SENATE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

April 7, 1993Hearing- Room B 9:00 a.m.Tapes 83 - 85MEMBERS PRESENT:Senator Tricia Smith, Chair Senator KarstenRasmussen, Vice Chair Senator Brady Adams Senator Wes Cooley SenatorDick Springer STAFF PRESENT:Joan Van Almen, Committee CounselStephanie Holmes, Committee Counsel Pamela Stefani, Clerk

MEASURES HEARD: SB 167 - Creates Department of Consmner and Business Services WITNESSES: Nathan Levin, Salem Heide Anderson, Oregon Remodelers Association Fred Van Natta, Oregon State Home Builders Kim Mingo, Associated General Contractors Gary Weeks, Department of Insurance and Finance (DIF) Kim Larson, Commissioner

These minutes contain materials which paraphrase and/or summarlze 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.

TAPE 83, SIDE A

003 CHAIR SMITH: Calls meeting to order at 8:30 a.m.

PUBLIC HEARING ON SB 167

015 STEPHANIE HOLMES, COMMITTEE COUNSEL: Reviews bill and amendments. -Clarifies the merging of the various engrossed bills. 100 NATHAN LEVIN, SALEM: Test)fies against SB 167. 144 SEN. ADAMS: Asks Levin if he is worried about a potential increase in real estate fees. 150 LEVIN: Responds by stating that an increase in fees would result if services were to remain at the current level of efficiency. 170 HEIDE ANDERSON, OREGON REMODELERS ASSOCIATION: Presents testimony on SB 167 (Exhibit A). 184 E RED VAN NATTA, OREGON STATE HOME BUILDERS: Test)fies on Exhibit A and reiterates the amendments that it proposes. Senate Labor and Government Operations April 7, 1993 - Page 2

200 KIM MINGO, ASSOCIATED GENERAL CONTRACTORS: Test)fies against SB 167.

240 GARY WEEKS, DEPARTMENT OF INSURANCE AND FINANCE: Presents testimony on SB 167 (Exhibit B).

300 KIM LARSON, COMMISSIONER: Presents testimony on SB 167 (Exhibit C).

TAPE 84, SIDE A

060 SEN. ADAMS: Asks Larson what kind of efficiencies will be affected by the bill. 068 LARSON: Staff has been reduced to save money as well as laying off auditors. For efficiency, we have re-instated some auditors. 160 SEN. ADAMS: Asks Larson if there is a necessity to keep the Real Estate Board. 165 LARSON: States the Real Estate Board is of minimal cost and adds a productive link to the industry. -Discussed division between Title and Escrow. -Title=insurance (proof of purchase)-Escrow has to do with closure. These two entities are separate. 350 SEN RASMUSSEN: Expresses concern over the Department of Insurance and Finance's amendments to SB 167. -The Real Estate agency, despite testimony of G. Weeks, should function adequately with the bill.

TAPE 83, SIDE B

040 SEN. COOLEY: Asks Weeks why the Commerce Board was broken up. 050 WEEKS: Replies by stating the break-up was based on cost savings and Workers' Compensation reform. -Reviews Section-by-Section analysis SB 167. 120 STEPHANIE HOLMES, COMMITTEE COUNSEL: Presents an overview of the Section- by Section Analysis prepared by the Department of Insurance and Finance (E:xhibit B). 290 SEN. ADAMS: Asks Weeks if he would anticipate a fee increase. 300 WEEKS: Replies that there are no increases in fees as a result of the merger proposed in the bill.

TAPE 84, SIDE B

034 SEN. ADAMS: Does not want to abolish a board that leaves the government no tie with the related industry. Senate Labor and Government Operations April 7, 1993 - Page 3

O66 SEN. COOLEY: Asks Weeks why there are discrepancies in the bill regarding the appointing OI a cornmissioner.

080 WEEKS: Existing language says if the individual is taken from the Real Estate industry, they would have to have five years of experience. However, if the individual were to be appointed by the governor, they would only have to have one year of experience. 145 STEPHANIE HOLMES, COMMITTEE COUNSEL: Asks Weeks where funding derived from fees will go. WEEKS: Funds are dedicated to various agencies-points to areas in 150 the bill where these issues are clarified. -Federal law must be taken into account. -Continues with testimony. 380 STEPHANIE HOLMES, COMMITTEE COUNSEL: Asks Weeks if there have been incidents when a lack of communication has added conflict to appraisers and community. WEEKS: Replies that the Appraisers Board has rulemaking authority 400 in the banking industry, which may contradict the actual rules of the bank.

TAPE 85, SIDE A

043 WEEKS: Continues to review the Section-by-Section analysis with the committee. 100 STEPHANIE HOLMES, COMMITTEE COUNSEL: Asks Weeks if language is the same throughout bill in teens of power of authority. 114 WEEKS: Replies that the language is standard and consistent. 137 SEN. ADAMS: Asks Weeks if there are other unions that may oppose the bill. 140 WEEKS: With the representatives that he has spoken to, only AFSCME was opposed to the bill.

NOTE: Weeks and committee continue to review and discuss the Section-by-Section analysis presented by DIF. Due to shortage of time. Chair Smith will revisit the discussion at the next meeting of the committee.

350 CHAIR SMITH: Adjourns at 10:47 a.m.

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Submitted by: Reviewed by:

Katy Yetter Stasi Kitchen Committee Clerk Committee Coordinator

EXHIBIT LOG: A - Testimony on SB 167 - H. Anderson - 1 page B -Testimony on SB 167 - G. Weeks - 17 pages C - Testimony on SB 167 - K. Larson - 1 page D - Testimony on SB 167 - Staff- 1 page E - Amendments to SB 167-1 - Staff- 24 pages

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