

SENATE COMMITTEE ON TRANSPORTATION

April 19, 1993 Hearing Room C 3:00 p.m. Tapes 56 & 57
MEMBERS PRESENT: Sen. Joan Dukes, Chair Sen. Bob Kintigh Sen. Jim
Bunn Sen. John Lim Sen. Tricia Smith Sen. Catherine Webber Sen. Mae Yih
STAFF PRESENT: Ruth Larson, Committee Administrator Shannon Gossack,
Committee Assistant MEASURES CONSIDERED: SB 955 SB 1056 SB 266 SB 998

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.

TAPE 56, SIDE A

003 CHAIR DUKES: Calls meeting to order at 3:15 p.m.

PUBLIC HEARING ON SB 955 & 1056:

SENATOR CATHERINE WEBBER SENATOR JOHN LIM TONY DELORENZO, MOTOR VEHICLE
DIVISION JOAN PLANK, MOTOR VEHICLE DIVISION

010 LARSON: Clarifies sponsor of SB 1056. 021 SENATOR WEBBER:
Testifies in support of SB 955 submits and reviews written testimony. ,
(EXHIBIT A) -Talks about DMV project called SOLACE. Senate Committee on
Transportation - . April 19, 1993 - Page 2

054 SEN. KINTIGH: An of ficer wouldn't stop the person to see if they
had insurance they would just check the records in the process of a
stop. 058 SEN. WEBBER: It won't fix the entire issue. Requirement of
a card for proof of insurance will be kept by individuals. -The state
police are in support of this concept. -Submits testimony in support
from Chuck Huggins. (EXHIBIT B) 076 SENATOR LIM: Testifies in support
of SB 1056. Submits and reviews written testimony. (EXHIBIT C)
146 SEN. KINTIGH: Would the insurance company information be
transferred electronically? 151 SEN. WEBBER: That would be part of
the program already in the process. Also with LEDS is in the process of
redesign. -The SB 955-1 amendments clarify the issue notice. (EXHIBIT A)
167 VERN COOK, ATTORNEY: Submits written testimony in support of SB
1056. (EMIIBIT D)

459 TONY DELORENZO, DMV: Testifies in support of SB 955. (E~IIBIT E)
Reviews written testimony. (EXHIBIT E) -We would support any program to
curb this problem. -Suggests passing SB 955 in current form.

TAPE 57, SIDE A

061 CHAIR DUKES: DMV always says they can't do things like this. It's
nice to hear you can do this. 066 DELORENZO: If you want it, we can
do it. 067 CHAIR DUKES: Does this include not)fication from insurance
companies? 070 DELORENZO: Yes. The electronic transmission is part of
the new technology. There is an insurance information function that has
been developed. 075 SEN. SMITH: Which part are you suggesting that we
not put in? 078 DELORENZO: I'm suggesting that you do SB 955 or SB
1056 as written. -Gives example of requiring DMV to cancel registration
anytime we found a vehicle that was uninsured. 088 SEN. SMITH: Why

don't you want to do anything with them if they don't have insurance?

091 DELORENZO: We would like to provide the information to law enforcement so they can more effectively enforce the law.

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. Senate Committee on Transportation - April 19, 1993 - Page 3

096 SEN. SMITH: Why don't you want to do it? Doesn't the law say that in order to be registered you have to have insurance?

097 DELORENZO: The law says that you must certify at the time of renewing a registration that you have insurance information. It will drive up the cost and complexity of the program and we would like to have the time necessary to get all of the bugs out of the system. Suggests starting simple and then add enhancements later on. If you want the whole ball of wax we'll take it on.

105 SEN. WEBBER: There have been a number of schemes around. Talks about tag and sticker issue. It quickly expands into an extra cost. -Discusses serving notice to all agencies and insurance companies that the computers need to be compatible. -It doesn't take away any current enforcement it would just make it easier. 116 CHAIR DUKES: You would have to be cited if you didn't have insurance. 119 DELORENZO: Discusses driver records in regard to proof of insurance. 125 CHAIR DUKES: So we are getting the whole thing here?

126 DELORENZO: Yes. Significant increase in enforcement and effectiveness.

130 SEN. SMITH: As long as they don't know you're not doing anything with the information unless they happen to get caught.

131 DELORENZO: Yes, but that is just our reading of current law. We would be limited in use of information. 133 SEN. WEBBER: This would have a verification instead of a pinky swear. 137 CHAIR DUKES: Is this notification to you a list of all cancellations?

141 DELORENZO: All new policies and cancellations. -Discusses current enforcement in terms of access of information.

156 SEN. KINTIGH: Seems like when an insurance agent has to cancel a policy they could tell the person that they have to report this information to the state it might have an effect.

160 DELORENZO: I think you're right. 172 CHAIR DUKES: What kind of enhancements do you think we shouldn't do right now? 173 DELORENZO: Giving us authority to cancel registration. Another enhancement would allow us to use this system to verify insurance following accidents rather than going directly to the insurance companies. Also, allowing us to use the system for our random sample of insurance verification process.

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. Senate Committee on

175 JOAN PLANK, DMV: We recommend that we not do those additional enforcement items yet. We probably will want to do them down the line. -Discusses the system and what it will take to get it running.

208 CHAIR DUKES: Under either of these bills you will have the information when we have the technology for the police to tie into. What do you think about the SB 955-1 amendments?

207 DELORENZO: No problem with them.

PUBLIC HEARING ON SB 998:

SENATOR BILL KENNEMER CHRIS HERRON, GRESEIAM POLICE DEPT. JOHN WREN, POLICE OFFICER, CITY OF PORTLAND 252 SENATOR KENNEMER: Testifies in support of SB 998 and submits written testimony. (EXHIBIT F)

330 SERGEANT CHRIS HERRON, GRESHAM POLICE DEPARTMENT: Testifies in support of SB 998 and submits testimony. (EXHIBIT G) -Talks about reduction in insurance. -Discusses personal experience with the impounding ordinance.

373 SEN. sMrlll: Asks about breakdown according to race in written testimony. 375 HERRON: We wanted to make sure we weren't discriminating. -Explains statistics in testimony. (EXHIBIT G)
384 SEN. SMITH: Asks about comparisons between individual races and populations. 390HERRON: Clarifies written testimony regarding minority populations. (EXHIBIT G) 425 SEN. SMITH: Will you continue with these statistics? 426 HERRON: Yes. 431SEN. KINTIGH: Do you get revenue from cars impounded? 434 HERRON: No. Average age of an impounded car is 14 years. 444 SEN. KINTIGH: You're also not out any towing costs. 449 SEN. LIM: If the person ends up being insured who pays for the expenses? 456 HERRON: Discusses the hearings process. -The person must display proof of insurance. -We have had two hearings against us out of 982 tows. ~ ?

These minutes contain materials which paraphrase and/or summarize rtatemerQs made during this session. Only text enclosed in quotation rnarb report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. Senate Committee on Transportation April 19, 1993 - Page 5

477 KENNEMER: Discusses the differences between the Portland ordinance and the Gresham ordinance.

TAPE 56, S11}E B

030 SEN. YIH: Asks about the card requirement in SB 998.

038 KENNEMER: Yes, insurance companies do issue an insurance card.

040 CHAIR DUKES: I'm not sure all companies issue a card.

042 SEN. YIH: How do you prove insurance without that card? I thought everybody had one.

043 SEN. KENNEMER: That is why it's in this bill. Most companies do issue them routinely. We want to make sure everyone in Oregon issues them.

049 CHAIR DUKES: Your insurance card isn't necessarily proof that you have insurance. When you go through renewal you get the card. Assuming you renew your insurance you have a card. 061 SEN. YIH: Asks how an individual would get their car back once impounded. 063 HERRON: Explains the impoundment process for the City of Gresham. 068 SEN. KENNEMER: Explains how the tow companies are connected to the two city ordinances. 073 JOHN WREN, CITY OF PORTLAND, POLICE OFFICER: I'm not here in favor or in opposition to any particular bill. -Explains the City of Portland ordinance and how it is enforced. -Explains statistics regarding the number of tows. 121 SEN. SMITH: What is considered proof?

124 WREN: Something with an insurance company name and your name on it with a beginning date and ending date. There are holes in that process. You could theoretically drive around for six months with a card that wasn't valid. You do get a receipt which indicates the date you paid and when your insurance expires. We would accept that, as well as the entire policy. -Explains the Portland ordinance in terms of the grievance process.

163 CHAIR DUKES: What happens to the cars not claimed?

165 WREN: They remain at the tow lot. When the tow and storage bill reaches a certain point, which is outlined in the mechanic lien law, then the tow lot will apply the lien to those cars and sell them for the cost of tow and storage. -The tow companies are not unhappy with me.

176 SEN. YIH: When they reclaim their car with the insurance card do you charge them for the tow and storage?

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks is a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. Senate Committee on Transportation
April 19, 1993 - Page 6 181 WREN: Clarifies the costs incurred and the proof issue. 190 SEN. SMITH: What about interest holders in the car? 203 WREN: Explains the mechanic lien process in regard to security holders. -Discusses public input into the Portland ordinance regarding the reporting process. 252 SEN. KINTIGH: Are the age of cars similar to Gresham? 254 WREN: The ones that get left are the inexpensive ones. 259 CHAIR DUKES: What about the tourist? 260 WREN: It would be our hope that the vast majority of officers are reasonable enough to call their supervisor to get permission to let them be released. Technically they could be cited but that would be left up to the individual officer. We would hope that our supervisors and officers would use the discretion that the law provides in regard to not citing. 279 LARSON: Asks about dependents covered by a parent's insurance? 283 WREN: You get more than one card when you get insurance and the dependent would not be different. We insure cars not people. 291 SEN. KENNEMER: Talks about the concern regarding the impact on low income individuals and minorities. 299 WREN: Explains the process that the City of Portland went through and the feedback from low income individuals. 349 SEN. KENNEMER: I limited SB 998 to State Police and you might want to look at broadening that so that other local jurisdictions could participate. PUBLIC HEARING ON SB 998. 955 AND 1056: RUSS SPENCER, OREGON STATE SHERIFF'S ASSOCIATION BILL JOHNSON, OREGON STATE POLICE DELL ISHAM, AUTOMOBILE ASSOCIATION OF AMERICA CHRIS HERRON, GRESHAM POLICE DEPARTMENT

365 RUSS SPENCER, OREGON STATE SHERIFF'S ASSOCIATION: Testifies in

support of all three bills. I would like to stress that we want to ensure that the option for the local jurisdiction is to impound the vehicle and not to seize it. Beyond that we think it will be an effective tool. -Explains difference between seize and impounding.
400 LT. BILL JOHNSON, OREGON STATE POLICE: Testifies in support of SB 955. (EXHIBIT H)

, ~, -
These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation mark report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. Senate Committee on Transportation April 19, 1993 - Page 7

TAPE 57, SIDE B

012 DELL ISHAM, AAA: Testifies in support of bills. -Concerned about language in SB 1056. -Suggests that deleting, "a person cancels a", on line 8 of SB 1056. Insert "an insured or insurer cancels or fails to renew". -The context of paragraph refers only to the insured not the insurance company.

034 SEN. YIH: Asks for clarification on suggested language.

036 ISHAM: On line 8 of SB 1056, delete "a person cancels a" and replace with "an insured or insurer cancels or fails to renew". The word "person" appears many times and that reference should be changed.

059 CHRIS HERRON: Discusses the link between insurance companies and Motor Vehicle Division in the state of Nevada. 065 CHAIR DUKES: Bring all of these back on Friday and let members decide what they want.

079 SEN. SMITH: Asks for clarification on SB 955 regarding purchases.

085 CHAIR DUKES: We will reschedule SB 266 and bring it back at a later date. Adjourns meeting at 4:45 p.m.

Submitted by, Reviewed by, Shannon Gossack Ruth Larson
Assistant Administrator

EXHIBIT LOG: A - SB 955, Senator Webber, 3 pas. B - SB 955, Charles Huggins, Senator Webber, 2 pas. C - SB 1056, Senator Lim, 3 pas. D - SB 1056, Vernon Cook, 4 pas. E - SB 1056, Tony DeLorenzo, 5 pas. F- SB 998, Senator Kennemer, 3 pas. G - SB 998, Sergeant Chris Herron, 3 pas. H - SB 955 Lieutenant William Johnson, 1 pg.

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.