

HOUSE COMMITTEE ON
BUSINESS, LABOR, AND CONSUMER AFFAIRS

April 01, 2005 Hearing Room B

9:00 A.M. Tapes 75 - 76

MEMBERS PRESENT: Rep. Alan Brown, Chair

Rep. Sal Esquivel, Vice-Chair

Rep. Mike Schaufler, Vice-Chair

Rep. Paul Holvey

Rep. George Gilman

Rep. Derrick Kitts

Rep. Chip Shields

STAFF PRESENT: Janet Adkins, Committee Administrator

Katie Howard, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3305 – Public Hearing and Work Session

HB 2189 – Work Session

HB 3206 – Public Hearing and Work Session

HB 2465 – Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/# Speaker Comments

TAPE 75, A

003 Chair Brown Calls the meeting to order at 9:05 a.m. Opens the public hearing on HB 3305.

HB 3305 – PUBLIC HEARING

006 Janet Adkins Committee Administrator. Explains HB 3305. Explains the -1 and the fiscal statement (**EXHIBIT A and B**).

028 Rep. Donna Nelson House District 24. Submits and reads from written testimony in support of HB 3305 (**EXHIBIT C**). Emphasizes that HB 3305 helps American troops. Talks about the need to expedite HB 3305.

087 Rep. Nelson Talks about the time when she utilized Unemployment Insurance. Urges the committee to pass HB 3305.

108 Rep. Schaufler Wants to add that troops can go to union halls to get living wage jobs.

117 Rep. John Dallum House District 59. Speaks in support of HB 3305. Notes the importance of creating jobs for Oregonians. Talks about the difficulty finding employment in House District 59. States that Grant County has double digit unemployment.

143 Rep. Kevin Cameron House District 19. Speaks in support of HB 3305. Talks about how the business climate has been difficult in Oregon. Mentions the struggle employers face when they have to layoff workers. Asserts that Unemployment Insurance is a trust fund that is meant to be used during times of economic downturn and keeps balance within the system.

192 Chair Brown Praises the management of Unemployment Insurance Trust Fund. Speaks in support of HB 3305.

221 Rep. Brian Boquist House District 23. Speaks in support of HB 3305. Submits letter to the governor urging his support for HB 3305 (**EXHIBIT D**). Mentions that he is in the military. Talks about how the governor is in support of increasing benefits for people in the military. Believes that HB 3305 is the quickest way to get unemployment benefits to troops.

- 268 Steve Lanning Oregon AFL-CIO. Submits written testimony on the behalf of Tim Nesbitt **(EXHIBIT E)**. Speaks in support of HB 3305.
- 285 Bob Shiprack Oregon State Building and Construction Trades Council. Speaks in support of HB 3305. Says that March had the lowest job growth rate in eight months. Talks about how returning veterans have been taken into trade programs.
- 318 Tamara Brickman Employment Department. Introduces Tom Byerley.
- 326 Tom Byerley Employment Department. Takes a neutral position on HB 3305. Talks about how two claims people from the Unemployment Division helped sign up returning military personnel for unemployment benefits. Explains how unemployment benefits are calculated.
- 356 Rep. Schaufler Asks about the logistical reasons for the -1 amendments **(EXHIBIT A)**.
- 361 Byerley Talks about the mailings that need to be done for HB 3305.
- 383 Brickland Explains that retroactive benefits are extremely difficult to accomplish because of eligibility requirements.
- 402 Rep. Holvey Asks if the Unemployment Insurance Trust Fund will stay solvent if HB 3305 is passed.
- 413 Byerley States that HB 3305 on its own will not jeopardize the tax rate for the Unemployment Insurance Trust Fund.
- 417 Rep. Holvey Asks if other bills will affect the tax rate for unemployment insurance.
- 421 Byerley Indicates that at this time the Employment Department does not anticipate any bills that would jeopardize the Unemployment Insurance Trust Fund.

TAPE 76, A

- 006 Sen. Peter Courtney President, Oregon Senate. Senate District 11. Submits written testimony in support of HB 3305 **(EXHIBIT F)**. Thanks Rep. Nelson for introducing HB 3305. States that HB 3305 is similar to the one

that is going to be introduced in the Senate. Emphasizes his alarm that so many returning American troops are unemployed. Urges support of HB 3305.

- 053 Chair Brown Talks about being with the National Guard troops when they returned to Oregon.
- 059 Sen. Courtney Talks about how he has talked with Col. Mike Caldwell and that 40 percent of returning troops did not have jobs. Mentions that ten percent of the unemployed troops had jobs before they left.
- 071 Chair Brown Closes the public hearing on HB 3305 and opens the work session on HB 3305.

HB 3305 – WORK SESSION

073 Rep. Kitts **MOTION: Moves to ADOPT HB 3305-1 amendments dated 03/31/05.**

077 **VOTE: 7-0-0**

Chair Brown **Hearing no objection, declares the motion CARRIED.**

078 Rep. Kitts **MOTION: Moves the SUBSEQUENT REFERRAL on HB 3305 to the committee on Ways and Means BE RESCINDED.**

082 **VOTE: 7-0-0**

Chair Brown **Hearing no objection, declares the motion CARRIED.**

086 Rep. Kitts **MOTION: Moves HB 3305 to the floor with a DO PASS AS AMENDED recommendation.**

089 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Brown **The motion CARRIES.**

REP. NELSON will lead discussion on the floor.

096 Chair Brown Closes the work session on HB 3305 and opens the work session on HB 2189.

HB 2189 – WORK SESSION

098 Janet Adkins Committee Administrator. Explains HB 2189. Mentions the -1 amendments (**EXHIBIT G**).

125 Chair Brown Asks if there was any testimony in opposition to HB 2189 and the -1 amendments.

127 Adkins Responds that no testimony was given in opposition.

129 Rep. Kitts **MOTION: Moves to ADOPT HB 2189-1 amendments dated 03/31/05.**

132 **VOTE: 7-0-0**

Chair Brown Hearing no objection, declares the motion CARRIED.

133 Rep. Kitts **MOTION: Moves HB 2189 to the floor with a DO PASS AS AMENDED recommendation.**

136 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Brown The motion CARRIES.

142 Rep. Kitts **MOTION: Moves HB 2189 be placed on the CONSENT CALENDAR.**

144 **VOTE: 6-0-1**

EXCUSED: 1 - Schaufler

Chair Brown Hearing no objection, declares the motion CARRIED.

150 Chair Brown Closes the work session on HB 2189 and opens the public hearing on HB 3206

HB 3206 – PUBLIC HEARING

- 152 Janet Adkins Committee Administrator. Explains HB 3206.
- 165 Jessica Adamson Associated General Contractors. Submits informational packets about Milstead & Associates, Inc and Construction Services Group **(EXHIBIT H and I)**. Talks about how a public agency in the state of Washington is taking away jobs from Oregonians. Says that this agency does not have to deal with the same overhead as companies in Oregon and that makes competition unfair for Oregon companies.
- 190 Jerry Milstead Associated General Contractors. Elaborates about a situation where a company that is subsidized in Washington competed for a public works contract. References the Sweet Home School District Proposal **(EXHIBIT I)**. Notes that the company from Washington takes school bond money back to the state of Washington to help with their costs.
- 229 Adamson Talks about the Washington group's success in acquiring other construction contracts in the state **(EXHIBIT I)**. Notes that HB 3206 is very specific.
- 244 Ed Glad Pacific Northwest Regional Council of Carpenters. Speaks in support of HB 3206.
- 258 Rep. Shields Asks if the Education Service District (ESD) from Washington is using any workers with disabilities or who are in recovery.
- 263 Glad States that the construction management operation coordinates the various contractors that will come onsite to do work. Says that the ESD was targeting smaller jobs.
- 280 Adamson States that the Washington ESD is not specifically using people who are in recovery or have other disabilities.
- 286 Rep. Holvey Asks if there are similar problems with instate ESDs and asks if there is any data about whether ESD construction groups are saving money for the state.
- 296 Milstead States that their fee is similar to the private rates and concludes that they are not saving money for school districts.

- 322 Adamson Says that she does not have data on all of the programs and that the skill set is different for maintenance than for construction and renovation work.
- 353 Milstead States that out of state groups will not understand the intricacies of the law surrounding public contracts. States that meeting minutes exist which demonstrate the company gave bad advice to the school district.
- 384 Rep. Holvey Says that he encountered a similar situation with a school district that decided to act as its own general manager, and since they were not familiar with the laws surrounding public contracts and the nature of the construction industry, the school district got into trouble. States that he is interested in legislation that would curtail these situations.
- 410 Bob Shiprack Oregon Building Trades Council. Speaks in support of HB 3206.

TAPE 75, B

- 001 Shiprack Talks about how the wage rates were incorrect on a particular project and offers to supply the information for the committee. Hopes HB 3206 will stop the situation from happening again. States that the given contracts were no bid contracts.
- 016 Chair Brown Closes the public hearing on HB 3206.
- 020 Janet Adkins Committee Administrator. Points out that it does cover public works contracts and contracts for personal services.
- 024 Chair Brown Opens the work session on HB 3206.

HB 3206 – WORK SESSION

026 Rep. Esquivel MOTION: Moves HB 3206 to the floor with a DO PASS recommendation.

033 VOTE: 6-0-1

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Kitts

Chair Brown

The motion CARRIES.

REP. ESQUIVEL will lead discussion on the floor.

036 Chair Brown Closes the work session on HB 3206. Opens the public hearing on HB 2465.

HB 2465 – PUBLIC HEARING

039 Janet Adkins Committee Administrator. Explains HB 2465.

047 Lara Smith Oregon Association of Process Servers. Speaks in support of HB 2465.

050 Aaron Crowe Oregon Association of Process Servers. Speaks in support of HB 2465. States that process servers are feeling the strain of increasing gas prices. Notes that process servers are tied to the fee that is set by the sheriff's office. Believes that the sheriff's fee is heavily subsidized. Notes that the sheriffs' offices in California have stopped their process server program, because they cannot afford it. Wants the free market to control the cost in areas where the population is over 100,000 in a county.

098 Crowe States that the program has worked very well in California. Offers to answer questions.

106 Jim Markee Oregon Collectors Association. Speaks in opposition to HB 2465. States that this issue has been around for many years. Wants to keep the sheriffs' fees close to the private market. States that the current system works well.

168 Markee Says that private process servers can charge whatever they want. Offers to answer questions.

174 John Powell Oregon Sheriffs Association. Speaks in opposition to HB 2465. Believes that it would be unwise due to safety reasons to eliminate sheriffs from the process servers' business. Says that the association believed that an agreement had been reached last session.

193 Rep. Holvey Asks if the Sheriffs Association has any figures about the cost of serving the papers for individual sheriffs' offices.

195	Powell	Offers to get the information for Rep. Holvey.
204	Rep. Esquivel	States that in Jackson County it is in the county charter and it is the duty of the sheriff to perform process serving duties.
210	Markee	Talks about how people are paying less than the \$28 fee.
234	Rep. Esquivel	Closes the public hearing on HB 2465 and adjourns the meeting at 10:20 a.m.

EXHIBIT SUMMARY

- A. **HB 3305, -1 amendments, staff, 3 pp**
- B. **HB 3305, fiscal statement, staff, 1 p**
- C. **HB 3305, written testimony, Rep. Donna Nelson, 1 p**
- D. **HB 3305, letter, Rep. Brian Boquist, 1 p**
- E. **HB 3305, written testimony of Tim Nesbitt, Steve Lanning, 1 p**
- F. **HB 3305, written testimony, Sen. Peter Courtney, 1 p**
- G. **HB 2184, -1 amendments, staff, 3 pp**
- H. **HB 3206, informational packet, Jessica Adamson, 16 pp**