SENATE COMMITTEE ON BUSINESS, HOUSING AND CONSUMER AFFAIRS

April 21, 1993 Hearing Room 343 3:00 p.m. Tapes 56 - 57

MEMBERS PRESENT: Sen. Bill Dwyer, Chair Sen. Bill Kennemer, Vice-Chair Sen. Ron Cease Sen. Karsten Rasmussen

MEMBER EXCUSED: Sen. Brady Adams

VISITING MEMBER: Sen. Mae Yih, District 19

STAFF PRESENT: Cherie Copeland, Committee Administrator Richard Day-Reynolds, Committee Assistant

MEASURES CONSIDERED: Work Session: SB 701 - Creates
offense of imposing improper document fee by vehicle dealer.
SB 597 - Prohibits insurance policy that denies or
limits participation by pharmacist or drug outlet agreeing to policy
terms. SB 366 - Allows person injured in vehicle
accident to retain personal injury protection

benefits to extent that actual damages

exceeds amount collected from at fault

party.

Public Hearing and Possible Work Session: SB 944 - Exempts certain household product packaged with child-resistant safety enclosure from requirement to use aversive agent in toxic household compound. SB 841 - Allows utility to recover \$100 or actual damages, whichever is greater, in civil

action for taking of or tampering with

utility services. SB 746 - Includes trust deed within definition of mortgage for purpose of issuing group life insurance policy.

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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 56, SIDE A 018 CHAIR DWYER: Calls the meeting to order at 3:08 p.m.

(Tape 56, Side A) SB 701 - DEFINES "REPLACEMENT DEALER" - WORK SESSION

024 MOTION: SEN. KENNEMER moves to remove the subsequent referral to Judiciary Committee.

029 CHAIR DWYER: Hearing no objection, SO ORDERED.

032 MOTION: SEN. KENNEMER moves SB 701 as amended to the floor with a Do Pass recommendation.

VOTE: The motion carries 3-0, Sen. Adams, Sen. Cease excused.

Sen. Kennemer will carry.

(Tape 56, Side A) SB 597 - PROHIBITS INSURANCE POLICY THAT DENIES OR LIMITS PARTICIPATION BY PHARMACIST OR DRUG OUTLET AGREEING TO POLICY TERMS - WORK SESSION

046 CHERIE COPELAND, COMMITTEE ADMINISTRATOR: Gives overview of amended bill.

058 MOTION: SEN. KENNEMER moves the -1 amendments.

059 CHAIR DWYER: Hearing no objection, SO ORDERED.

061 MOTION: SEN. KENNEMER moves SB 597, as amended, to the Health-Care and Bio-Ethics Committee with a Do Pass

recommendation.

066 VOTE: The motion carries 3-0, Sen. Adams, Sen. Cease excused.

(Tape 56, Side A) SB 366 - ALLOWS PERSON INJURED IN VEHICLE ACCIDENT TO RETAIN PERSONAL INJURY PROTECTION BENEFITS TO EXTENT THAT AMOUNT OF ACTUAL DAMAGES EXCEEDS AMOUNT COLLECTED FROM AT-FAULT PARTY - WORK SESSION Witnesses: Katy Eyeman, Oregon Trial Lawyers Association.

075 SEN. KENNEMER: Does this restore the actions of a bill we passed in the 1987 session?

079 KATY EYEMAN, OREGON TRIAL LAWYERS ASSOCIATION: Yes. Introduces (EXHIBIT D).

085 MOTION: SEN. KENNEMER moves the -3 amendments.

089 CHAIR DWYER: Hearing no objection, SO ORDERED.

091 MOTION: SEN. KENNEMER moves SB 366, as amended, to the floor Do Pass recommendation. VOTE: The motion carries 3-1, Sen. Adams excused. Nay: Sen.

Cease. Sen. Rasmussen will carry.

(Tape 56, Side A) SB 944 - EXEMPTS CERTAIN HOUSEHOLD PRODUCT PACKAGED WITH CHILD-RESISTANT SAFETY CLOSURE FROM REQUIREMENT TO USE AVERSIVE AGENT IN TOXIC HOUSEHOLD PRODUCT - PUBLIC HEARING Witnesses: Sen. Mae Yih, District 19 Brent Burton, Oregon Poison Center James Lace, Oregon Medical Association Catherine Neumann, Oregon Health Division Lynn Tylczak, Citizen Len Bergstein, Chemical Specialties Manufactures Association Doug Fratz, Chemical Specialties Manufactures Association John Conville, BASF Molly Hickman, Charles H. Lilly Company Robert Vetere, First Brands Corporation Mitchell Tracy, Henley Chemicals Incorparated

142 SEN. MAE YIH, DISTRICT 19: Opposes the bill. Reads from written testimony (EXHIBIT W).

215 BRENT BURTON, OREGON POISON CENTER: Testifies in opposition to the bill. Submits testimony (EXHIBIT F).

273 SEN. CEASE: What is the intent of Sub paragraph 5?

283 BURTON: The report states which products should have bittering agents.

SEN. CEASE: Is it inaccurate to say that the consumer product safety

improvement act now recommends that they now not be used?

292 BURTON: They are not recommending against adding them.

302 SEN. CEASE: Your understanding of the content of the report is the same as the law we passed in 1991?

BURTON: That's correct.

SEN. CEASE: I don't remember a great deal about the bill from last session. Is there new information? Is it that we don't know enough or is it that the chemical companies are trying to avoid meeting the

deadline?

336 BURTON: The task force has been asked to extend the deadline based on efficacy data.

350 CHAIR DWYER: What do you think about getting together to require by rule an evaluation before approving any such aversive agent?

365 BURTON: It would be worthwhile, but lengthy. Provided we have adequate resources.

377 SEN. CEASE: Do you have rule-making authority?

381 BURTON: We do, but we don't need it to pass judgements.

387 SEN. CEASE: What resources do you have now to do your job?

406 BURTON: We're to serve without compensation.

413 CHAIR DWYER: This is an option we always have open, so let's go through the rest of the testimony.

417 BURTON: It was never the intent to replace child-resistant packaging. Continues to read from (EXHIBIT F).

TAPE 57, SIDE A

038 SEN. KENNEMER: Have any children died from the ingestion of anti-freeze?

040 BURTON: Serious illness yes, death no.

SEN. KENNEMER: Where did the children access the anti-freeze? BURTON: At home.

SEN. KENNEMER: Did the sweet flavor of anti-freeze contribute to the ingestion?

BURTON: The sweet flavor may contribute to consumption of more anti-freeze than what might be otherwise.

050 CHAIR DWYER: What about animals?

055 BURTON: It may also inhibit animals. We aren't sure.

061 SEN. CEASE: My guess would be, it would make animals sick too.

067 SEN. KENNEMER: Is there anyone to speak on ingestion by animals?

072 DR. JAMES LACE, OREGON MEDICAL ASSOCIATION: Testifies in opposition to the bill. Reads from written testimony (EXHIBIT H).

086 SEN. KENNEMER: If we reject this bill, will it be because of actual data or on preventive motives?

091 LACE: I don't have the data.

SEN. KENNEMER: Are all incidents referred to you? 096 BURTON: Most of them probably are. Most of those that don't probably result in deaths.

SEN. KENNEMER: What data do you have? Is this a phantom or real

problem?

113 BURTON: It's in Doctor Nuemann's testimony.

115 DR. KATHERINE NUEMANN, OREGON HEALTH DIVISION: Opposes the bill. Reads from prepared testimony (EXHIBIT I).

154 SEN. KENNEMER: Are there sources of ethlene-glycol other than anti-freeze?

158 NUEMANN: Not in the quantity of anti-freeze.

161 SEN. KENNEMER: How many of these poisonings are from anti-freeze?

165 BURTON: Virtually 100%.

169 NUEMANN: These poisonings happened after the products had been removed from the original child proof containers.

179 SEN. CEASE: What other kinds of consumer products use this?

182 NUEMANN: Nail polish remover and dishwashing products.

189 BURTON: It's in a few household products. It's used as a denaturing agent in ethel alcohol and camping fuels.

202 LYNN TYLCZAK, CITIZEN: It's used in Bold, Solo, and Sterno as well as anti-freeze.

225 NUEMANN: Continued to read from prepared statement. Speaks to the possible toxcitity of dentonium benzoate, the bittering agent.

261 SEN. CEASE: The anti-freeze will kill you before the bittering agent.

267 NUEMANN: The environmental concerns are overblown. The anti-freeze is much more dangerous. One company has already come into compliance.

289 SEN. CEASE: Did that company do that in response to the statute?

296 BURTON: They learned of the measure, then they changed their product.

SEN. CEASE: They didn't have a problem in doing that?

BURTON: No.

SEN. CEASE: If we changed the law now, everyone else would get off

scott-free while this company complied. That doesn't seem quite fair.

315 TYLCZAK: There are lots of red herrings here. There are many deaths, injuries and hospitalizations. It makes sense that if something is bad

for you, it should taste bad. The environmental concerns are red herrings. They don't have to use this particular agent, though it has been approved by the FDA for use on foods. People aren't going to know it tastes bad unless they taste it. If you vote for this bill, you're saying that you want to overturn last session's unanimous vote.

TAPE 56, SIDE B

049 COPELAND: Introduces (EXHIBIT E).

052 LEN BERGSTEIN, CHEMICAL SPECIALTIES MANUFACTURES ASSOCIATION: In support of the bill. Read from prepared statement (EXHIBIT R).

085 DOUG FRATZ, CHEMICAL SPECIALTIES MANUFACTURERS ASSOCIATION: Testifies in favor of the bill. Introduces (EXHIBIT J-L).

122 SEN. CEASE: These aversive agents are more toxic?

125 FRATZ: Yes.

127 CHAIR DWYER: That's on a per volume basis.

131 FRATZ: Continues to read from prepared statement.

144 SEN. KENNEMER: Why did you change your statement from: Bitrex usually goes away to Bitrex may go away?

149 FRATZ: The data is equivocal. It always goes away somewhat. Please amend SB 944. There have not been any poisoning deaths from anti-freeze in the last ten years in this country. We would even support an

aversive agent if one could be found that was safe enough. The deaths mentioned earlier were suicides and abuse by adults.

219 SEN. KENNEMER: Is there evidence that the deaths were not accidental?

225 FRATZ: The data is in the American Association for Poison Control Centers annual report.

230 SEN. KENNEMER: Is it accurate that the inclusion of a bittering agent would make tracing the source of contamination easier?

250 FRATZ: If there was a bittering agent in all products you wouldn't be able to tell who was responsible.

258 BERGSTEIN: We are hoping for a science based decision.

266 SEN. KENNEMER: In your example of a 55 gallon drum, what about the impact of the agents, other than Bitrex, on the water supply?

274 FRATZ: They're more bio-degradable.

278 SEN. KENNEMER: They wouldn't contaminate the water?

283 FRATZ: It could effect the groundwater.

298 SEN. KENNEMER: I think there is disagreement on this issue.

308 CHAIR DWYER: We're going to hold over SB 993, today.

313 BERGSTEIN: We don't want to shift the risk here.

320 SEN. KENNEMER: Does the poison prevention task force have public meetings?

323 BERGSTEIN: They had two meetings.

331 JOHN CONVILLE, BASF: Uses charts from (EXHIBIT M-Q) to show that the bittering agent would not biodegrade. Reads from written testimony.

TAPE 57, SIDE B

032 MOLLY HICKMAN, CHARLES H. LILLY COMPANY: Favors amending SB 715. The industry is not being provided with adequate guidance.

053 CHAIR DWYER: What was the basis for the denial?

056 HICKMAN: I don't think there was any reason. We need guidance from you.

069 SEN. KENNEMER: The use of this agent is being used elsewhere. Why doesn't this constitute data for tests?

084 HICKMAN: We haven't looked at data from other countries.

095 ROBERT VETERE, FIRST BRANDS CORPORATION: Supports the bill. We need rulemaking and data to protect all those involved. This is not a cost

issue.

128 MITCHELL TRACY, HENLEY CHEMICALS INC.: My company produces Bitrex. We have no position on the bill. Explains the chemical makeup of Bitrex.

159 SEN. KENNEMER: This product is safe for skin contact?

162 TRACY: Yes. We've been collecting data since the early 1960's.

SEN. KENNEMER: So, you have a lot of data on it's impact on humans?

TRACY: We don't have a lot of data on that area because we don't have

any complaints.

SEN. KENNEMER: How effective is your agent in stopping animals from

drinking anti-freeze? TRACY: Humans are more perceptive to bitter taste. There are other

products available for animals.

191 HICKMAN: Gophers will eat strychnine.

199 TRACY: There are no easy answers.

020 4 CHAIR DWYER: I want you to meet with the chair of the task force. Meet more often to work through the problems you have without this bill.

215 HICKMAN: We need policy or rulemaking.

218 CHAIR DWYER: I hope you can develop a policy within the task force.

249 BURTON: The ability of the task force to look at data is restricted. The A.G. has interpreted. 265 SEN. KENNEMER: Wasn't that related to not wanting to turn you into a research lab?

273 BURTON: Yes. We were never supposed to be a rule-making body.

281 NUEMANN: It has been an open dialogue and the concerns presented were not enough to siderail SB 715.

304 CHAIR DWYER: Closes the public hearing.

(Tape 57, Side B) SB 841 - ALLOWS UTILITY TO RECOVER \$100 OR ACTUAL DAMAGES, WHICHEVER IS GREATER, IN CIVIL ACTION FOR TAKING OF OR TAMPERING WITH UTILITY SERVICES - PUBLIC HEARING Witnesses: Kip Lombard, Oregon Water Resources Congress

320 KIP LOMBARD, OREGON WATER RESOURCES CONGRESS: Testifies in support of the bill. Reads from written testimony (EXHIBIT S).

(Tape 57, Side B) SB 841 - ALLOWS UTILITY TO RECOVER \$100 OR ACTUAL DAMAGES, WHICHEVER IS GREATER, IN CIVIL ACTION FOR TAKING OF OR TAMPERING WITH UTILITY SERVICES - WORK SESSION

346 MOTION: SEN. CEASE moves SB 841 to the floor with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Adams excused. Sen. Cease

will carry.

(Tape 57, Side B) SB 746 - INCLUDES TRUST DEED WITHIN DEFINITION OF MORTGAGE FOR PURPOSE OF ISSUING GROUP LIFE INSURANCE POLICY - PUBLIC HEARING

364 KEITH BURNS, OREGON FINANCIAL SERVICES ASSOCIATION: Testifies in support of the bill and amendments.

376 FRANK BRAWNER, OREGON BANKERS ASSOCIATION: Testifies in support of the bill. Reads from written testimony (EXHIBIT T).

(Tape 57, Side B) SB 746 - INCLUDES TRUST DEED WITHIN DEFINITION OF MORTGAGE FOR PURPOSE OF ISSUING GROUP LIFE INSURANCE POLICY - WORK SESSION

390 COPELAND: We don't have LC drafted amendments.

396 MOTION: SEN. KENNEMER moves the OBA amendments in concept.

405 CHAIR DWYER: Hearing no objections, SO ORDERED.

409 MOTION: SEN KENNEMER moves SB 746 to the floor, as amended, with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Adams excused. Sen. Rasmussen

will carry.

417 CHAIR DWYER: Adjourns the meeting at 4:56.

Submitted by:

Reviewed by:

Willie Tiffany

Richard Day-Reynolds

Assistant Administrator

EXHIBIT LOG:

A - -1 Hand-Engrossed SB 597 - Staff - 1 page B - -1 Amendments to SB 597 - Staff - 1 page C - - 3 Amendments to SB 366 - Staff - 5 pages D -Letter on SB 366 - Katy Eyeman - 1 page E - Letter on SB 944 - Michael Shea - 1 page F - Testimony on SB 944 - Brent Burton - 12 pages G -Testimony on SB 944 - Richard Johnson - 1 page H - Testimony on SB 944 - James Lace - 1 page I - Testimony on SB 944 - Catherine Neumann - 4 pages J - Testimony on SB 944 - Doug Fratz - 6 pages K - Questions on SB 944 - Doug Fratz - 4 pages L - Letter on SB 944 - Doug Fratz - 1 page M - Testimony on SB 944 - John Conville - 4 pages N - Graph to SB 944 - John Conville - 1 page O - Graph to SB 944 - John Conville - 1 page P - Graph to SB 944 - John Conville - 1 page Q - Graph to SB 944 - John Conville - 1 page R - Amendment to SB 944 - Len Bengstien - 1 page S - Testimony on SB 841 - Kip Lombard - 3 pages T - Testimony on SB 746 - Frank Brawner - 1 page U - Amendments to SB 746 - Keith Burns - 1 page V - Witness Registration - Staff - 5 pages W - Testimony on SB 944 - Sen. Yih - 3 pages