

REVENUE: No revenue impact
FISCAL: No fiscal impact

Action: Do Pass
Vote: 6 - 0 - 0
Yeas: Atkinson, Burdick, Edwards, Girod, Starr, Beyer
Nays: 0
Exc.: 0
Prepared By: Richard Berger, Administrator
Meeting Dates: 2/1

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

ISSUES DISCUSSED:

- Need for the statutory change in order to comply with federal law

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 of Oregon’s authority to require the bond based on federal legislation passed in 1994.