

SENATE COMMITTEE ON TRANSPORTATION

April 30, 1993 Hearing Room C 3:00 p.m. Tapes 66 - 67
MEMBERS PRESENT: Sen. Joan Dukes, Chair Sen. Jim Bunn Sen. John Lim
Sen. Tricia Smith Sen. Catherine Webber Sen. Mae Yih MEMBER
EXCUSED: Sen. Bob Kintigh STAFF PRESENT: Ruth Larson, Committee
Administrator Shannon Gossack, Committee Assistant MEASURES
CONSIDERED: SB 106 SB 107

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TAPE 66, SIDE A 003 CHAIR DUKES: Calls meeting to order at 3:25 p.m.

WORK SESSION ON SB 106:

JUDY CLYBURN, MOTOR VEHICLE DIVISION JOAN PLANK, MOTOR VEHICLE DIVISION 013 LARSON: Explains the intent of SB 106 and what the proposed amendments would do. Submits SB 106-3 amendments. (EXHIBIT A) -Outlines the history of SB 106. This is allowing DMV to do processes electronically.

041 CHAIR DUKES: I went through this bill section by section and had some amendments drafted. They are based on some concerns that came out in the public hearing. The language was too broad and this gets to the electronically processed issue.

046 JUDY CLYBURN, DMV: Submits and reviews written testimony. (EXHIBIT B)

063 CHAIR DUKES: The language regarding dealers remains? Senate Transportation Committee April 30, 1993 - Page 2

066 CLYBURN: Yes. -Continues reviewing written testimony. (EXHIBIT B)

075 CHAIR DUKES: Explains what happened when the bill was drafted.

077 CLYBURN: Continues reviewing written testimony. (EXHB IT B)

080 CHAIR DUKES: I was concerned about having license plates all over. Ideally they should all come back to you.

084 CLYBURN: We made sure we could take action whether they gave us the driver's license or not.

112 CHAIR DUKES: Asks about the residency issue. 114CLYBURN: On page 11, lines 18-22 of SB 106-3 amendments there is language addressing the issue of residency.

126 CHAIR DUKES: I wanted to focus on what it takes to become a resident for purposes of getting a drivers license. What does this section require? Does it require 30 days?

133 PLANK: We took the 30 days out.

136 CHAIR DUKES: Obviously we have people in Oregon who are driving with a license from another state who have been here for a while.

144 PLANK: Part of the concern was consistency with other laws like the voter registration law where there are no day requirements.

146 CHAIR DUKES: Don't we have one for licensing your car?

152 PLANK: This would make it consistent for a drivers license and vehicle title.

153 CHAIR DUKES: What is the requirement?

154 CLYBURN: When you become a resident in the state you are required to get a license or register.

156 CHAIR DUKES: Are you actually required to get a license?

157 CLYBURN: When you become a resident in the state of Oregon you are required to registered your vehicle.

160 CHAIR DUKES: But you're not required to get a driver's license. -What constitutes a resident in the amendments?

161 CLYBURN: No you're not but we are correcting that. -Discusses examples in written testimony. -Residency is when you are required to get a license in Oregon.

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-Domicile is a privilege of getting a license in Oregon.

177 CHAIR DUKES: I'm concerned about Oregon ending up a haven for motor homes. There is a tendency to register here because it doesn't cost as much as other states. -Asks about a Washington state resident being licensed and titled in Oregon. -Reads from vehicle code law relating to residency.

199 CLYBURN: Further clarifies domicile law in vehicle code law.

200 SEN. WEBBER: Describe domicile and residence.

206 PLANK: Domicile is you "may" register. Residency says you "will" register.

216 CLYBURN: Domicile is defined in 803.360. If a person's home is in Oregon and they intend to return here. 228 CHAIR DUKES: Asks about the "intend to return" language.

232 SEN. WEBBER: In the law typically domicile is the place you sleep, most recently with some intent to sleep there again. Residency is the long term home.

238 CHAIR DUKES: It's very confusing. -The things you can do to become a resident aren't clear. -If you've lived here for six months or more you are required to register? 253 CLYBURN: Yes, you are required to register. -If you don't pay out of state tuition rates immediately, you're considered a resident. 267 CHAIR DUKES: So once you start

paying taxes it would be an indication. 276 PLANK: We usually see people who are in the military who started in Oregon and plan to return to Oregon, kids away at college and we've even had people in circuses. 282 CHAIR DUKES: If I'm going to travel extensively for the next five years and I want to continue to have my vehicle registered how do I do that? 286 CLYBURN: You don't have to have an address in Oregon. -Explains how the process would work. 289 CHAIR DUKES: What is the obligation of the individual if you catch them?

290 CLYBURN: We don't usually ask a lot of questions because they sign a statement that says they are required to register and domiciled in Oregon. We don't question that unless an issue comes up. Most of the time we don't know the people who are avoiding other state laws. We usually hear from other states.

308 CHAIR DUKES: So owning property here isn't enough. You would have to live here? _ ?

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319 CLYBURN: That is correct. The property would have to be a primary use property.

347 LARSON: There is language that says "a person gainfully employed in this state shall not be considered unless they do other things.

356 CLYBURN: Continues reviewing. (EXHIBIT B)

364 CHAIR DUKES: How did you tighten up verification of insurance?
370 SEN. WEBBER: I was backward with my definition of domicile. I want that corrected for the record.

365 CLYBURN: In section 29 of SB 106; changes are on page 11 of SB 106-3 amendments, lines 12-16. It changes the old lines and replace with, "the division can seek verification by communicating directly with an insurer or its designee". 398CHAIR DUKES: The whole credit card thing. Section 7 came out of SB 106. The language in section 8 of SB 106 seemed general. It's talking about someone using a credit card to pay for things and you want to be able to charge them more? The language says something about a surcharge. It's real general and doesn't say how much of a surcharge. 434CLYBURN: We asked that the whole section to come out. 439 CHAIR DUKES: Down in section 9 it says, "the division may impose a surcharge on any fee the division is authorized to collect if the fee is imposed for a transaction that can be accomplished by a customer of the division of more than one way and the customer chooses the more expensive way". -Discusses issue of amount. 447CLYBURN: That has been changed to "lessor" and rounded to the nearest dollar. So the cap will be \$10.00 dollars. -Section 8 is dealt with on the first page of SB 106-3 lines 18-23. That takes out subsection 1. 461 PLANK: We had Treasury and the Executive Department rather excited about that section. It's not acceptable as far as they are concerned because of their agreements with the banks. 470 CHAIR DUKES: Will you be charging them more? 472 CLYBURN: No, the use of credit cards is probably cheaper than a check or money. 478 SEN. BUNN: If you're not going to charge them more and it costs you less then under section 9 of SB 106 are you allowed to impose a surcharge if they don't use credit

cards?

TAPE 67, SIDE A

033 CLYBURN: What we were trying to do is deal with the needs of people. -The way it's worded it may allow that?

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045 SEN. LIM: Asks about the credit card being less expensive.

048 CLYBURN: Even though it's a new transaction it is still cheaper than our current transaction.

058 PLANK: Explains how it would be helpful with individuals who have accounts with DMV.

064 SEN. LIM: Why couldn't you charge 2-3 percent?

065 PLANK: The State Treasurer negotiates the rates for state agencies and can usually get a favorable rate.

073 CHAIR DUKES: Overall it may be cheaper. I was thinking you don't get full face value for each transaction with the credit card.

078 SEN. LIM: How much revenue could be collected by credit card?

083 CLYBURN: I'm not sure but it's millions.

086 CHAIR DUKES: The Treasury office does go out and specifically negotiate with the banks for an interest rate for the state and it is usually lower than what the average company would get.

095 CHAIR DUKES: Is there a way of monitoring the cost of this?

094 CLYBURN: Yes we can do that. -Continues reviewing SB 106-3 amendments regarding changes to section 8 of the original bill. -Section 9 of SB 106 is covered on page 2, lines 7 and 8.

116 CHAIR DUKES: Did we leave any surcharge language in?

117 CLYBURN: Now it's just in section 9.

120 CHAIR DUKES: You took out subsection 1, (a) and (b) and also section 91.

124 CLYBURN: Yes, and the new section 91 is language from SB 108 which deals with the mailing out of a renewal. It is going to be mailed to the address on division records so it is mailed to a customer address. 143 CHAIR DUKES: Asks about the stickers or indicia. Is that all gone? 147 CLYBURN: Yes. 150 SEN. YIH: Asks about section 8a, page 2, of SB 106-3 in line 6. Why doesn't a person have to sign? 150 CLYBURN: Today people don't sign everything we give them at DMV. A person could bring other pieces of paper that support the transaction. This statute is trying to get to the issue that when it is submitted it is a certification of the truth to the state. Then we could take action to cancel a registration or a title or license if we find out it is false information.

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169 SEN. YIH: It doesn't have to be signed?

172 CLYBURN: That is correct. We get things all the time from insurance companies and other places that is on letterhead.

179 SEN. YIH: I thought a signature validated a document.

188 CHAIR DUKES: They did take out the telephone calls where you could change information on your vehicle registration. -In your new section 72 you reference Traffic Safety. If you don't mind I'd like to change that to Transportation Safety. 213 PLANK: I'm concerned because that doesn't exist currently and maybe that needs to be changed first. It might get caught in a conflict amendment. Will we confuse things here if we call it Transportation Safety and it's not that anywhere else? 222 SEN. SMITH: These will all become effective at the same time. It doesn't become a law until then. 228 CHAIR DUKES: Statutory references to Traffic Safety whereas there would also be a reference to Transportation Safety. 238 PLANK: If you change it in the other bill to Transportation Safety then it is matching in SB 106. Then at the end of the session when they do the conflict amendments and editing it would become Transportation Safety. 245 SEN. LIM: Why will it take five years to implement this? 249 CLYBURN: Explains time line. A good share of this will be done by 1996.

276 SEN. SMITH: Section 84 brings certificate back regarding vehicle dealers. What do the new sections do on page 15 of SB 106-3?

290 CLYBURN: Explains why Legislative Counsel drafted the amendments in this form. -Gives brief overview of SB 106 with SB 106-3 amendments.

339 SEN. SMITH: Is the language regarding financial responsibility on page 27 of SB 106-3, section 101 compatible with the bill we passed yesterday? 361 PLANK: If the law says one thing we're not going to write rules to the contrary. 373 SEN. YIH: Asks about the difference between the new and the current drivers license.

380 CLYBURN: The new one is produced electronically instead of on a camera card which we then laminate and put together. In the future we will take your picture and it will be in the computer then the computer will produce it.

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TAPE 66, SIDE B

009 SEN. BUNN: This would be a real asset to search and rescue.

015 CLYBURN: Discusses the photographs and others that could use them.

MOTION: Senator T. Smith moves SB 10~3 amendments to SB 106.

VOTE: Hearing no objection the motion is adopted.

MOTION: Senator T. Smith moves SB 106, as amended, with a "DO PASS" recommendation.

VOTE: In a roll call vote the motion carries with Senators J. Bunn, Lim, T. Smith, Webber, Yih and Duker voting AYE and Senator Kintigh excused. Senator T. Smith will carry the bill.

WORK SESSION ON SB 107

050 LARSON: Explains intent of SB 107-1 amendments. (EXHIBIT C) -They are going to pilot the paper less titles with First Interstate Bank.

064 CHAIR DUKES: Is this the one taking out signatures? On page 12, SB 107, lines 38-40; dealing with owner signature. Was that deleted? How far have we gone with not requiring people to sign applications?

075 CLYBURN: We already have authority in ORS 803.050 to accept an application that doesn't carry everything. We will put a place on there for a signature. A lot of our title work is done by dealer, there will still be a place signatures and we will ask them to get those things. The ones that come into our filed offices will be doing business in front of us.

087CHAIR DUKES: If I mail an application for title and don't sign it do you send it back to get it signed? Is there a good reason not to require that?

089 CLYBURN: Today we would send it back and say it isn't signed. We have no way of knowing if the signature is valid. A lot of times we can't even read the signature.

097 CHAIR DUKES: Does the signature back anything up? 099 CLYBURN: Today it does because of the way our statues are written. In section 8A it asks to hold people responsible whether they sign or not?

099CHAIR DUKES: We can make people liable if they don't sign? 102 CLYBURN: You have to prove it was them signing it. We can't use that signature identification method but we can investigate to see if the signature is valid.

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122 SEN. LIM: Asks about limitations in ection 6, paragraph 3 of SB 107 regarding adopting rules regarding fee structures. 127 CLYBURN: Yes. It can be no more than the fee already established in statute.

128 CHAIR DUKES: Asks about the deletion of the requirement for odometer readings in Section 33, lines 22-29. 130 CLYBURN: The Federal odometer law was deleted last session but then a bill passed that put - it back in. -Dealers still have federal requirements to meet.

135 SEN. SMITH: What about transferred vehicles between individuals?

137 CLYBURN: We were making them notify us as well as fill out the piece of paper. They are required to fill out an odometer statement only, from the federal government. 149 CHAIR DUKES: It will still show up somewhere. -Asks about registering a vehicle in section 48, page 23 on lines 31-34. 154 CLYBURN: ORS 803.350 says that when you come in and register you must have a title or be titling in Oregon at the same time, and do certain things. It also brings in subsection 5 to get a VIN inspection. They are required to do that to get the title. It's

kind of a duplication. 204 CHAIR DUKES: On page 30, lines 14-16; takes out present and proposed location of a mobile home. Is that information used to notify the assessors office? 212 CLYBURN: Explains mobile home trip permit. This statute is just dealing with getting the title and most of the time people getting title just with the location of the mobile home. The trip permit goes to the assessors office. MOTION: Senator J. Bunn moves SB 107-1 to SB 107. VOTE: Hearing no objection the motion is adopted. MOTION: Senator J. Bunn moves SB 107, as amended, to the floor with a "DO PASS" recommendation. 240 SEN. YIH: Asks for clarification regarding verification. Do we have a title or not? 235 CHAIR DUKES: Unless you specifically request to have the paper you don't get one. -You will have a registration card in your car but if you want to sell your car you won't have a title. 264 CLYBURN: Explains how tracing would work.

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294 SEN. SMITH: I think there would be less opportunity to lose the information. There were a number of different people handling the information.

305 SEN. WEBBER: So the hard copy will say that it isn't an official documentation of ownership and the real one will be where? 313 CLYBURN: If people don't want the piece of paper the electronic title will be on our computer records. We would issue a title if they want one and it would show the issuance of title in paper form to the person. That would supersede any electronic version. 325 SEN. BUNN: If you don't have it then it's in the computer and you don't have to worry about it? 332 PLANK: If you elect to have the piece of paper that's it. There isn't another one. 339 CLYBURN: Currently there is a market in the paper information. 346 CHAIR DUKES: In some cases the computer record will be legal and sometimes it won't. 353 SEN. WEBBER: Why not give people a copy of the title on the computer? 357 CLYBURN: We would be dealing with paper again and everyone will be negotiating for that piece of paper. 360 SEN. WEBBER: If it says it's a copy than it isn't legal. -Are the bankers on board with this? 367 CLYBURN: They approached us to do this. 374 CHAIR DUKES: Bankers like it. 384 SEN. BUNN: If someone were moving out of state would they need a paper title? What about under the new system? 388 CLYBURN: Today with the way it is yes they would. When states are more connected, which is where we are moving, we wouldn't have to issue it. VOTE: In a roll call vote the motion carries with Senators J. Bunn, Lim, T. Smith, Webber, Yih and Dukes voting AYE and Senator Kintigh excused. Senator J. Bunn will carry the bill. 390 SEN. LIM: Do you have back up computers?

394 CLYBURN: Yes we do.

398 CHAIR DUKES: Adjourns meeting at 4:45 p.m.

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

EXHIBIT LOG: A - SB 106-3 amendments, staff, 34 pgs. B - SB 106
testimony, Judy Clyburn, 2 pgs. C - SB 107-1 amendments, staff, 1 pg.

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