

MEASURE: HB 2958
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House Business and Labor Committee
March 16th, 2015

Testimony in Support of HB 2958

Chair Holvey and Members of the House Business and Labor Committee:

For the record I am Al Elkins, representing the Car and Truck Rental and Leasing Association of Oregon (CATRALA). We are here today in support of HB 2958 a bill that we had introduced at the request of members of our trade association.

The Situation

- Technology advances and mobility of our customers have required our industry to be more mobile and flexible to meet this demand. As a result, we believe some of the laws governing our licensing need updating.
- Under current law, rental car companies are required to be licensed to sell insurance products that are incidental to the rental of a motor vehicle. These are take-it-or-leave-it products and we support the need to be licensed.
- The mobility of our customers means they may pick up a vehicle and execute a rental contract at a hotel or smaller airport with our authorized agent instead of one of our employees.
- We want to make sure that the same licensing requirements apply to those authorized agents in addition to our employees and we are proposing language to do that so that our customers continue to be protected in these circumstances.
- We also want to make sure that all of our employees are covered by the rules and regulations of the company license. We have proposed language to tighten that up.

Solution

HB 2958 eliminates the confusion of whether or not the person selling optional insurance on a rental car needs an individual license by requiring the Department of Consumer and Business Services to:

- Adopt rules for rental car companies to apply for a "limited license" to sell optional insurance.
- Issue a rental car company "limited license" to sell a limited product line of insurance.

The "limited license" issued for the rental car company then becomes a "limited license" for the employee or designated agent of the rental car company to perform any act that the rental company may perform under the "limited license".

That concludes my testimony I would be glad to answer any questions.