

SENATE COMMITTEE ON BUSINESS, HOUSING AND CONSUMER AFFAIRS

June 9, 1993 Hearing Room 343 3:00 p.m. Tapes 88 - 89

MEMBERS PRESENT: Sen. Bill Dwyer, Chair Sen. Bill Kennemer, Vice-Chair
Sen. Brady Adams Sen. Karsten Rasmussen

MEMBER EXCUSED: Sen. Ron Cease

VISITING MEMBER:

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

MEASURES CONSIDERED: Work Session: HB 2024A: Revises law
relating to business

registry functions of Secretary of State HB 2726A: Requires single
appraisal; by

independent certified appraiser of property to

be purchased by port when property value exceeds \$100,000.

Public Hearing and Possible Work Session: HB 2730: Excludes
Saturdays, Sundays and

certain lank holidays from definition of

"banking day in bank deposits and collections

law. HB 2727A: Allows board of directors of bank or

trust company to hold regular meetings only once each calendar quarter,
with approval of Director of Department of Insurance and Finance. HB
2728: Revises requirements for imposing late charges in connection with
certain loans. HB 2826: Deletes provision requiring mortgagees to
reimburse tax collectors for postage and

other costs incurred in mailing property tax

statements. HB 3579A: Postpones applicable date for

installation of certain toilets. HB 2663: Authorizes Oregon Racing
Commission to permit nonprofit race meet licensees to use

unclaimed pari-mutuel wagering winnings for

track improvements.

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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 88, SIDE A

020 CHAIR DWYER: Calls the meeting to order at 3:05 p.m.

(Tape 88, Side A) HB 2024 - REVISES LAW RELATING TO BUSINESS REGISTRY FUNCTIONS OF SECRETARY OF STATE - WORK SESSION

022 MOTION: SEN. KENNEMER moves to resend the subsequent referral to Judiciary Committee and to send the bill to the floor with a Do

Pass recommendation.

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

(Tape 88, Side A) HB 2663 - AUTHORIZES OREGON RACING COMMISSION TO PERMIT NONPROFIT RACE MEET LICENSEES TO USE UNCLAIMED PARI-MUTUEL WAGERING WINNINGS FOR TRACK IMPROVEMENTS - PUBLIC HEARING Witnesses: Rep. Repine, District 49 Allan Westtuff, Josephine County Fair Glen Knickerbocker, Lone Oak Racing

026 REPRESENTATIVE REPINE, DISTRICT 49: Testifies in support of the bill. This bill just allows the tracks to use unclaimed winnings to improve

their facilities.

060 SEN. KENNEMER: What happens with the for profit ones?

064 REP. REPINE: This bill doesn't address that.

066 ALLAN WESTTUFF, JOSEPHINE COUNTY FAIR: This pertains to 6 county races and amounts to \$11,000.

072 CHAIR DWYER: This pertains to non-profit fairs.

079 SEN. KENNEMER: What happens with for profit?

084 WESTTUFF: Those moneys go to the general fund.

086 SEN. KENNEMER: Was there no consideration to widen this to everybody?

092 REP. REPINE: Some discussion was spent on for profit race tracks, but there was a fear that it would dip into the general fund.

100 SEN. KENNEMER: The financial is \$11,000.

102 WESTTUFF: Last year it was between \$11,000 and \$12,000 total.

106 GLEN KNICKERBOCKER, LONE OAK RACING: Testifies in support but has one problem. It doesn't include the State Fair. Reads from written

testimony (EXHIBIT A).

123 CHAIR DWYER: What kind of money are we talking about?

126 KNICKERBOCKER: \$34,000.

129 CHAIR DWYER: Are the other fairs in a simalcast?

133 KNICKERBOCKER: No.

136 CHAIR DWYER: If we extend to for profit, then why should we stop with you?

137 KNICKERBOCKER: The recipient is the public facility.

142 SEN. KENNEMER: There is some sense to that.

145 KNICKERBOCKER: We want this passed.

154 CHERIE COPELAND, COMMITTEE ADMINISTRATOR: It's appropriate to use a motion to amend the bill today and bring it back in a work session later with LC drafted amendments.

160 CHAIR DWYER: That's what we'll do.

(Tape 88, Side A) HB 2663 - AUTHORIZES OREGON RACING COMMISSION TO PERMIT NONPROFIT RACE MEET LICENSEES TO USE UNCLAIMED PART-MUTUEL WAGERING WINNINGS FOR TRACK IMPROVEMENTS - WORK SESSION

169 MOTION: SEN. ADAMS moves a conceptual amendment which allow the State Fair to share in the live gate portion of the unclaimed tickets.

172 SEN. RASMUSSEN: Are our amendments going to limit this to the State Fair?

176 SEN. KENNEMER: No.

178 SEN. RASMUSSEN: Who gets the benefit from this?

180 CHAIR DWYER: The State.

184 SEN. ADAMS: It's my understanding that this goes to the State track for the purpose of improving the track. 188 SEN. RASMUSSEN: I'll live with that for now.

193 CHAIR DWYER: Hearing no objection, SO ORDERED.

(Tape 88, Side A) HB 2726 - REQUIRES SINGLE APPRAISAL; BY INDEPENDENT CERTIFIED APPRAISER OF PROPERTY TO BE PURCHASED BY PORT WHEN PROPERTY VALUE EXCEEDS \$100,00 - WORK SESSION Witnesses: Allan Willis, Port of

Portland

200 COPELAND: You have the amendments you requested in your bill files.

206 CHAIR DWYER: What do these mean?

211 COPELAND: Explains the amendments.

222 CHAIR DWYER: Sub 3 is a problem.

228 COPELAND: No, it still does what we wanted.

231 CHAIR DWYER: Why do we have different statutes?

233 COPELAND: I don't know.

235 SEN. KENNEMER: What change are we establishing on line 18?

238 ALLAN WILLIS, PORT OF PORTLAND: We aren't changing anything.

245 CHAIR DWYER: This is a way to encumber the tax payers without their prior consent.

253 COPELAND: To answer your previous question about different statutes, they are the same thing.

257 SEN. RASMUSSEN: Are these appraisals subject to public records law?

263 WILLIS: The appraisals aren't generally made public.

274 SEN. RASMUSSEN: If I want to sell you something for \$500,000 and you get it appraised at \$600,00, then you won't have to tell me about the

appraisal?

270 WILLIS: No.

283 CHAIR DWYER: I would hope not.

285 MOTION: SEN. ADAMS moves HB 2726 - B3 as hand-engrossed to the floor with a Do Pass recommendation.

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

carry. (Tape 88, Side A) HB 2730 - EXCLUDES SATURDAYS, SUNDAYS AND CERTAIN BANK HOLIDAYS FROM DEFINITION OF "BANKING DAY" IN BANK DEPOSITS AND COLLECTIONS LAW - PUBLIC HEARING Witnesses: Frank Brawner, Oregon Bankers Association

308 FRANK BRAUNER, OREGON BANKERS ASSOCIATION: Testifies in support of the bill. Reads from written testimony (EXHIBIT B).

326 CHAIR DWYER: Does this increase the float?

328 BRAUNER: It does not.

335 SEN. ADAMS: Declares a potential conflict of interest.

339 SEN. RASMUSSEN: Is this uniform?

343 BRAUNER: Other states don't do this. So this isn't uniform.

370 SEN. RASMUSSEN: The only way you can comply with the law is to not be open on Saturday.

372 BRAUNER: That is correct.

373 SEN. RASMUSSEN: Why doesn't this have any impact on the float?

380 BRAUNER: We are open on Saturdays today anyway.

(Tape 88, Side A) HB 2730 - EXCLUDES SATURDAYS, SUNDAYS AND CERTAIN BANK HOLIDAYS FROM DEFINITION OF "BANKING DAY" IN BANK DEPOSITS AND COLLECTIONS LAW - WORK SESSION

388 MOTION: SEN. RASMUSSEN moves HB 2730 to the floor with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Cease excused. Sen. Rasmussen will carry.

(Tape 88, Side A) HB 2727-A - ALLOWS BOARD OF DIRECTORS OF BANK OR TRUST COMPANY TO HOLD REGULAR MEETINGS ONLY ONCE EACH CALENDAR QUARTER, WITH APPROVAL OF DIRECTOR OF DEPARTMENT OF INSURANCE AND FINANCE - PUBLIC HEARING Witnesses: Frank Brauner, Oregon Bankers Association

415 FRANK BRAUNER, OREGON BANKERS ASSOCIATION: Testifies in support of the bill. Reads from written testimony (EXHIBIT E).

448 SEN. ADAMS: Declares a potential conflict of interest as the president of a financial institution.

TAPE 89, SIDE A

(Tape 89, Side A) HB 2727-A - ALLOWS BOARD OF DIRECTORS OF BANK OR TRUST COMPANY TO HOLD REGULAR MEETINGS ONLY ONCE EACH CALENDAR QUARTER, WITH APPROVAL OF DIRECTOR OF DEPARTMENT OF INSURANCE AND FINANCE - WORK SESSION

032 MOTION: SEN. KENNEMER moves HB 2727-A to the floor with a Do Pass recommendation.

VOTE: The motion carries 4-0, Sen. Cease excused. Sen. Kennemer will carry.

(Tape 89, Side A) HB 2728 - REVISES REQUIREMENTS FOR IMPOSING LATE CHARGES IN CONNECTION WITH CERTAIN LOANS - PUBLIC HEARING Witnesses: Frank Brauner, Oregon Bankers Association

043 FRANK BRAUNER, OREGON BANKERS ASSOCIATION: Testifies in support of bill. Reads from written testimony (EXHIBIT F).

052 SEN. ADAMS: Declares a potential conflict of interest as the president of a financial institution.

54 CHAIR DWYER: Why should I not receive a notice if I have an automatic withdraw?

58 BRAUNER: An agreement is made on the front end that a late charge will be assessed.

71 CHAIR DWYER: I'm better off not to have such a account because a late charge is levied the first day.

076 BRAUNER: We don't change the 15 day notice period.

083 SEN. RASMUSSEN: So, it says on the coupon that I have 15 days before a late charge is assessed.

087 BRAUNER: Yes.

090 SEN. RASMUSSEN: Will I get a subsequent notice if I don't make my payment?

BRAUNER: No.

097 SEN. RASMUSSEN: If I have automatic withdraw, then the only time I get notice that there is a late charge is at the time I make the contract?

099 BRAUNER: Yes.

103 SEN. KENNEMER: I'll receive notice in a round-about way through my checking account statement.

109 BRAUNER: That's correct. In an automatic withdraw situation we would search each of those 15 days for sufficient funds.

119 SEN. KENNEMER: I would receive notice on the 1st day.

121 BRAUNER: That would depend on the cycle and it would be doubtful that it would be the 1st day.

129 SEN. RASMUSSEN: You would receive notice through your checking balance.

133 BRAUNER: Yes.

136 CHAIR DWYER: Worst case scenario: I get the money together to cover the bounced check and the overdraft charge but I never received the late charge notice and my check bounces again.

149 BRAUNER: We're not going to charge an overdraft charge, there is no check. This is a new way of doing business.

166 SEN. RASMUSSEN: If I send in my payment and forget about my agreement 3 years ago and don't pay the late fund, then I'll have insufficient

funds.

172 BRAUNER: That's a possibility but there's a notice in the monthly statement.

181 SEN. KENNEMER: The consumer needs to realize that there is a

problem with their account when they have a late payment.

198 BRAUNER: You're correct. All of this is disclosed at the time the loan is made.

214 SEN. RASMUSSEN: I don't doubt that, but the consumer may forget about the late charge over time.

222 BRAUNER: Most the time the notice doesn't hurry the consumer in making the payment.

232 SEN. ADAMS: Most people know when their payments are due but they may not remember their late charge. If the bank makes a mistake they aren't going to charge a late charge.

247 BRAUNER: That's right.

250 SEN. ADAMS: If you haven't put enough money in there, then you're liable.

(Tape 89, Side A) HB 2826 - DELETES PROVISION REQUIRING MORTGAGEES TO REIMBURSE TAX COLLECTORS FOR POSTAGE AND OTHER COSTS INCURRED IN MAILING PROPERTY TAX STATEMENTS - PUBLIC HEARING Witnesses: Frank Brauner, Oregon Bankers Association

261 FRANK BRAUNER, OREGON BANKERS ASSOCIATION: Testifies in support of the bill. Reads from written testimony (EXHIBIT G-H). Proposes amendments. 311 SEN. ADAMS: Declares a potential conflict of interest as the president of a financial institution.

(Tape 89, Side A) HB 2826 - DELETES PROVISION REQUIRING MORTGAGEES TO REIMBURSE TAX COLLECTORS FOR POSTAGE AND OTHER COSTS INCURRED IN MAILING PROPERTY TAX STATEMENTS - WORK SESSION

315 MOTION: SEN. KENNEMER moves the Oregon Bankers Association amendments, subject to Legislative Counsel.

317 CHAIR DWYER: Hearing no objection SO ORDERED.

(Tape 89, Side A) HB 3579-A - POSTPONES APPLICABLE DATE FOR INSTALLATION OF CERTAIN TOILETS -PUBLIC HEARING Witnesses: Burton Weast, Plumbing, Heating and Cooling Contractors Paul Raab, Plumbing, Heating and Cooling Contractors Association John Egge, Professional Plumber

345 BURTON WEAST, PLUMBING, HEATING AND COOLING CONTRACTORS: Testifies in support of the bill.

TAPE 88, SIDE B

026 SEN. RASMUSSEN: How many liters in a gallon?

031 WEAST: The conversion in the bill is for convince only.

035 PAUL RAAB, PLUMBING, HEATING AND COOLING ASSOCIATION: Testifies in support of the bill and refers to a letters from the city of Portland

(EXHIBIT I-K).

075 JOHN EGGE, PROFESSIONAL PLUMBER: Testifies in support of the bill.

(Tape 88, Side B) HB 3579-A - POSTPONES APPLICABLE DATE FOR INSTALLATION OF CERTAIN TOILETS -WORK SESSION

092 MOTION: SEN. RASMUSSEN moves HB 3579-A to the floor with a Do Pass recommendation.

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

105 CHAIR DWYER: Adjourns the meeting at 4:05 p.m.

Submitted by:

Reviewed by:

Willie Tiffany
Administrator

Richard Day-Reynolds Assistant

EXHIBIT LOG:

A - Testimony on HB 2663 - Glen Knickerbocker - 2 pages B - Amendments to HB 2726 - Staff - 1 page C - Hand-engrossed HB 2726 - name - 1 page D - Testimony on HB 2730 - Frank Brawner - 2 pages E - Testimony on HB 2727 - Frank Brawner - 3 pages F - Testimony on HB 2728 - Frank Brawner - 2 pages G - Amendments to HB 2826 - Frank Brawner - 3 pages H - Testimony on HB 2826 - Frank Brawner - 3 pages I - Chart to HB 3579 - Paul Raab - 1 page J - Testimony on HB 3579 - Paul Raab - 1 page K - Letter on HB 3579 - Susan Schieder - 1 page