

**HOUSE COMMITTEE ON**  
**BUSINESS, LABOR, AND CONSUMER AFFAIRS**

**May 24, 2005 Hearing Room E**

**4:00 P.M. Tapes 141 – 142**

**Corrected 10/03/05**

**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**

**Caralyn Fischer, Committee Administrator**

**Kellie Whiting, Committee Assistant**

**MEASURES/ISSUES HEARD:**

**SB 13A – Work Session**

**SB 15 – Work Session**

**SB 17A – Work Session**

**SB 1002A – Public Hearing and Work Session**

**SB 131 – Public Hearing and Work Session**

**SB 132A – Public Hearing and Work Session**

**SB 133A – Public Hearing and Work Session**

## **SB 134 – Public Hearing and Work Session**

## **SB 135A – Public Hearing and Work Session**

**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.**

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
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### **TAPE 141, A**

002	Chair Brown	Calls the meeting to order at 4:02 p.m. and opens a work session on SB 13A.
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### **SB 13A - WORK SESSION**

006	Cara Fischer	Committee Administrator. Explains SB 13A. Refers to and explains the -A2 amendments <b>(EXHIBIT A)</b> and the -A3 amendments <b>(EXHIBIT B)</b> .
027	Sen. David Nelson	Senate District 29. States he has seen the –A2 and the –A3 amendments. Testifies in support of –A2 amendments to SB 13A.
036	Chair Brown	Opens a work session on SB 15 to be open concurrently with SB 13A.

### **SB 15 – WORK SESSION**

039	Cara Fischer	Committee Administrator. Explains SB 15 and the -1 amendment to SB 15 <b>(EXHIBIT C)</b> .
056	Rep. Kitts	Provides clarification concerning the sunset date and the reporting clause within SB 13A and SB 15. Clarifies the –A2 amendments <b>(EXHIBIT A)</b> and the –A3 amendments <b>(EXHIBIT B)</b> for SB 13A and the -1 amendments <b>(EXHIBIT C)</b> for SB 15.
109	Fischer	Clarifies the -A2 amendment to SB 13A does not remove the emergency clause.

116	Sen. David Nelson	Submits and refers to the article regarding industrial properties <b>(EXHIBIT D)</b> and the letter from Marty Brantley <b>(EXHIBIT E)</b> . Refers to page three of SB 15 and notes on the reporting and oversight issues. Urges the passage of SB 15 without amendments.
153	Rep. Kitts	Comments on the intent and creation of the -1 amendment <b>(EXHIBIT C)</b> .
171	Sen. Nelson	Comments on the communication with interested parties.
192	Rep. Esquivel	Expresses support of the -A2 amendments to SB 13A <b>(EXHIBIT A)</b> .
211	Rep. Kitts	Comments on the concept of the amendments.
<b>233</b>	<b>Rep. Brown</b>	<b>MOTION: Moves to ADOPT SB 13A -2 amendments dated 5/19/05.</b>
240	Rep. Kitts	Requests the adoption of amendments to SB 15 before the adoption of amendments to SB 13A.
248	Chair Brown	<b>Withdraws Motion.</b>
<b>250</b>	<b>Rep. Kitts</b>	<b>MOTION: Moves to ADOPT SB 15-1 amendments dated 5/19/05.</b>
<b>252</b>		<b>VOTE: 3-4-0</b>  <b>AYE: 3 - Gilman, Kitts, Schaufler</b>  <b>NAY: 4 - Esquivel, Holvey, Shields, Brown</b>
	<b>Chair Brown</b>	<b>The motion FAILS.</b>
<b>280</b>	<b>Rep. Brown</b>	<b>MOTION: Moves to ADOPT SB 13A-2 amendments dated 5/19/05.</b>
<b>282</b>	<b>Rep. Esquivel</b>	<b>VOTE: 7-0-0</b>  <b>AYE: 7 - Esquivel, Gilman, Holvey, Kitts, Schaufler, Shields, Brown</b>

**Chair Brown**                      **The motion CARRIES.**

**297**                      **Rep. Esquivel**                      **MOTION: Moves SB 13A to the floor with a DO PASS AS AMENDED recommendation.**

**300**                      **VOTE: 7-0-0**

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

**Chair Brown**                      **The motion CARRIES.**

**REP. ESQUIVEL will lead discussion on the floor.**

**315**                      **Rep. Esquivel**                      **MOTION: Moves SB 13A be placed on the CONSENT CALENDAR.**

**320**                      **Rep. Kitts**                      **Objects to the motion.**

**323**                      **Rep. Brown**                      **Appoints Rep. Esquivel to carry SB 13A.**

**330**                      **Rep. Holvey**                      **MOTION: Moves SB 15 to the floor with a DO PASS recommendation.**

**333**                      **VOTE: 7-0-0**

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

**Chair Brown**                      **The motion CARRIES.**

**REP. GILMAN will lead discussion on the floor.**

**343**                      **Chair Brown**                      **Closes the work session on SB 15 and SB 13A and opens a work session on SB 17A.**

**SB 17A – WORK SESSION**

**348**                      **Cara Fischer**                      **Committee Administrator. Explains SB 17A.**

**371**                      **Rep. Kitts**                      **MOTION: Moves SB 17A with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and**

**Means BE RESCINDED and BE REFERRED to the committee on Budget.**

**375**

**VOTE: 7-0-0**

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

**Chair Brown**

**The motion CARRIES.**

**The following prepared testimony is submitted for the record without public testimony:**

Bill Penhollow                      Association of Oregon Counties. Submits prepared testimony in support of SB 13A, SB 15 and SB 17A **(EXHIBIT F)**.

Chair Brown                      Closes the work session on SB 17A and opens the public hearing on SB 1002A.

**SB 1002A – PUBLIC HEARING**

408              Janet Adkins              Committee Administrator. Explains SB 1002A.

422              Dana Baugher              Testifies in support of SB 1002A. Explains her experience with contractors and contracts thereof.

**TAPE 142, A**

002              Baugher                      Explains that requirements for a written contract will enable homeowners to hold contractors responsible.

048              Rep. Gilman                  Comments on the arguments made in regards to the threshold contract value.

059              Chair Brown                  Closes the public hearing on SB 1002A and opens a work session on SB 1002A.

**SB 1002A – WORK SESSION**

061              Rep. Shields                  **MOTION: Moves SB 1002A to the floor with a DO PASS recommendation.**

065

**VOTE: 6-0-1**

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

**EXCUSED: 1 - Kitts**

**Chair Brown**

**The motion CARRIES.**

070

**Rep. Brown**

**MOTION: Moves SB 1002A be placed on the CONSENT CALENDAR.**

075

**VOTE: 6-0-1**

**EXCUSED: 1 - Kitts**

**Chair Brown**

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

076

**Chair Brown**

Closes the work session on SB 1002A and opens the public hearing on SB 131.

### **SB 131 – PUBLIC HEARING**

082

**Cara Fischer**

Committee Administrator. Explains SB 131.

089

**Christie Hammond**

Administrator of Wage and Hour Division, Bureau of Labor and Industries. Submits and refers to prepared testimony of Labor Commissioner Dan Gardner in support of SB 131 **(EXHIBIT G)**. States that the Farm Bureau also supports this legislation.

130

**Chair Brown**

Closes the public hearing on SB 131 and opens a work session on SB 131.

### **SB 131 – WORK SESSION**

132

**Rep. Esquivel**

**MOTION: Moves SB 131 to the floor with a DO PASS recommendation.**

135

**VOTE: 6-0-1**

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

**EXCUSED: 1 - Kitts**

**Chair Brown**                      **The motion CARRIES.**

**137**                      **Rep. Esquivel**                      **MOTION: Moves SB 131 be placed on the CONSENT CALENDAR.**

**139**    **VOTE: 6-0-1**

**EXCUSED: 1 - Kitts**

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

Chair Brown                      Closes the work session on SB 131 and opens a public hearing on SB 132A.

### **SB 132A – PUBLIC HEARING**

**155**                      Cara Fischer                      Committee Administrator. Explains SB 132A.

**160**                      Christie Hammond                      Bureau of Labor and Industries. Submits and refers to prepared testimony of Dan Gardner in support of SB 132A (**EXHIBIT H**). Requests the bill not be referred to the Judiciary Committee. Notes the Farm Bureau also supports SB 132A.

**180**                      Chair Brown                      Closes the public hearing on SB 132A and opens a work session on SB 132A.

### **SB 132A – WORK SESSION**

**181**                      **Rep. Esquivel**                      **MOTION: Moves SB 132A with a DO PASS recommendation and BE REFERRED to the committee on Judiciary by prior reference.**

**185**    **VOTE: 7-0-0**

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

**Chair Brown**                      **The motion CARRIES.**

**200**                      Chair Brown                      Closes the work session on SB 132A and opens a public hearing on SB 133A.

### **SB 133A – PUBLIC HEARING**

215	Cara Fischer	Committee Administrator. Explains SB 133A.
220	Christie Hammond	Bureau of Labor and Industries. Submits and refers to prepared testimony of Dan Gardner ( <b>EXHIBIT I</b> ) in support of 133A.
233	Rep. Esquivel	Inquires about the threshold for damages recoverable from a person acting as a farm labor contractor.
243	Hammond	Responds the amount is inline with the amount of civil penalties that the bureau has authority to assess. Explains who can recover damages.
244	Chair Brown	Closes the public hearing on SB 133A and opens a work session on SB 133A.

### **SB 133A – WORK SESSION**

256	Rep. Kitts	<b>MOTION: Moves SB 133A WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Judiciary.</b>
260		<b>VOTE: 7-0-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b>
	Chair Brown	<b>The motion CARRIES.</b>
281	Rep. Schaufler	<b>MOTION: Moves to SUSPEND the rules for the purpose of allowing Rep. Kitts to vote on SB 131 and SB 1002A.</b>
287	Rep. Kitts	<b>Votes AYE on SB 1002A and SB 131.</b>
290	Chair Brown	Closes the work session on SB 133A and opens a public hearing on SB 134.

### **SB 134 – PUBLIC HEARING**

300	Cara Fischer	Committee Administrator. Explains SB 134.
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310	Christie Hammond	Submits and refers to prepared testimony of Dan Gardner in support of SB 134 <b>(EXHIBIT J)</b> .
346	Chair Brown	Closes the public hearing on SB 134 and opens a work session on SB 134.

**SB 134 – WORK SESSION**

350	Rep. Kitts	<b>MOTION: Moves SB 134 to the floor with a DO PASS recommendation.</b>
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354		<b>VOTE: 7-0-0</b>
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**AYE: In a roll call vote, all members present vote Aye.**

	Chair Brown	<b>The motion CARRIES.</b>
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357	Rep. Schaufler	<b>MOTION: Moves SB 134 be placed on the CONSENT CALENDAR.</b>
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358		<b>VOTE: 7-0-0</b>
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	Chair Brown	<b>Hearing no objection, declares the motion CARRIED.</b>
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	Chair Brown	Closes the work session on SB 134 and opens a public hearing on SB 135A.
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**SB 135A – PUBLIC HEARING**

360	Cara Fischer	Committee Administrator. Explains SB 135A.
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370	Christie Hammond	Bureau of Labor and Industries. Submits and refers to prepared testimony of Dan Gardner in support of SB 135A <b>(EXHIBIT K)</b> . States that the bill would require both farm and forest labor contractors to file certified true copies of their payroll records with the Bureau of Labor and Industries. Notes that the process is currently being done with forest labor contractors and they are attempting to make the regulations similar.
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430	Rep. Kitts	Inquires about the need for the process.
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430	Hammond	Responds about the employment issues, protection of employees and the availability of the records.
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**TAPE 141, B**

001	Rep. Kitts	Inquires about the process of the verifying the records.
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008	Hammond	Responds the payroll records are submitted after the work has been preformed and the records certifies the wages which were paid to the workers.
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012	Rep. Kitts	Expresses concern in regards to the need for the process.
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020	Chair Brown	Inquires if the Farm Bureau testified to the bill.
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022	Hammond	Responds she believes the Farm Bureau testified in neutral support.
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023	Rep. Gilman	Inquires about the definition of certified documentation.
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026	Hammond	Responds about the form the Bureau uses which includes the names of workers, their addresses, total number of hours worked, gross earnings and deductions made. Notes it is basic payroll information that most employers use.
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032	Rep. Holvey	Comments on the intent of the bill and the difficulties employees can face in regards to making a complaint without proper documentation. Expresses support for the bill.
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048	Rep. Schaufler	Inquires about the required amount of time to keep records.
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050	Hammond	Responds about the wage and hour law requirements.
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056	Rep. Kitts	Comments on the issues previously addressed by Rep. Holvey.
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068	Hammond	Responds about the laws for protection of employees and the authority given to the Bureau to enforce the laws. Comments that the payroll records can be used in complaints against employers and can detect unlawful deductions made. States that part of the problem is some employers do not issue pay stubs and the bill requires documentation.
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091            Chair Brown            Closes the public hearing on SB 135A and opens a work session on SB 135A.

**SB 135 – WORK SESSION**

095            Rep. Schaufler            **MOTION: Moves SB 135A to the floor with a DO PASS recommendation.**

098                                    **VOTE: 6-1-0**

**AYE:    6 - Esquivel, Gilman, Holvey, Schaufler, Shields, Brown**

**NAY:    1 - Kitts**

**Chair Brown            The motion CARRIES.**

**REP. SCHAUFLER will lead discussion on the floor.**

Chair Brown            Closes the work session on SB 135A and adjourns the meeting at 5:15 p.m.

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**EXHIBIT SUMMARY**

- A. SB 13, -A2 amendments, staff, 1 p
- B. SB 13, -A3 amendments, staff, 1 p
- C. SB 15, -1 amendments, staff, 1 p
- D. SB 15, article, Sen. David Nelson, 1 p
- E. SB 15, letter, Sen. David Nelson, 4 pp
- F. SB 13, SB 15, SB 17, prepared testimony, Bill Penhollow, 2 pp
- G. SB 131, prepared testimony of Dan Gardner, Christie Hammond, 2 pp
- H. SB 132, prepared testimony of Dan Gardner, Christie Hammond, 2 pp
- I. SB 133, prepared testimony of Dan Gardner, Christie Hammond, 2 pp
- J. SB 134, prepared testimony of Dan Gardner, Christie Hammond, 2 pp
- K. SB 135, prepared testimony of Dan Gardner, Christie Hammond, 1 p