

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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**Action:** Do Pass

**Vote:** 8 - 0 - 0

**Yeas:** Beyer, Lindsay, Nathanson, Sheehan, Smith J., Weidner, Bentz, Read

**Nays:** 0

**Exc.:** 0

**Prepared By:** Zachary Rothmier, Administrator

**Meeting Dates:** 4/27

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**WHAT THE MEASURE DOES:** Removes bonding requirement for for-hire carriers that offer collect on delivery service.

**ISSUES DISCUSSED:**

- Federal preemption directs the state to remove the bonding requirement
- No one has ever collected on the bonds
- Companies under the bonding will receive cost savings

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** “Collect on delivery” is a transaction where payment for a good is made at the time of its delivery. When this is done with a third party shipper, the shipper collects the money from the buyer and delivers it to the seller. Current law requires that any carrier providing collect on delivery services must obtain a bond in a sum fixed by the Oregon Department of Transportation (ODOT). In 2009 there were 27 of these bonds on file with the Department’s Motor Carrier Transportation Division. Since then, with consultation with the Oregon Department of Justice, ODOT suspended the bond requirement due to a challenge to Oregon’s authority to require the bond based on federal legislation passed in 1994.