHAIR HAYDEN: The administrator mentioned there might be conflict amendments with this bill that we should be aware of before going to

final work session.

175 PLANK: Not that we're aware of.

176 JANET ADKINS: Counsel advised us that with all four bills this morning there is potential conflict amendments. They are still checking them

for compatibility and asked us not to pass them until we hear from them.

CHAIR HAYDEN: It appears we can't vote it out until we hear from Legislative Counsel.

182 JANET ADKINS: It can also be voted out contingent on any conflict amendments with bills that have already passed that amend the same

sections of statute, but you can also keep it in committee until we hear from them.

189 REP. HOSTICKA: Are those conflicts with bills that have already passed both chambers?

SB 106 - PUBLIC HEARING Witnesses: Sen. Joan Dukes, District 1 Joan Plank, Division of Motor Vehicles (DMV) Judy Clyburn, Division of Motor Vehicles (DMV) Rep. Bill Fisher, District 45 Jack Fassel, Executive Director, BikePAC of Oregon Richard Benson, A.B.A.T.E. OF OREGON Don Lawson, BikePAC of Oregon

211 SEN. JOAN DUKES, DISTRICT 1: Testifies in support of SB 106.

299 CHAIR HAYDEN: Tell us about the computer in 1996.

301 SEN. DUKES: Legislative Assembly has been putting money aside every two years to get a new computer to DMV. > The new computer can be programmed up front > Will be far more user friendly > Will have a bigger capacity > Consolidate several files into one

341 CHAIR HAYDEN: Are the computers operating now, why did you refer
199 6?

342 SEN. DUKES: 1996 is when we expect them to be up and running.
I'm not sure we have all the money yet, but if not, we are almost there.

351 CHAIR HAYDEN: Do we have the hardware and software or is that yet
to be purchased?

352 SEN. DUKES: I believe that is yet to be purchased, although I
believe they are working on the contract.

354 CHAIR HAYDEN: Where is the money coming from?

356 SEN. DUKES: DMV can answer that better than I can, I believe it's
been general fund money. It has been accumulating over the years. It
was

too big of a project for the Legislature to jump in and do all at once.

371 JANET ADKINS: Explains SB 106 and submits Staff Measure
Summary and Fiscal Impact Statement. (EXHIBIT D)

407 JOAN PLANK, DIVISION OF MOTOR VEHICLES (DMV): Testifies in
support of SB 106.

440 JUDY CLYBURN, DIVISION OF MOTOR VEHICLES (DMV): Testifies in
support of SB 106 submits written presentation. (EXHIBIT E) > Project
started to replace field office equipment > Legislature advised we look
at overall processes > Reviews phases of the project

TAPE 49, SIDE A

090 REP. HOSTICKA: Does the signature get destroyed once it is
printed out?

092 CLYBURN: We will store that. It is not the kind of storage
someone can alter the signature, so when they come in to renew a
driver's license

the first signature will be wiped out. It won't be stored indefinitely.

101 REP. MILNE: You will store the original signature when someone
comes in again to renew the original signature will be destroyed?

105 CLYBURN: It will be destroyed as being the latest signature, it
will go into computer storage to say at the time of the original
transaction,

this is the signature the customer provided.

110 REP. MILNE: You will be checking the second signature
against the first?

112 CLYBURN: No, we are not handwriting experts, we can't check
signatures today.

114 REP. MILNE: I have a real problem with that.

115 REP. HOSTICKA: My concern is security. If someone now has a signature that can be reproduced, you can't tell if it is an original or

electronic version, what is left of a person's identity that can be independently verified?

125 PLANK: (to Clyburn) It's not reproduced, right?

CLYBURN: Well, it is reproduced, because we are reproducing.

128 CHAIR HAYDEN: Rep. Hosticka, you think a hacker could get in . . .

130 REP. HOSTICKA: could possibly get in and get a high resolution image on a signature and reproduce it on some other document. My concern is the

security on the system and possible usage of the image.

138 CLYBURN: Will be making digital photo and store electronically.
> Will be available to us to use as ID when a customer comes in and requests information we are concerned about them getting, i.e.

duplicate driver's license. > Available to law enforcement to use in their police work > Document imaging to be used on computer rather than paper > Field offices can bring images to their office to do work > Will also provide electronic titles rather than printed document > Banks have requested this feature > Will provide a registration card with magnetic storage, i.e. barcode > Law enforcement can use in their police work > Reduce plate types

281 REP. HOSTICKA: Anticipating this can all be done by electronic batch transfer

284 CLYBURN: That is how we would like to end up. We don't anticipate every bank will be capable of doing that so we won't plan on that. We

are looking at putting AMVANET title type function in.

309 PLANK: We plan to start AMVANET as a pilot project.

319 CHAIR HAYDEN: Who holds the title?

324 CLYBURN: It will be the bank.

325 CHAIR HAYDEN: Why does your picture show DMV sending the title?

326 CLYBURN: You mean the electronic record?

328 CHAIR HAYDEN: The concept of who has ownership?

330 CLYBURN: The bank has ownership of the title. They are in control of when it is released to the registered owner. They are the ones who tell us to release title to the registered owner.

337 CHAIR HAYDEN: If they hold the title, is DMV their agent to

release title? What is DMV's part in this?

340 CLYBURN: We are not their agent, they are notifying us. Today they mail us a piece of paper to tell us to send title to the registered

owner. We produce a new title to send to the registered owner. Under electronic, they don't have to send us the physical title, because it is in our computer bank. They notify us the loan is paid off and to issue title to their customer.

356 REP. BAKER: What do you do on a private sale?

360 CLYBURN: You would come to DMV and get a title produced.

364 REP. BAKER: I don't have to look for it in my records, I can come to you and you will give me the title.

366 CLYBURN: Right.

PLANK: Unless you are more comfortable with it in your records. In those cases we will issue a paper title.

371 REP. MILNE: How do you know the person coming in for a title transfer is the current title holder?

376 CLYBURN: Because they have to provide you enough information to show they are the title holder. We're going to issue it to the person on our record.

381 REP. MILNE: What kind of documentation do I need to prove I am the owner?

356 CLYBURN: It depends on what the person is providing us. We haven't worked out all our security yet, but want to make sure it is a secure

process. We have a lot of information on our records to prove who you are, i.e. a digital photograph, driving record, mother's maiden name and place of birth.

401 REP. NORRIS: Refers to slide #14. Looks like you send the owner a piece of paper, did I miss something?

410 CLYBURN: At this point we are assuming that the majority of people that want paperless (electronic) title will be banks. When the loan is paid

off, we will mail a registered title to the owner.

426 CHAIR HAYDEN: I thought I always got the title from the bank.

430 CLYBURN: You may have when you paid off the loan, but in order to take the bank's name off you needed to fill out an application and send it to DMV.

TAPE 48, SIDE B

010 CLYBURN: Continues with presentation > The biggest phase (Record Update & Monitoring) will be done by June

1996 > Entry of convictions from the courts > Suspensions, reinstatements, anything relating to a driver,

title or registration

027 REP. ROBERTS: Who is deciding whether their license should be suspended?

028 CLYBURN: DMV employees.

029 PLANK: Based on statute

030 REP. ROBERTS: I didn't know DMV could, I thought they had to have a court order.

032 PLANK: In some cases . . .

034 REP. ROBERTS: Where is the appeal process?

035 PLANK: There is definitely an appeals process. You are entitled to a hearing in the event we make an error trying to interpret the driving

record.

036 REP. ROBERTS: Is that individual's license suspended while they are waiting for an appeal?

038 PLANK: On those I don't remember.

039 REP. ROBERTS: I'd like to know, if someone was appealing they shouldn't be denied their license until after the appeal.

040 PLANK: I'll find out for you.

042 REP. BAKER: Rep. Roberts, I understand after you get three majors they do a habitual on you. Administratively by statute DMV can suspend your

license, you may have an appeal process, but you have already been convicted three times by the courts.

045 REP. ROBERTS: If the courts have done it. I'm talking about somebody looking at speeding tickets . . .

047 REP. BAKER: My understanding is the courts have done the convictions and DMV at that point somebody takes the information and suspends. They don't do the adjudication.

051 PLANK: The law says if you have three drunk drives you will be suspended for five years under the habitual offender law. Our people

have to make sure those three convictions from the court occurred within the proper time frame for them to fall under the habitual offender law. There is an appeal to that. 057 REP. ROBERTS: That's within a one year period, isn't it?

058 PLANK: I don't remember three or five.

063 REP. MILNE: Where do fingerprints come into this?

065 CLYBURN: We are going to build a computer system that is capable of doing the retina scan or thumb prints later. We did not propose to do

that in this particular part of the project. We thought it would come later. Our understanding at this point is that technology is not proven for us to be able to distribute those to our field offices. We're not proposing to include them but we're building the capability into our computer system.

074 REP. MILNE: I feel uncomfortable with the security that we are giving situations here for more fraud and abuse of the system.

089 PLANK: We have to have those security features built into the system, our intent is not to make it easier for fraudulent licenses or titles.

We have to ascertain the identity of the individual as best we can.

103 REP. MILNE: I appreciate the importance of updating the computer system, but I am still uncomfortable there is not enough personal

identification to go along with it. It doesn't sound like we are doing anything different security wise, than currently. Currently it's not enough.

111 PLANK: Additionally we will have the digital imaging. > We had a driver license security task force looking at systems > Included representatives from law enforcement, banking, retailers > Recommendations to make some changes but overall found the

systems in place made sense and were acceptable. We do have some fraud, but we'll never get rid of it all

129 REP. MILNE: I will feel more comfortable when we use a fingerprinting system.

135 PLANK: The fingerprint system technology is improving, but not totally feasible.

149 REP. MILNE: I hope you are making allowances that as soon as you are comfortable with that system technology, it will fit in with what you

are doing you will not have to revise

156 CHAIR HAYDEN: My understanding is the Immigration Services is using electronic palm print technology in lieu of passports.

161 PLANK: We'll check into that, we weren't aware of that.

162 CLYBURN: We want our records to be in user friendly language. > Want to start drive test system that will be more effective > Want to improve telephone support

210 REP. BAKER: What are you doing for computer backup?

217 CLYBURN: Tape backup today is done daily. In the future we hope to improve our backup system.

230 REP. BAKER: Effectively now you have a paper trail in your computerization, in the future you will have your computerization only.

232 CLYBURN: We'll have a computer trail, even our paper trail is hard to follow if we didn't have the computer to tell us what to look for. We

have microfilm and paper, but to access them, we use the computer to tell us where to find the information we need. We back up daily, but I don't know if it is ever hourly. Would you like us to find out?

241 REP. BAKER: I would appreciate that.

248 PLANK: We'll be glad to get you a more specific answer on that. We do work with ODOT's information system as the umbrella system for the

entire agency. It's just not DMV on their own, the support comes from ODOT and the mainframe computers.

255 REP. NORRIS: Will this be a protected system for access?

258 CLYBURN: It will be a security system. We have to have security today. We are looking at new security measures in the new system.

266 REP. NORRIS: It will have a degree of immunity from the virus?

268 CLYBURN: We have that protection today.

270 PLANK: Our system is quite secure.

286 REP. ROBERTS: What are S-153 federal funds?

289 PLANK: No.

290 REP. ROBERTS: I was told they were matching funds for safety education and driving. I am going to try to pull Section 73 out of this bill.

308 CHAIR HAYDEN: What was the enabling legislation for this project?

311 PLANK: Result of a Ways and Means budget request.

327 CHAIR HAYDEN: That was passed by both houses and signed by the Governor?

PLANK: Yes.

328 CHAIR HAYDEN: That's the authority to do this?

329 PLANK: That was the beginning to do the initial study and the study said let's move ahead. What needs to be changed, should it be changed.

We have taken this in phases and steps to insure we are doing the right thing. 334 CHAIR HAYDEN: Has there been legislative oversight or has this been done administratively?

337 REP. WYLIE: The Joint Senate Data Processing Committee has had regular briefings. I am a relatively new member of that committee and the last

briefing by this division had some real useful long term strategic plans and milestones as far as staffing level capabilities, phase-ins, costs of the system that might be real useful and I would be happy to make copies of some of those charts and bring them to the next committee meeting. The committee focuses on looking at appropriateness and cost effectiveness of the technology and how it fits into the long-term direction and needs of the organization.

359 CHAIR HAYDEN: The study was driven by a budget note in a bill in 198 ___

362 PLANK: 1989

CHAIR HAYDEN: Can you at a later time give me that bill? Are SB 106 and SB 107 the enabling legislation or do you have prior enabling legislation for this project?

367 PLANK: No. SB 106, SB 107, and SB 523 are the enabling legislation and this is the first time we have come in to make the statute changes to

carry out the way we do our business differently.

372 CHAIR HAYDEN: It was mentioned that you have been setting money aside since 1989, what is the source of the cash flow?

374 PLANK: The setting aside puzzles me, the source is the highway fund. What we anticipate is we expend the money and then as a result of the

efficiencies and savings, as I mentioned we are anticipating about \$7.6 million a year when all this comes together, that is the payback for the expenditure for the highway fund. We simply transfer less money to DMV

in terms of what we collect, we just transfer less money to the highway fund while this project is going on, presuming that we get approval of joint data processing and the legislature to continue. We have broken it into phases, so there are stopping points if things change.

393 CHAIR HAYDEN: With the thinking being that ultimately at some point in time at first it will be a cost and then it will be revenue neutral and then there will be a savings at some point down the line.

396 PLANK: Right.

CHAIR HAYDEN: What's the total cost of the project?

398 PLANK: \$49 million

399 CHAIR HAYDEN: \$49 million including the studies and the computer hardware, software, FTE related but there will be \$49 million up front

and you hope to save \$3 - \$6 million dollars a year later.

404 PLANK: Yes.

405 CHAIR HAYDEN: You'll have to save money a while if you are going to spend \$50 million and recoup \$3 million a year. It's going to be a

long-term savings project.

410 PLANK: Chart was given that maps out cost payback. (EXHIBIT F)

420 CHAIR HAYDEN: Sounds like a 15 year payback.

421 CLYBURN & PLANK: Closer to 7-10 years.

424 CHAIR HAYDEN: Why can't a hacker change digital? Wasn't it last time we discussed duplicate polaroid photographs and you are storing

duplicate pictures of everybody so that people couldn't change the picture on the driver's license. If they came in and you had a question you could pull a duplicate out of the file and compare them?

441 PLANK: We passed a bill in 1989 or 1990 for a duplicate photograph and part of that if DMV gets fraudulent applications we can pull the

duplicate photo out and know it is the wrong person or law enforcement uses duplicate photos. Digital image will be more compatible with law

enforcement's system. The banking industry is interested in using it for check fraud. I will see the computer people about your concerns and get back to you.

TAPE 49, SIDE B

020 REP. BILL FISHER, DISTRICT 45: Testifies to opposition to Section 73 of SB 106 and submits written testimony. (EXHIBIT G)

099 JACK FASSEL, EXECUTIVE DIRECTOR, BIKEPAC OF OREGON: Testifies in opposition to Section 73 of SB 106 and submits written testimony.

(EXHIBIT H)

131 CHAIR HAYDEN: What division is this transferring from to the Traffic Safety Division?

133 FASSEL: As we understand it, this is part of Motor Vehicles at this time, as opposed to the Traffic Safety Division.

134 CHAIR HAYDEN: Department of Motor Vehicles?

135 FASSEL: Yes.

137 REP. ROBERTS: Will you explain what the S-153 federal funds are?

141 RICHARD BENSON, A.B.A.T.E. OF OREGON: S-153 is grant money made available by the federal government in the ISTEA Legislation (Intermodal Surface Transportation Efficiency Act). It is not a guaranteed grant,

but money made available to traffic safety divisions within the respective states who have in effect helmet and seatbelt laws. It's specified and suggested that this money be used to educate and promote the use of the equipment. Suggested basis of about 65% for education and public information and we have evidence these funds have been used the opposite way, 65% for enforcement and 35% for information.

154 REP. ROBERTS: Is any of this money intended for enforcement or strictly for education? 157 BENSON: It was suggested by National Highway Traffic Safety Administration (NHTSA) of Transportation Department the money be used

primarily for education and public information on the use of safety devices.

163 REP. ROBERTS: On Memorial Day were you at Fossil, Oregon?

164 BENSON: Yes.

165 REP. ROBERTS: I got a letter from the Mayor of Fossil that said in essence for the first time they had 26 State Police and National

Guard

units and SWAT teams, that citizens of the city were harassed and so were the people that were there for their memorial ride. Did you witness that?

171 BENSON: Yes. There were 322 citations issued in a two-day period to motorcyclists from all over the Western United States that attended.

174 REP. ROBERTS: Were some of them for helmets not being at the standard?

175 BENSON: The majority for helmets.

176 REP. ROBERTS: How could they know the helmets were not at standard?

179 BENSON: As far as we know the Federal Motor Vehicle Safety Standard 218 is so unclear and vague there is no way of knowing when someone is

riding by on a motorcycle if the helmet is or is not legal.

183 REP. ROBERTS: My problem is you should have probable cause. If they don't know the standards how can they have probable cause?

193 DON LAWSON, BIKEPAC OF OREGON: Testifies in opposition to Section 73 of SB 106 and submits written testimony. (EXHIBIT I)

227 BENSON: Testifies in opposition to Section 73 of SB 106 and submits written testimony. (EXHIBIT J)

280 CHAIR HAYDEN: If we delete Section 73, apparently you will be under the direction of the Motor Vehicles Division. What's the difference?

284 LAWSON: We have established in the process of attempting to bring HB 3262 into law a dialogue within Motor Vehicles Division and ODOT that

will enable us to address through the rules. The reason this came about is because they are as concerned as we are with the current information coming out of one of their other divisions. It's an internal matter.

We are going to work with them.

328 CHAIR HAYDEN: What's your position on headgear now? What are we accomplishing here, the type of headgear we want to use or whether we

use it or not?

330 LAWSON: All we're talking about right now we want it to be as Motor Vehicles Division said "If a helmet has a DOT sticker affixed, it is

legal for use in Oregon." Fraudulent application either by a consumer,

distributor or dealer of this sticker was a criminal matter that could be addressed through federal law. What Motor Vehicles Division constitutes a legal helmet is not what is being enforced by the police.

361 FASSEL: The position of BikePAC of Oregon is consistent with the National American Motorcyclists Association. We have a current helmet

law and we intend on honoring that law. We also believe an adult motorcycle rider has the right to choose, which is not current law.

365 CHAIR HAYDEN: To choose the type of helmet?

366 FASSEL: To choose the type of helmet or even wear one. That is a national issue and we are not addressing that at this point. We believe the compromise we are trying to work with ODOT in getting the word out

to what is a reasonable helmet to use is working. Our fear, to leave Section 73 and 74 in the bill would stop this process, because this is the source of some misinformation. Until it is resolved, we would like to table that portion of the bill if we could.

382 REP. NORRIS: Is this a personality issue? What is the big deal with the Traffic Safety Division?

387 JACK FASSEL: I have met the individual who works for motorcycle helmets, I know him personally, the bicycle representative and the

representative for seatbelt and safety. I believe that the personalities have been expressed to me as a problem. I also believe the Traffic Safety Division is working in their best interest of trying to promote safe behavior.

408 CHAIR HAYDEN: We also have a bill to deal with mandatory helmet wear for 16 year olds. What is your position on that?

412 FASSEL: My personal opinion, it is a brilliant idea in terms of bicycle safety. BikePAC of Oregon has no position. The official position of

BikePAC of Oregon always has been an adult has the right to choose to wear a helmet. That's not current law, that's not what we are arguing.

431 CHAIR HAYDEN: You don't think a minor has that right?

432 FASSEL: I would say that when my 17 year old becomes 18 and is on her own, she has the right to decide.

438 CHAIR HAYDEN: Who do you think should pay for those helmets?

439 FASSEL: For every head trauma caused by a motorcycle injury there are ten caused by an automobile injury. If you want to reduce the social

cost burden associated with head trauma, then put helmets in cars.

451 CHAIR HAYDEN: That's interesting, but who should pay for the bicycle helmet?

453 FASSEL: My personal opinion is a parent should pay for it. Again, that is not a position of BikePAC of Oregon.

459 LAWSON: When Jack was talking about our position of supporting an adult rider's right to choose, he was talking about the AMA position which

supports voluntary helmet use. We support use, but also the voluntary aspect. We believe it is our job and the job of the Safety Division and the federal government to educate people with accurate information that will help them to make that choice for themselves. We do not believe the government should make that choice for them.

471 CHAIR HAYDEN: That's not an issue in this bill, is it?

472 LAWSON: No, this has nothing to do with repealing Oregon's helmet statute. All we are doing is addressing the enforcement problems

because of bad information and vaguarity in the statutes.

TAPE 50, SIDE A

SB 103 - WORK SESSION

038 JANET ADKINS: Reviews SB 103.

048 MOTION: REP. EDMUNSON MOVES THAT SB 103-A BE SENT TO THE FLOOR WITH A DO PASS RECOMMENDATION

054 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. ALL MEMBERS VOTING AYE. MEMBERS EXCUSED: REP. BAKER, REP. PARKS

Rep. Roberts will carry the bill

SB 106 - PUBLIC HEARING

074 CLYBURN: Continues with presentation beginning on slide 19. (see Exhibit E) > SB 106 deals mainly with the customer data base > Vehicle registration and driver licensing > SB 107 deals with electronic titles > SB 523 deals with license plates

092 REP. ROBERTS: How can there be a difference in the name and address requirements?

094 CLYBURN: Driver license requires you to give a name (no

specifics). Vehicle titling and registration requires a true name. >
Made the two compatible

100 REP. ROBERTS: When women get married they still use their maiden name, is that their true name?

101 CLYBURN: Yes.

REP. ROBERTS: Which one?

102 CLYBURN: If they take their married name, it could be their married name and their maiden name is considered an alias or AKA "also known

as".

104 REP. ROBERTS: And you'll accept that?

CLYBURN: Yes. If that's their true name.

106 CLYBURN: Addresses the same thing. In driver's license or vehicles some of our statutes say we will get a post office box or location

address or different types of addresses. > Made them so they are exactly the same. Requirements will be the

same for both.

113 REP. ROBERTS: You have to do that if you are going to have a central data base.

115 CLYBURN: Right.

116 REP. ROBERTS: So this is an information management system.

CLYBURN: Right.

118 CLYBURN: Sections reworded terms that implied paper. Words like "on a form" implies you put information on a piece of paper or form, changed

them to "in a form", which could be a piece of paper, electronic form,

etc. > Surcharge more expensive transactions > Mail in v. field office visit

134 REP. ROBERTS: Are you saying it's cheaper to mail in or visit the field office?

135 CLYBURN: Mail in.

141 CLYBURN: Insurance verification - changes the way it is done today. > Insurance should be verified by DMV with the insurance company > Law enforcement has access to verify insurance

173 CHAIR HAYDEN: How can you do random search of people's records and put them through problems of producing documents when you have no probable

cause they are breaking any law?

179 CLYBURN: Today in the random sample process we have authority in statute to go out and randomly select people to check their insurance

information on.

183 CHAIR HAYDEN: Isn't that the same thing as a random stop on the highway?

185 PLANK: I think we do need the lawyers for this one. We have never been challenged. We have statutory authority. The only thing I can guess is

that because you are required to have insurance to drive a vehicle in Oregon, what we are doing when we send out verification is saying you are required to have insurance in Oregon, please give us your policy number and insurance carrier so we can check with them.

191 CHAIR HAYDEN: I can understand how you could ask everybody that, I don't know how you can really select people without probable cause if

they are in violation of some law.

194 PLANK: I don't know when that law was passed, if that was ever discussed. We have authority to do up to ten percent of vehicle file

which is three-million vehicles. We only do about one percent partly because of cost and partly because we don't catch a lot of people that way.

199 CHAIR HAYDEN: Give me the citation on the authority for that. I want to discuss that.

200 CLYBURN: 806.150 and it was passed in the late 70's.

202 CHAIR HAYDEN: I'll run that by our committee lawyers.

206 REP. NORRIS: Random check came from a quality check of how to get the uninsured driver's off the road?

218 CLYBURN: Removed registration requirements that would not allow automated renewal > Not requiring the applicants to sign the registration application > Not requiring odometer readings at renewal time

222 REP. ROBERTS: Do you want to do away with the paper trail we established in the statute, the odometer reading?

226 CLYBURN: Yes. For the odometer renewal that is just a paper

trail on odometers. The people by Oregon Law are required to certify when they

renew, that is not a federal mandate. When we implemented federal odometer requirements . . .

231 REP. ROBERTS: We were ahead of the federal government.

232 CLYBURN: Right. They do not require it at renewal time. We do not enter that information into our computer records. We didn't get funding to do that, we got funding to get it on the document and it's

microfilmed and put away. If requested we can pull the document and give it to them.

238 REP. ROBERTS: You're not keeping it ongoing. Every two years when they come in to renew you don't want them to put down their odometer reading?

241 CLYBURN: Right.

242 PLANK: When the federal government passed the odometer reporting requirements for all 50 states, we collected it at renewal, the federal government said you have to do it on all title transfers, that creates

the paper trail.

251 REP. ROBERTS: Where do you record the original mileage when they buy the car, on the title?

256 PLANK: Yes, the federal law and resulting Oregon statutes are very specific when the information is reported and how. You do it on the

title when the car is bought and sold. At anytime ownership changes the new odometer information is collected. 266 REP. ROBERTS: It was put in to make sure someone was not turning the odometer back. What's to stop someone from turning the odometer back?

278 PLANK: When that vehicle is sold to a new owner, we get the odometer reading.

280 REP. ROBERTS: But in between. How are you going to protect the consumer from point A to point B?

292 PLANK: Because that odometer information is collected for consumer B when the title is transferred. They know it was 75,000 before.

296 REP. ROBERTS: If I traded it in to a new car dealer, he wanted to sell it to someone who specializes in older used cars, that paper hasn't

actually changed hands, it is in limbo. The person who specializes in selling older used cars may not be credible and turns the odometer back

to 45,000 miles. Your paper trail picks up, but there is a time when the odometer can be turned back.

312 PLANK: The paper trail is there by collecting the information on the title transfer. If it's turned back while in possession of the dealer

or bank, the consumer is going to come back to dealer or bank.

REP. ROBERTS: If they know about it . . .

PLANK: They have to collect that information.

REP. ROBERTS: they may not know about it.

318 CLYBURN: Dealers are also required under federal law to get odometer information and maintain that for five years.

325 REP. MILNE: The information is only good if DMV is cross-checking it. Is someone with DMV checking what the dealer put down versus what I put down?

333 CLYBURN: No. The federal odometer law was intended as a "buyer beware" law. When you buy a car from your neighbor, they are supposed to fill

the odometer information and sign it in front of you and you are supposed to view that and agree.

352 REP. MILNE: Last time I bought a car, all I knew was what the odometer said and that matched what was filled out. I have no idea when I bought what the reading was then.

359 CLYBURN: We put the odometer reading on the face of the title. It indicates whether we have information that it was actual or it exceeds

the mechanical limits of the odometer.

368 PLANK: And on the registration document.

370 CLYBURN: Removed a number of registration card requirements. > SB 106 reduces the card to a smaller size > SB 106 requests authority to allow cancellation of registration > If person does not comply with financial responsibility

requirements

404 REP. MILNE: If you find someone that doesn't carry insurance, vehicle registration is up to date, you suspend the driver's license?

409 CLYBURN: That is the authority that is granted in ORS 806.150. It is the random sampling to go out. The authority to suspend is for a

driver's license.

420 REP. MILNE: Are there any other situations that you can do that?

428 CLYBURN: Authority to cancel the registration. Today we don't have this authority and we are asking for it. You mean other areas where we

know they have been denied insurance coverage?

434 REP. MILNE: When the financial responsibility isn't in compliance, you are suspending their driver's license.

438 CLYBURN: Yes, when they are required to have proof of insurance for three years and what is called the SR-22 filings, when that has been

cancelled, we go and suspend licenses.

443 REP. MILNE: Aside from that particular program, if I'm driving without insurance and stopped could my license be suspended?

451 CLYBURN: If you're convicted by the court for being uninsured.

454 REP. MILNE: How long are they doing that?

455 PLANK: 30,000 a year convictions for uninsured driving comes to mind, but I'd have to verify that number.

463 REP. EDMUNSON: When an accident occurs and a motorist is uninsured, frequently their responsibility to pay for damages involves their right to continue to drive and the person who has been injured may request a

license be suspended when there is a failure to pay damages?

474 PLANK: Yes, that's under a law allowing people to bring judgements against individuals for payment in that kind of situation. The person

who brings the judgement against driver can keep their license suspended until the driver makes the payments.

484 REP. EDMUNSON: Insurance is not for damage caused by the driver, it's for damage caused by the car. Is there any provision under Oregon Law

for suspending a vehicle registration?

TAPE 51, SIDE A

038 PLANK: There is some authority in statute for courts to order registration suspensions, but it's not done very often. Part of the

problem with registration suspensions is DMV's computer system. We

can't tell what cars you own, because of the computer system.

057 CHAIR HAYDEN: I am going to excuse myself, I have another appointment. Rep. Edmunson will take over as Chair and you can continue the Public

Hearing today and then schedule a Work Session for a future date. You have a Summary for SB 106 outlining each section and we will go over it section by section at the Work Session. (EXHIBIT K)

072 JANET ADKINS: You're talking about new authority to suspend a vehicle registration, where is it in the bill?

074 CLYBURN: To cancel vehicle registration, not suspend in Section 103.

077 CLYBURN: Provision on SB 106 > Allow customers without permanent addresses and out-of-state students who work in Oregon, go to school and pay out-of-state residence fees, we allow for them not to be required to get Oregon licenses and

vehicle registration > Deals with customers without permanent addresses
> Homeless population

095 REP. MILNE: Sections 35 and 89 deal with no permanent residences, aren't we opening this up for fraud?

103 CLYBURN: I don't think we are opening it up more than what it is today. I think we are trying to deal with the exception cases that come to us

today, and struggle to get these people registered or a drivers license under the existing law. We're not trying to open it up for border wars

with Washington and California. We will have more information about how they are a citizen of Oregon. We'll know whether they have a driver's

license before they register, if they don't we can ask more questions.

118 PLANK: We'll have more controls. > If a person comes to register a car in Oregon, they will have to have their driver's license here too. > Other states will go after people who register their cars in Oregon > Law enforcement has caught several along the Oregon/Washington

border > The other states take an active role in getting people who get

through

133 REP. MILNE: What are the requirements to get a driver's license?

135 PLANK: It depends on if it's a renewal or an original . . .

137 CLYBURN: but they did not require them to be a resident in Oregon. This bill is going to require them to be a resident of Oregon.

139 PLANK: I can get you that list in terms of how many pieces of ID with an address, etc. 141 REP. MILNE: My concern is, I can understand the dilemma of someone who is homeless and their plates have expired,

I think I would feel more

comfortable if there were an exception for people who can prove they are homeless than opening this up for people to do funny things. Driving is not a right, it's a privilege. We're trying to make it available to anybody, no questions asked. I'm not comfortable with some of this.

152 CHAIR EDMUNSON: Must a person have a driver's license to register a vehicle in Oregon?

156 CLYBURN: No.

CHAIR EDMUNSON: Do you accept post office box as an address for vehicle registration?

158 CLYBURN: We do for companies, companies don't necessarily have a street address and also some cities do not make street deliveries in the State of Oregon. In those cases we allow post office box for an address in

Oregon.

163 CHAIR EDMUNSON: Do we have any way of tracking recreational vehicles that are registered in Oregon, but are not residents of Oregon?

PLANK: If you intend this to be your home, you can register a vehicle in Oregon. If you choose us because we have cheap registration and no sales tax that doesn't work. Where do you pay your taxes? We need some of those kinds of questions answered. It isn't legal to use a "drop box" for mail to register your vehicle here. If we become aware of that . . . If there is a particular place these vehicles are being registered, we'd like to know about it.

198 CHAIR EDMUNSON: My impression is it's through dealers. I'm not going to get into it now, I might talk to you privately.

200 PLANK: O.K.

201 CHAIR EDMUNSON: In Section 101, "Requires proof of compliance with financial responsibility . . ." you have requested this be listed as a

Class B Traffic Infraction, could you comment on the local option and whether you intend this section to supersede local authority to take more strict actions. Impounding a vehicle is quite different than getting a traffic ticket.

213 PLANK: Since we drafted this bill we have learned more about the local ordinances, DMV determines what proof is so we would have to write rules that make sense in conjunction with the local ordinances.

231 CHAIR EDMUNSON: My concern is that we set up one standard to satisfy the state laws. My preference is that the state set the standard and

the cities follow, rather than the state follow to accommodate all the cities.

246 PLANK: We'll have to take that into account when we get to the point we can change the registration card. We have no intent of changing the

requirement that people give us the insurance information until there's a better system in place or of changing the registration card until we can make that information available in a better way.

257 CHAIR EDMUNSON: Is Section 73 critical to this bill?

262 PLANK: No, not as far as we are concerned.

271 JANET ADKINS: What does DMV do now with helmet regulation enforcement?

273 PLANK: We have adopted the federal motor vehicle safety standards for motorcycle helmets. > Like the federal motor vehicle safety standards for automobiles > Manufacturers are expected to comply and that is the enforcement > That may or may not work as well with helmets as it does with

cars

289 JANET ADKINS: So if law enforcement has questions, they come to you about standards or just depend on DOT sticker.

291 PLANK: Depend on sticker on the helmet.

ADJOURNED 11:40 a.m.

Submitted by:

Reviewed by:

Priscilla Boyle
Administrator

Janet Adkins Assistant

EXHIBIT LOG:

A - Staff Measure Summary and Fiscal Impact Statement on SB 103 - Staff - 2 pages B - Written Testimony on SB 103 - Lanny Gower - 1 page C - Written Testimony on SB 103 - Joanne Peterson - 1 page D - Staff Measure Summary and Fiscal Impact Statement on SB 106 - Staff - 2 pages E - Written Slide Presentation on SB 106 - Judy Clyburn - 14 pages F - Article: Improving Licensing Processes at DMV on SB 106 - Joan Plank - 3 pages G - Written Testimony on SB 106 - Rep. Bill Fisher - 2 pages H - Written Testimony on SB 106 - Jack Fassel - 2 pages I - Written

Testimony on SB 106 - Don Lawson - 2 pages J - Written Testimony on SB
106 - Richard Benson - 2 pages K - A-Engrossed Summary on SB 106 -
Department of Motor Vehicles (DMV) - 4 pages