

House Committee on Social Services Planning
January 20, 1991 - Page

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INFORMATIONAL MEETING

SENATE COMMITTEE ON
TELECOMMUNICATIONS AND CONSUMER AFFAIRS

January 22, 1991Hearing Room B
1:00 p.m.Tapes 2 - 4

MEMBERS PRESENT:Senator Jolin, Chair
 Senator Otto, Vice-Chair
 Senator Bunn
 Senator Kennemer
 Senator Shoemaker

STAFF PRESENT: Cherie Copeland, Committee Administrator
 Apryl Poff, Committee Assistant

WITNESSES: Jon Stubenvoll, Oregon State Public Interest Research Group
 (OSPIRG)
 Tom Augustine, Oregon Credit Union League
 Ron Eachus, Mike Katz, Joan Smith, Public Utility Commissioners
 Tim Wood, Financial Fraud Division, Department of Justice
 Lisa Joyce, Assistant Insurance Consumer Advocate, Dept. of
 Insurance and Finance
 Maurey Astley, Oregon Independent Telephone Association (OITA)
 Gary Wilhelm, US West Communications

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TAPE 2, SIDE A

005 CHAIR JOLIN: Calls meeting to order at 1:05 pm.

Roll Call: Senators Kennemer, Bunn and Jolin respond "present", Senator Otto excused, arrived at 1:50.

020 Senator Shoemaker arrives at 1:06.

023 CHAIR JOLIN: Recognizes Ron Eachus, Mike Katz, and Joan Smith, the Public Utility Commissioners.

060 MIKE KATZ, PUBLIC UTILITY COMMISSIONER: Submits written testimony reviewing the history of regulations of telecommunications and PUC's legislative goals for the 1991 legislative session.
(EXHIBIT B).

102 RON EACHUS, PUBLIC UTILITY COMMISSIONER: Reviews written testimony, elaborating on the following points:

174 >Provides overview of telecommunication regulations in general.
215 >Current issues in telecommunications.
331 >Issues researched in the last few years.

390 SENATOR BUNN: Asks about Newberg extended area service.

400 RON EACHUS: Replies, this has not yet been resolved.

TAPE 3, SIDE A

034 RON EACHUS: Briefing on legislative accomplishments of 1989. Continues with legislative goals for 1991:

089 >SB 220 Quality of service required of all long distance telephone carriers.
098 >SB 230 Deletion of unnecessary language from the telecommunications statutes.

119 RON EACHUS: Closes presentation.

154 CHAIR JOLIN: Recognizes Timothy Wood, Financial Fraud Division, Department of Justice.

161 TIMOTHY WOOD: Submits written testimony (EXHIBIT C). Provides telemarketing overview discussing the following points.

209 > Telemarketing.
252 > Automatic Dialing and Announcement Devices.
296 > Telephone Solicitations.
330 > Junk Fax.

402 TIMOTHY WOOD: Concludes presentation.

407 CHAIR JOLIN: Announces there is to be no meeting on Thursday, January 24, 1991.

430 CHAIR JOLIN: Recognizes Lisa Joyce, Assistant Insurance Consumer Advocate, State of Oregon.

434 LISA JOYCE: Presents (EXHIBITS D-M) publications and informational packets explaining aspects of their Consumer Information Program. See exhibits for more information.

TAPE 2, SIDE B

032 LISA JOYCE: Discusses three main points provided in Consumer Information Program.

036 > Educating Consumers.
049 > Legislative Effort.
068 > Prior approval of rates.

120 SENATOR KENNEMER: Has your group been involved in the efforts to

eliminate credit life
disability insurance?

128 LISA JOYCE: We have not been involved in eliminating disability insurance, but have been giving effort to regulate it in such a way that it is affordable and fairly priced.

139 SENATOR KENNEMER: In what ways have you attempted to regulate it?

141 LISA JOYCE: Reduced primary rates for credit life and health insurance, increased the loss ratio and improved the disclosure.

178 CHAIR JOLIN: Introduces John Stubenvoll, Oregon State Public Interest Research Group (OSPIRG).

180 JOHN STUBENVOLL: Submits written testimony (EXHIBIT N) summarizing the following points:

228 >Toy safety.
258 >Bottled Water Labeling.
273 >Alcohol Ingredient Labeling.
290 >Personal Finance Company Cost Disclosure.
341 >Insurance Privacy.
362 >Used Vehicle Defect Disclosure.
374 >Minivan And Light Truck Safety Standards.

400 JOHN STUBENVOLL: Concludes presentation.

407 CHAIR JOLIN: Introduces Tom Augustine, Oregon Credit Union League.

414 TOM AUGUSTINE: Provides statistics on current credit union status.
460 >Capitol to asset ratio.
480 >Delinquency percentage.
485 >Percentage rates.
498 >Distribution of loans.

TAPE 3 SIDE B

054 TOM AUGUSTINE: Talks about insurance fund and insured desposits.

086 CHAIR JOLIN: Invites other financial institutions to come before the committee.

116 TOM AUGUSTINE: The treasury's recommendation is that credit unions retain their tax exempt status.

125 TOM AUGUSTINE: Proposed legislation:
200 >The right for public funds to be deposited into credit unions.
233 >The handling of veterans loans by credit unions.

263 TOM AUGUSTINE: Concludes presentation.

270 SENATOR OTTO: What is the difference between a federal and state chartered credit union?

279 TOM AUGUSTINE: Both are insured by the federal government, however, state regulators seem to be more personal and federal regulators seem to be more cut and dry.

340 CHAIR JOLIN: Introduces Maurice Astley, Executive Vice President of Oregon Independent Telephone Association (OITA), and Gary Wilhelm, US West Communications.

350 MAURICE ASTLEY: Submits written testimony on telecommunications overview (EXHIBIT O).

353 >Provides background on OITA.

TAPE 4, SIDE A

014 MAURICE ASTLEY: Submits draft of a bill (EXHIBIT P) currently in Legislative Counsel at the request of Senator Kintigh on OITA behalf. Concepts are:

056 >Commission authority would be limited to safety and quality of service.
061 >Unregulated rates
070 >Consumer rights to petition to reregulate in case of rate increases going too high.

076 MAURICE ASTLEY: Concludes presentation.

091 GARY WILHELM: Director of Government Relations for US West Communications.

100 SENATOR OTTO: States that we need to adjourn the meeting due to another committee needing the hearing room.

120 SENATOR JOLIN: Adjourns meeting at 3:06 pm.

Submitted by:

Reviewed by:

Apryl Poff
Committee Assistant

Cherie Copeland
Administrator

EXHIBIT LOG:

B- PUC testimony submitted by, Mike Katz, 16 pgs.
C- Testimony submitted by Timothy Wood, 6 pgs.
D- Trade regulations and practices submitted by Lisa Joyce, 6 pgs.
E- Leaflet submitted by Lisa Joyce, 1 pg.
F- 1991 Legislative Agenda submitted by Lisa Joyce, 1 pg.
G- Long term care insurance handout submitted by Lisa Joyce, 2 pgs.
H- Long term care insurance checklist submitted by Lisa Joyce, 2 pgs.
I- Health insurance plans for disabled submitted by Lisa Joyce, 1 pg.
J- Health insurance plans for seniors submitted by Lisa Joyce, 4 pgs.
K- Consumer guide to Medicare supplement insurance submitted by Lisa Joyce, 61 pgs.
L- Pamphlet on auto insurance submitted by Lisa Joyce, 12 pgs.
M- Auto insurance premium comparison pamphlet submitted by Lisa Joyce, 1 pg.
N- Testimony submitted by Jon Stubenvoll, 8 pgs.
O- Testimony submitted by Maurice Astley, 8 pgs.