

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  
TELECOMMUNICATIONS AND CONSUMER AFFAIRS

March 28, 1991Hearing Room B  
1:00 p.m.Tapes 34 - 35

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

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

MEASURES HEARD:      SB 816 Caller identification blocking, PUB.  
  SB 553 Toy safety labeling, WS.  
  SB 646 Minor accident insurance, WS.

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PUBLIC HEARING AND WORK SESSION.  
TAPE 36, SIDE A

005 CHAIR JOLIN: Calls the hearing to order at 1:11 p.m.

012 SB 553 TOY SAFETY LABELING, WS.

014 CHERIE COPELAND: Introduces -1 amendment (Fred Meyer) which clarifies that it is the manufacturer's responsibility to provide a warning label on toys. The -2 amendment (Shoemaker) would change the effective date to July 1, 1993. The -3 amendment would change the effective date to January 1, 1993.

022 SENATOR SHOEMAKER: Introduces -2 amendment. If there are to be federal regulations on this subject this amendment would be a better way to handle it rather than having an isolated state. The effective date of this bill would be July 1, 1993.

040 CHAIR JOLIN: If we have an effective date of July 1, 1993, how will this interface with the dollar amount of SB 603?

052 Senator Bunn arrives at 1:15

053 CHERIE COPELAND: The combined fiscal impact for SB 603 & SB 553 that we were told previously is for 2 bienniums. This would reduce the impact a little but not a lot.

058 CHAIR JOLIN: Is there a fiscal impact on SB 553 that would require us to send it to Ways and Means?

061 CHERIE COPELAND: That is up to you. If this bill has no fiscal impact then you don't need to send it to Ways and Means. If it has a fiscal impact even if you delete the one biennium you still need to send it to Ways and Means. Art Wilkinson from the fiscal office doesn't

believe that SB 553 has a  
fiscal impact. SB 603 is carrying the entire impact.

083 MOTION: Chair Jolin moves the -1 amendment (Fred Meyer).

VOTE: There being no objections the motion carries.

087 MOTION: Chair Jolin moves the -2 amendment (Shoemaker).

VOTE: There being no objections the motion carries.

089 MOTION: Chair Jolin moves SB 553 as amended to the floor with a Do Pass  
recommendation.

090 VOTE: In a roll call vote the motion carries with Chair Jolin, Vice-Chair  
Otto, and

Senator Shoemaker voting "AYE." Senator Bunn and Senator Kennemer  
voting "NAY."

092 Chair Jolin will carry the bill.

095 CHAIR JOLIN: Closes work session on SB 553.

112 SB 646 MINOR ACCIDENT INSURANCE, WS.

Witnesses: Tom Erwin, Oregon Insurance Consumer Advocate.  
Senator Mae Yih.  
Victor Cole, Citizen.  
Brian Boe, Boe and Associates.

128 TOM ERWIN: Refers to letter addressed to Senator Mae Yih (EXHIBIT B).

The amendment  
proposed for SB 646 in section 2, sub (4) line 9 will completely abolish  
the original intent for which the  
bill was introduced. In addition, it wouldn't be made better by reducing  
the time period from 36 months  
to 24 months. This would probably make the proposed legislation even more  
limited in its application.  
I recommend opposing that entire line or any language which would allow  
insurance companies to utilize  
the extremely minor accidents outlined in section 2, for purposes of  
non-renewal, cancellation, or raising  
premiums. The additional amendment proposed in section 2 is acceptable.  
It should read on line 5,  
"Except for an accident involving the use of alcohol or drugs."

179 CHAIR JOLIN: The -5 amendments (EXHIBIT C) includes the provision of  
the no alcohol or  
drugs being involved in the accident. On line 8 it says that an insurer  
issuing a motor vehicle insurance  
policy in the state shall not raise the premium rate, cancel or refuse to  
renew any motor vehicle insurance  
policy of an insured for a minor accident if the insured has been involved  
in fewer than 2 minor accidents  
in the previous 36 month calendar period. Does fewer than 2 mean it could  
be one accident?

195 TOM ERWIN: That is the way I understand it to be.

200 CHAIR JOLIN: Discusses -5 amendment on subsection 2. Gives  
suggestion on behalf of Senator  
Yih on line 11 that would remove the word "fewer" so it would read  
"involved in no more" than 2 minor  
accidents in the previous 36-month calendar period. What is your view on  
the amendment?

212 TOM ERWIN: If what your trying to accomplish is not allowing the  
companies to charge a  
surcharge or cancel an insured on the basis of no more than 2 minor  
accidents in the 36-month period  
I believe this accomplishes what you want to have accomplished with that  
language. I objected to the fact  
that the accident is the first claim or the first accident within a  
36-month period.

253 SENATOR YIH: I feel that this sounds clearer and I support this  
amendment.

257 VICTOR COLE: I concur with these ideas.

259 SENATOR SHOEMAKER: Why would the original amendment totally defeat the intent of the bill?

285 TOM ERWIN: The problem is that none of this addresses fault.

300 SENATOR SHOEMAKER: Do you find frequent cases of companies raising premiums for minor accidents that aren't the fault of the driver?

312 TOM ERWIN: No, not frequent, but it does happen.

345 SENATOR KENNEMER: I think we need to work on line 7 of the -5 amendments. We need to discuss the citation for alcohol because people involved in an accident would be cited for a certain level of toxicity. Under the way this amendment is, any trace of alcohol would disqualify a person.

372 CHAIR JOLIN: Suggests that we reschedule the hearing for Thursday, April 4, in order to investigate the issue of the alcohol and drugs. Is the other language proposed in -5 acceptable?

382 VICTOR COLE: Other than the needed clarification of the alcohol and drug issue, the bill is acceptable to me.

416 BRIAN BOE: I don't support the -5 amendments. We have no problems with the -1 and -2 amendments. The concern is that it be limited to one accident in the 36-month period because data shows that if a person has 2 or more of these minor accidents they are 2 and a half times as likely to have a major accident.

475 CHAIR JOLIN: My concern is when you are looking at minor accidents you're not talking about fault.

479 SENATOR SHOEMAKER: If we are concerned about parking lot accidents we might require that they be moving vehicle accidents.

489 CHAIR JOLIN: Closes work session on SB 646 to be reconvened on Thursday, April 4.

TAPE 36 SIDE A

035 SB 816 CALLER IDENTIFICATION BLOCKING, PUB.

Witnesses: Jim Long, InfoSystems.  
Erik Nilsson, Computer Professionals for Social Responsibility (CPSR).  
Steve Biederman, CPSR.  
Judith Armatta, Oregon Coalition Against Domestic and Sexual Violence.  
Ed Morrison, Public Utilities Commission.  
Kimberly Webster, Citizens' Utility Board.  
Ginny Lang, US West Communications.  
Oren Floyd, United Telephone.

038 JIM LONG: Submits and summarizes written testimony and amendments in favor of SB 816 (EXHIBIT D). SB 816 needs the following amendments which would exempt the following from Caller ID blocking:

- >9-1-1 emergency telephone service.
- >Private branch exchanges (PBX).
- >Legally sanctioned wiretaps.

The Public Utilities Commission isn't scheduled to have a public hearing regarding Caller ID until July

or later, after the legislative session is over. I believe that legislation will offer more protection than PUC regulation. We're concerned with the privacy of Oregonians who:

- >Call 800 and 900 numbers.
- >People who already pay the phone company to have an unpublished or unlisted number.
- >Domestic violence shelters.
- >Anonymous crime watch and reporting hotlines.
- >Pregnancy counseling.
- >Drug and alcohol abuse.

Our main concerns are:

- >Customers shouldn't be charged for services they don't use.
- >Customers shouldn't have to pay the telephone company for privacy.

Due to identifiable privacy concerns, Caller ID displays could serve to discourage persons from calling public or private hotlines dealing with personal matters such as those

related to AIDS, rape, women's shelter homes, suicide, drug and alcohol abuse counseling, information and referral services, or anonymous crime tips. If and when Caller ID/Automatic Number Identification (ANI) is provided by a telecommunications utility in an area, Caller ID blocking should be available upon request to every subscriber, and should be provided upon request without extra charge. Exceptions include Enhanced 9-1-1, private branch exchange systems, and legally sanctioned wiretaps.

202 SENATOR SHOEMAKER: Do 800 and 900 calls now have Caller ID?

205 JIM LONG: Yes.

225 SENATOR SHOEMAKER: Why would we want to have a call blocking privilege for a 900 call?

236 SENATOR SHOEMAKER: We should put in an additional exception for a 900 call.

250 SENATOR BUNN: If a phone company begins offering Caller ID do they have to provide call blocking?

258 JIM LONG: Yes.

356 ERIK NILSSON: Submits and summarizes testimony on SB 816 (EXHIBIT E).  
Computer Professionals for Social Responsibility (CPSC) is a national organization of computer professionals concerned about the impact of computer technology on society. Caller ID gives the recipient of any call the ability to record what telephone placed the call. It will become easy to aggregate information about what calls were placed from which phone, and to leap to assumptions about the person to whom the phone is billed. Caller ID is an unwelcome change from traditional business practices. It is the position of CPSC that Caller ID blocking, on a per line as well as a per call basis, should be available free of charge whenever a Caller ID system is implemented. SB 816 doesn't mandate per line Caller ID blocking. With the correction of this oversight, we believe that the principles embodied in SB 816 are sound and that such principles are in the interest of Oregonians.

468 SENATOR KENNEMER: How many members does the CPSC have?

471 STEVE BEIDERMAN: We have 210 members.

477 JUDITH ARMATTA: Submits and summarizes written testimony (EXHIBIT F).  
We don't support Caller ID. If this is made a law then we believe in Caller ID blocking. This is very endangering to women who are in shelters and homes. Caller ID blocking is a violation of privacy. While we don't support Caller ID, we do support the intent of SB 816. This gives some protection against revealing your phone number. In New Jersey Caller ID went into effect approximately 3 years ago. There were negotiations between the telephone company and the women's domestic violence shelter that resulted in promises of protection and donations and not charging for Caller ID blocking. Three years later and none of this has come through.

TAPE 35 SIDE B

035 Judith Armatta still speaking.

073 CHAIR JOLIN: Are you in support of Caller ID at all?

075 JUDITH ARMATTA: No. If this becomes law then I am in support of the passage of SB 816.

084 VIETTA HELMLY: I am concerned about the 4,000 battered women who contact us each year. They won't all call from blocked phones. If they do call us not only will they be in danger but our volunteers who pick them up will also be in danger. If Caller ID is going to be available then Caller ID blocking should be available, it should be free, and it should be the norm. If someone doesn't want to be blocked, they should

be able to pay to not be blocked.

111 SENATOR KENNEMER: What would be done to block a phone number while someone is at a telephone booth?

113 JUDITH ARMATTA: I'm not really sure.

132 ED MORRISON: Submits and summarizes written testimony in opposition to SB 816 (EXHIBIT G). The Commission has looked at this very carefully. We are considering whether or not Caller ID should be permitted and how the name and number should appear. The Commission has already established a docket to formally investigate Called ID service. Participants in the docket are now identifying issues to be addressed during the investigation. SB 816 is premature. It limits the Commission's ability to consider alternative approaches to privacy protection. The bill prejudices the outcome of the Commission's ongoing investigation of Caller ID service without benefit of the extensive technical, legal, and social policy information that the Commission's Caller ID investigation will provide. After investigation, the Commission may conclude that Caller ID service shouldn't be permitted at all. If the Commission decides to require some form of call number blocking, the Commission will need to consider the unintended consequence of blocking as well as its technical characteristics. The Commission urges you to adopt the amendment proposed (Page 8 exhibit G).

204 SENATOR KENNEMER: Would this deal with blocking of pay telephones or would there be a mechanism for that?

209 ED MORRISON: US West has stated that they wouldn't provide Caller ID without per call blocking. They are planning to have the person placing the call dial #67 and make the call and the call would then be blocked from wherever they made the call.

219 SENATOR SHOEMAKER: Why would a law that provides Caller ID blocking make it difficult for the PUC?

227 ED MORRISON: It may reduce the number of options that PUC can look at. The decision of whether to charge for the blocking and if so should it be on a per line basis.

243 SENATOR SHOEMAKER: If you were to make a decision regarding Caller ID and blocking would you be able to do this without the benefit of legislation?

247 ED MORRISON: The Commission would then propose rules that would have the effect of law.

265 SENATOR SHOEMAKER: What do you feel is the earliest time the Commission would have a decision on whether or not to have Caller ID?

270 ED MORRISON: The end of this year or well into the next year.

271 CHAIR JOLIN: Have you looked at the California law regarding Caller ID?

272 ED MORRISON: No.

275 CHAIR JOLIN: Why not?

280 ED MORRISON: We will look at California's law and also a number of states. We are just beginning the investigation.

ED MORRISON: The Commission's amendment relates to the provision of call ID to 9-1-1 service providers. This legislation would protect consumers from the unwarranted use of their telephone number if no official report was filed, and protects unlisted and unpublished telephone number consumers. The Commission's proposal requires that:  
>Telecommunication utilities provide telephone number ID service to public safety answering

points.  
>Telephone number identification must remain private until an official report is written.  
>Nonpublished and nonlisted telephone numbers may not be disclosed without the written permission of the subscriber.

347 KIMBERLY WEBSTER: Submits and summarizes written testimony in favor of SB 816 (EXHIBIT H). We recognize that this legislation doesn't seek to address the merit of Caller ID programs, it only seeks to build in much needed protection for consumers.  
>CUB supports line blocking and call blocking as necessary options, at no charge, for consumers should Caller ID be brought into Oregon.  
>Line blocking ensures that a consumer can block a call, just like having an unlisted number.  
>Call blocking allows a caller to block calls on a per call basis by coding a call a certain way before making it.

445 SENATOR OTTO: What other states have this legislation?

448 KIMBERLY WEBSTER: California. There are states that are having this on a trial basis. They have per call and per line blocking.

483 SENATOR KENNEMER: Did you want an amendment to this bill to allow line blocking for callers who refuse to identify themselves?

TAPE 36 SIDE B

035 KIMBERLY WEBSTER: Yes. We want people to have a choice.

057 GINNY LANG: Submits and summarizes written testimony in opposition to SB 816 (EXHIBIT I). We will offer free call blocking capability on a per call basis to all customers. The PUC has initiated a study group to consider the many public policy and consumer issues surrounding this issue.

070 CHAIR JOLIN: What would be your objection to a measure that said that it is the policy of the Oregon Legislature that if Caller ID exists the consumer be allowed services and that the PUC shall define the parameters of what that shall be?

093 GINNY LANG: We agree with the Commission. We don't have Caller ID yet. There are many things that need to be defined.

124 OREN FLOYD: Gives testimony in opposition to SB 816. We feel this bill is coming to soon. It may be three years before we even offer Caller Id in Oregon. We favor the PUC having the opportunity to investigate all aspects to this. We also favor per call blocking. The only difference we would suggest to the PUC's amendments is on the last page, first paragraph to change the word "shall" to "may."

163 SENATOR SHOEMAKER: What is your opinion of the PUC amendments?

166 GINNY LANG: We agree with the PUC and also with Orens amendment.

180 CHAIR JOLIN: Adjourns hearing at 2:52 p.m.

Submitted by: Reviewed by:

Apryl Poff           Cherie Copeland  
Assistant           Committee Administrator

EXHIBIT LOG:

A - Hand engrossed amendments to SB 553 submitted by staff, 6 pages.  
B - Letter to Senator Mae Yih, submitted by Tom Erwin, 1 page.

- C - SB 553-5 amendment submitted by Senator Mae Yih, 1 page.
- D - Written testimony submitted by Jim Long, 7 pages.
- E - Written testimony submitted by Erik Nilsson, 5 pages.
- F - Written testimony submitted by Judith Armatta, 3 pages.
- G - Written testimony and amendment submitted by Ed Morrison, 8 pages.
- H - Written testimony submitted by Kimberly Webster, 3 pages.
- I - Written testimony submitted by Ginny Lang, 1 page.