

SENATE COMMITTEE ON BUSINESS, HOUSING AND CONSUMER AFFAIRS

April 28, 1993      Hearing Room 343 3:00 p.m.      Tapes 61 - 62

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

MEMBER EXCUSED:    Sen. Brady Adams Sen. Bill Kennemer

VISITING MEMBER:    Sen. Gordon Smith, District 29

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

MEASURES CONSIDERED:      Work Session: SB      870      -      Requires State Building Code Administrator to adopt safety standards for swimming

pools. Public Hearing and Possible Work Session: SB      787      - Requires hearings on filings for health insurance premium if increase falls within prescribed schedule. SB      942      - Establishes safety standards for automated teller machines and night deposit

facilities. SB      878      - Requires providers of cellular telephone services to provide priority access to

public safety customers during declared

emergency. SB      1035      - Authorizes dealer of beverage containers with deposit to use reverse

vending machine to redeem empty beverage

containers.

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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 61, SIDE A

018      CHAIR DWYER:    Calls the meeting to order as a subcommittee at 3:15 p.m.

(Tape 61, Side A) SB 1035 - AUTHORIZES DEALER OF BEVERAGE CONTAINERS WITH DEPOSIT TO USE REVERSE VENDING MACHINE TO REDEEM EMPTY BEVERAGE CONTAINERS - PUBLIC HEARING Witnesses: Gary Prasil, Oregon Soft Drink

Association Jon Stubenvoll, Oregon State Public Research Interest

Group John Gervais, Stollier Controls Bob Davis, Stollier Controls  
Charles Vargus, Stollier Controls Paul Romain, Oregon Beer and  
Wine Distributors

Association Kay Juran, Associated Oregon Food Industries Scott Preece,  
Walmart Bill Watson, Automated Recycling Sen. Gordon Smith, District 29

031 GARY PRASIL, OREGON SOFT DRINK ASSOCIATION: Testifies in support  
of the bill. The machines would reduce the space needed for bottle  
returns.

For consumers, it's more convenient. It's a win-win situation for  
everybody.

076 CHAIR DWYER: Will there be an attempt to change the UPC codes  
because of these codes? 079 PRASIL: That would be my recommendation.

087 CHAIR DWYER: What about old UPC numbers that the machine  
rejects?

091 PRASIL: You'd have to have a grace period and educate the  
public.

096 CHAIR DWYER: There has to be some kind of process to get rid of  
these old cans whether there is a refund or not.

103 PRASIL: I think a 90 day period would solve the problem. This  
would only be a problem if Oregon goes to a separate UPC Code.

116 CHAIR DWYER: Would there be a limit to the number of cans the  
machine would except?

118 PRASIL: A grocer could put the 96 can limit on the machine.  
Starts reading a letter from Legislative Counsel.

125 CHAIR DWYER: Can I have a copy of that letter?

130 PRASIL: I only have one. Gives an overview of the bill from  
letter.

161 CHAIR DWYER: Glass is out?

163 PRASIL: Cans represent 70% of refunds.

CHAIR DWYER: If I bought something at one store, can I return it at  
another?

183 PRASIL: No, it says that the distributors can't mix cans.

CHAIR DWYER: There are several sets of amendments to this bill.

PRASIL: We favor the -1 amendments.

221 JON STUBENVOLL, OREGON STATE PUBLIC INTEREST RESEARCH  
GROUP: No position on the bill. We don't want to inconvenience the  
consumer.

There is no conceptual problem with reverse vending machines. We would like to amend the relating clause.

260 CHERIE COPELAND, COMMITTEE ADMINISTRATOR: Is there a provision for both methods of return?

270 STUBENVOLL: No. That should be in the bill.

283 JOHN GERVAIS, STOLLIER CONTROLS: Testifies in support of the bill. Introduces (EXHIBIT B). Favors -2 amendments.

316 BOB DAVIS: STOLLIER CONTROLS: Testifies in support of the bill.

324 CHARLES VARGAS, STOLLIER CONTROLS: Testifies in support of the bill.

344 PAUL ROMAIN, OREGON BEER AND WINE DISTRIBUTORS ASSOCIATION: Supports the bill, but wants it amended. Concerned about redeeming out of state, non-refundable bottles and cans.

416 KAY JURAN, ASSOCIATION OF OREGON FOOD INDUSTRIES: Testifies in opposition to the bill. Reads from written testimony (EXHIBIT D).

TAPE 62, SIDE A

024 SCOTT PREECE, WAREMART: Can't support the bill at this time. Waremart has purchased these machines and has been testing them. We will work on the bill and amendments.

058 BILL WATSON, AUTOMATED RECYCLING: Testifies in support of the bill.

068 SEN. GORDON SMITH, DISTRICT 29: I support the bill.

(Tape 62, Side A) SB 870 - REQUIRES STATE BUILDING CODE ADMINISTRATOR TO ADOPT SAFETY STANDARDS FOR ENCLOSURE OF CERTAIN SWIMMING POOLS - WORK SESSION

085 COPELAND: Explains -3 amendments.

135 MOTION: SEN. CEASE moves the -3 amendments.

136 CHAIR DWYER: Hearing no objection, SO ORDERED.

139 MOTION: SEN. CEASE moves SB 870 as amended to the floor with a Do Pass recommendation.

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

will carry. (Tape 62, Side A) SB 878 - REQUIRES PROVIDERS OF CELLULAR TELEPHONE SERVICES TO PROVIDE PRIORITY ACCESS TO PUBLIC SAFETY CUSTOMERS DURING DECLARED EMERGENCY -PUBLIC HEARING

Witnesses: Sen. Ron Cease, District 10 Sen. Gordon Smith, District 29 David Yandell, Oregon Emergency Management Charlie Williamson, Oregon Trial Lawyers Association Schelly Jensen, General Telephone and Electric

Art Walker, Oregon State Police Gary Wilhelms, US West Communications

159 SENATOR RON CEASE, DISTRICT 10: Introduces SENATOR GORDON SMITH, DISTRICT 29: Gives an overview of the need for the bill. The bill

deals with cellular phones, as an extension of the 911 emergency system.

192 SEN. SMITH: Everyone wins when there is increased communication.

205 DAVID YANDELL, OREGON EMERGENCY MANAGEMENT: Testifies in support of the bill. Reads from written testimony (EXHIBIT H).

286 SEN. CEASE: I would like to have an opportunity to work out the problems in this bill.

301 CHARLIE WILLIAMSON, OREGON TRIAL LAWYERS ASSOCIATION: We can work out the liability issues.

313 SCHELLY JENSEN, GENERAL TELEPHONE AND ELECTRIC: Supports the bill, but has some concerns about liability.

341 ART WALKER, OREGON STATE POLICE: Oregon State Police supports this bill. Reads from prepared statement (EXHIBIT I).

414 GARY WILHELMS, US WEST COMMUNICATIONS: We are in favor of the -1 amendments.

422 CHAIR DWYER: Is cellular telephone regulated by the PUC?

425 WILHELMS: No.

429 COPELAND: Do cellular phones operate on a public switching network?

TAPE 61, SIDE B

024 WILHELMS: Yes.

(Tape 61, Side B) SB 942 - ESTABLISHES SAFETY STANDARDS FOR AUTOMATED TELLER MACHINES AND NIGHT DEPOSIT FACILITIES - PUBLIC HEARING Witnesses: Frank Brawner, Oregon Bankers Association Charles Williamson, Oregon Trial Lawyers Association

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

081 CHARLES WILLIAMSON, OREGON TRIAL LAWYERS ASSOCIATION: We support the amendments.

(Tape 61, Side B) SB 942 - ESTABLISHES SAFETY STANDARDS FOR AUTOMATED TELLER MACHINES AND NIGHT DEPOSIT FACILITIES - WORK SESSION

091 MOTION: SEN. RASMUSSEN moves the 942-OBA amendments.

093 CHAIR DWYER: Hearing no objection, SO ORDERED.

094 MOTION: SEN. RASMUSSEN moves SB 942 as amended to the floor with a Do Pass recommendation.

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

Sen. Rasmussen will carry.

(Tape 61, Side B) SB 787 - REQUIRES HEARING ON FILINGS FOR INSURANCE PREMIUM INCREASES OF INCREASE EXCEEDS 10 PERCENT - PUBLIC HEARING  
Witnesses: Jim Davis, Oregon State Council of Senior Citizens Harold King, Oregon State Council of Senior Citizens Gary Weeks, Department of Insurance and Finance Tom Erwin, Department of Insurance and Finance Jon Stubenvoll, Oregon Public Interest Research Group

113 JIM DAVIS, OREGON STATE COUNCIL OF SENIOR CITIZENS:  
Testifies in support of the bill. Reads from written testimony (EXHIBIT O).

196 HAROLD KING, OREGON STATE COUNCIL OF SENIOR CITIZENS:  
Testifies in supports of the bill.

214 SEN. CEASE: So, the companies would pick up the cost of the hearings?

218 DAVIS: Yes. It would be a quarterly hearing process and wouldn't increase the power of the Commissioner.

238 GARY WEEKS, DEPARTMENT OF INSURANCE AND FINANCE: Introduces TOM ERWIN, DEPARTMENT OF INSURANCE AND FINANCE. Conceptually I support this

notion, but I feel there should be other criteria to trigger hearings.

This can be worked out. We need to minimize costs. Insurers will have to lay out their reasons and consumers can learn more about what makes

up the costs. 284 ERWIN: Support the idea. Will let consumers into the process of setting rates. There is enough agreement among consumer groups about

the types of amendments that we can work this out.

307 CHAIR DWYER: I would like you to work on something that will work.

317 JON STUBENVOLL, OREGON STATE PUBLIC INTEREST RESEARCH GROUP:  
Testifies in supports of the bill. Reads from written testimony (EXHIBIT P).

344 BRAD BOUVINGER, OREGON FAIR SHARE: Supports the bill. Reads from written testimony (EXHIBIT Q).

TAPE 62, SIDE B

018 ELLEN PINNEY, OREGON HEALTH ACTION CAMPAIGN: Competition will not work to control costs. If companies have to explain rate hikes, they will

keep rates down somewhat.

053 COPELAND: Enters BRUCE BISHOP letter into the record.

058 STEVE LYNCH, SELECT CARE: Testifies in opposition to the bill.  
Reads from written testimony (EXHIBIT R).

061 CHAIR DWYER: Get involved in the work group.

076 LYNCH: The ODIF does it a good job of looking out for the  
consumer. Will a public hearing change the facts in the case? The  
department has

the power to disallow a rate increase.

095 CHAIR DWYER: It would make sure that the facts presented would  
be the facts. We must find a way to work together.

108 LYNCH: There is authority for an aggrieved person can call a  
hearing. This bill is confusing.

116 SEN KENNEMER: How often does the Commissioner disallow?

120 LYNCH: I don't know.

129 AL THOMPSON, STANDARD INSURANCE: This bill covers us in dental,  
long term health and group insurance. This bill requires the companies to  
pay which will be passed on to the consumer.

162 CHAIR DWYER: adjourns the meeting at 4:50 pm.

Submitted by:

Reviewed by:

Willie Tiffany  
Administrator

Richard Day-Reynolds Assistant

EXHIBIT LOG:

A - -1 Amendments to SB 1035 - Staff - 1 page B - Testimony on SB 1035  
- John Gervais - 16 pages C - -2 Amendments to SB 1035 - John Gervais -  
2 pages D - Testimony on SB 1035 - Kay Juran - 1 page E - -3  
Amendments to SB 870 - Staff - 1 page F - -3 Hand-Engrossed SB 870 -  
Staff - 1 page G - -1 Hand-Engrossed SB 878 - Staff - 1 page H -  
Testimony on SB 878 - David Lilies - 9 pages I - Testimony on SB 878 -  
Art Walker - 1 page J - Testimony on SB 942 - Frank Brawner - 4 pages K  
- Amendments to SB 942 - Frank Brawner - 1 page L - -OBA  
Hand-Engrossed SB 942 - Staff - 3 pages M - Testimony on SB 942 - Doug  
Kidder - 4 pages N - Testimony on SB 787 - Bruce Bishop - 2 pages O -  
Testimony on SB 787 - Jim Davis - 2 pages P - Testimony on SB 787 - Jon  
Stubenvoll - 3 pages Q - Testimony on SB 787 - Brad Buvinger - 1 page R  
- Testimony on SB 787 - Steve Lynch - 2 pages S - Witness Registration  
- Staff - 4 pages