

HOUSE COMMITTEE ON
BUSINESS, LABOR, AND CONSUMER AFFAIRS

May 06, 2005 Hearing Room B

9:00 A.M. Tapes 118 - 121

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 2383 – Work Session

HB 3363 – Work Session

HB 2060 – Work Session

HB 3240 – Public Hearing and Work Session

HB 3253 – Public Hearing

HB 2958 – Work Session

HB 2772 – Work Session

HB 3026 – Public Hearing and Work Session

HB 3438 – Public Hearing and Work Session

HB 2391 – Public Hearing and Work Session

HB 2408 – Public Hearing and Work Session

HB 2303 – Public Hearing and Work Session

HB 2596 – 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
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TAPE 118, A

003	Chair Brown	Calls the meeting to order at 9:35 a.m. Opens the work session on 2383.
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HB 2383 – WORK SESSION

006	Janet Adkins	Committee Administrator. Explains HB 2383. States that the public hearing for HB 2383 occurred on April 4, 2005.
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017	Rep. Donna Nelson	House District 24. Speaks in support of HB 2383. Mentions other states that have enacted competitive bidding processes. Outlines the savings that have occurred in other states. Notes that Oregon's government could fund social services for senior citizens with all the money that would be saved if a competitive bidding process was enacted for all state contracts.
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088	Rep. Kitts	MOTION: Moves HB 2383 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.
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093	Rep. Schaufler	Speaks against HB 2383 with a do pass recommendation.
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097	Rep. Shields	Speaks against HB 2383 with a do pass recommendation.
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099 Rep. Holvey Speaks against HB 2383 with a do pass recommendation.

103 VOTE: 4-3-0

AYE: 4 - Esquivel, Gilman, Kitts, Brown

NAY: 3 - Holvey, Schaufler, Shields

Chair Brown The motion CARRIES.

111 Chair Brown Closes the work session on HB 2383. Opens a work session on HB 3363.

HB 3363 – WORK SESSION

116 Janet Adkins Committee Administrator. Explains HB 3363 and submits the -1 and -2 amendments (**EXHIBIT A and B**).

130 Rep. Dingfelder House District 45. Speaks in support of HB 3363 and the -1 amendments. States that the enforcement section of the bill has been taken out to ensure that there is no fiscal impact for the Department of Energy. Notes that enforcement will occur through the Attorney General's Office. Discusses the appliances and gadgets that were taken out of HB 3363. Notes how washers and dryers will be affected by HB 3363 and talks about how the bill will allow for them to be refurbished.

175 Rep. Dingfelder Indicates that since it has no fiscal impact, they would like the referral to the Ways and Means Committee to be removed.

180 Mike Grainey Department of Energy. Speaks in support of HB 3363 and the -1 amendments. Talks about the how the -1 amendments removes the rule making authority that was given to the Department of Energy.

195 Chair Brown Asks if Rep. Dingfelder and Mr. Grainey have seen the -2 amendments.

197 Rep. Dingfelder States that she has not seen them.

205 Rep. Schaufler Commends Rep. Dingfelder for her flexibility. Asks if Rep. Dingfelder has looked at the -2 amendments.

210	Rep. Dingfelder	States that she has not seen the -2 amendments.
213	Rep. Schaufler	Asks if Rep. Dingfelder is comfortable adopting the -2 amendments.
215	Rep. Dingfelder	Indicates that the -2 amendments are not necessary based on her discussions with the interested party.
224	Fred VaNatta	Multi-Family Housing Laundry Association. Talks about how they have gotten a list of commercial washing machines and says that there are some machines that meet the specifications of 3363. Indicates that they have been ensured by the proponents that subsequent modification is allowed. Believes that the -2 amendments are unnecessary if the Department of Energy confirms that washing machines can be modified to do heavy duty work.
271	Grainey	Confirms that it is the position of the Department of Energy.
274	Jeff Bessonette	Citizen Utility Board. Speaks in support of the HB 3363 and the -1 amendments.
283	David C. Hewitt	Northwest Energy Efficiency Council. Submits and reads of written testimony in support of HB 3363 (EXHIBIT C). References the summary of the Northwest Energy Efficiency Council (EXHIBIT C, Page 3 – 6). Talks about how HB 3363 will cause few problems for businesses.
325	VaNatta	States that sections 10 and 11 were the sections that dealt with enforcement.
330	Rep. Esquivel	MOTION: Moves to ADOPT HB 3363-1 amendments dated 05/06/05.
333		VOTE: 7-0-0
	Chair Brown	Hearing no objection, declares the motion CARRIED.
340	Rep. Esquivel	MOTION: Moves HB 3363 with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means.
347		VOTE: 7-0-0

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

Chair Brown The motion CARRIES.

364 Chair Brown Closes the work session on HB 3363. Opens the work session on HB 2060.

HB 2060 – WORK SESSION

367 Janet Adkins Committee Administrator. Explains HB 2060 and references the -1 amendments (**EXHIBIT Z**).

389 Rep. Schaufler Wants a representative from one of the interested parties to voice support for HB 2060 and the -1 amendments.

405 Inga Nelson American Federation of Teachers – Oregon. Says that it is being worked at, but at this point they are not happy with HB 2060 and the -1 amendments.

415 Lori Sattenspiel Oregon Community College Association. Notes that she has been working with the Public Employee Retirement System (PERS) to address the part-time employment issue. States that this issue will be addressed in another PERS bill.

TAPE 119, A

006 Rep. Esquivel Believes that the interested groups had an agreement on HB 2060.

008 Nelson States that the agreement was on the definition for part-time employment.

012 Rep. Esquivel MOTION: Moves to ADOPT HB 2060-1 amendments dated 04/21/05.

015 VOTE: 6-0-1

EXCUSED: 1 – Gilman

Chair Brown Hearing no objection, declares the motion CARRIED.

017	Rep. Esquivel	MOTION: Moves HB 2060 to the floor with a DO PASS AS AMENDED recommendation.
020	Rep. Schaufler	Speaks in opposition to HB 2060.
023	Rep. Shields	Speaks in support of HB 2060. States that he has reservations but has faith that it can be fixed on the Senate side.
027	Rep. Holvey	Speaks in opposition to HB 2060. Talks about the concerns that the groups involved have and believes that community colleges are on different pages.
034	Rep. Esquivel	States that the part-time employment issue has to do with the way PERS is calculating part-time employment for instructors. Talks about how some fixes need to be made on the Senate side but says that they will be fixed.
042	Chair Brown	Speaks in support of HB 2060. Believes that this bill is needed to make community colleges in the state competitive with other states.
046	Rep. Holvey	States that he will be voting in favor and urges groups to come to an agreement.
050		VOTE: 6-1-0 AYE: 6 - Esquivel, Gilman, Holvey, Kitts, Shields, Brown NAY: 1 - Schaufler
	Chair Brown	The motion CARRIES.
060	Chair Brown	Closes the work session on HB 2060. Opens the public hearing on HB 3240.

HB 3240 – PUBLIC HEARING

064	Janet Adkins	Committee Administrator. Explains HB 3240 and the -2 amendments (EXHIBIT D) .
090	Rep. Kim Thatcher	House District 25. Speaks in support of HB 3240 and the -2 amendments.

096	Davis I Dyer	Citizen, Keizer. Submits and summarizes written testimony in support of HB 3240 (EXHIBIT E). Explains the origins of the words non-religious charity. Notes that non-religious charity is not defined in statute. Indicates that the Secretary of State maintains a database of nonprofits and the employee can redirect their union fees to one of those charities. Says that HB 3240 does not offer additional incentives for someone not to pay union dues.
153	Adkins	Points out that religious corporations will not be able to receive the union dues.
161	Doug VandeGriend	Attorney and Former President, Public Justice Advocates. Speaks in support of HB 3240. Talks about the current law in relationship to current non-profits. Says that the problem with Mr. Dyer's case was that the union tested to see how religious the non-profit was.
211	VandeGriend	States that litigation has occurred over the issue of unions determining whether an organization is a religious organization.
242	Tricia Smith	Oregon School Employees Association. Speaks in support of HB 3240 with the -2 amendments. Believes that the clarification HB 3240 provides will make it easier for people to donate their union dues to nonprofits.
255	Mary Botkin	American Federation of State and Municipal Employees (AFSME). Speaks in support of HB 3240 with the -2 amendments. States that their accounting department generally does not know where the money goes. Says that AFSME does not intervene in the process because not very many people have the exemption.
279	Joe Schaeffer	SEIU Local 503. Speaks in support of HB 3240 with the -2 amendments. States that they are comfortable with the amendments.
290	Chair Brown	Closes the public hearing on HB 3240 and opens the work session on HB 3240.

HB 3240 – WORK SESSION

300	Rep. Esquivel	MOTION: Moves to ADOPT HB 3240-2 amendments dated 04/14/05.
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306	VOTE: 7-0-0
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Chair Brown **Hearing no objection, declares the motion CARRIED.**

306 **Rep. Esquivel** **MOTION: Moves HB 3240 to the floor with a DO PASS AS AMENDED recommendation.**

307 Rep. Schaufler Speaks in support of HB 3240. States that philosophically he has a problem with the redirection of individual's union fees when the employee is directly benefiting from others union fees.

330 **VOTE: 7-0-0**

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

Chair Brown **The motion CARRIES.**

337 **Rep. Kitts** **MOTION: Moves HB 3240 be placed on the CONSENT CALENDAR.**

339 **VOTE: 7-0-0**

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

340 Chair Brown Closes the work session on HB 3240. Opens a public hearing on HB 3253.

HB 3253 – PUBLIC HEARING

343 Janet Adkins Committee Administrator. Explains HB 3253. Submits the -1 amendments **(EXHIBIT F)**.

361 Rep. Greg Macpherson House District 38. Speaks in support of HB 3253 and submits an informational handout **(EXHIBIT G)**. States that privileges granted to Limited Liability Corporations (LLC) are extremely valuable. Notes that the privilege comes from the legal system.

TAPE 118, B

001 Rep. Macpherson References the informational chart and talks about the fees associated with forming different types of businesses **(EXHIBIT G)**. States that forming an LLC saves companies money, because they do not have to buy liability insurance. Says that the minimum corporate tax in

California is \$800 and notes that it is paid when a company is an LLC. Indicates that Oregon allows companies to be an LLC for less money than surrounding states.

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| 050 | Rep. Macpherson | States that the \$100 annual LLC fee would create a stream of revenue for the Department of Justice. Notes the financial difficulties that the Oregon Court System has undergone recently. Indicates that businesses rely on the state to enforce the laws that protect businesses. Explains the -1 amendments. |
| 097 | Rep. Shields | Asks if S Corporations pay a minimum corporate tax. |
| 100 | Rep. Macpherson | Does not know. |
| 108 | Kingsley Click | State Court Administrator, Judicial Department. Submits an informational packet and speaks in support of HB 3253 (EXHIBIT H). |
| 118 | Robert Selander | By phone. Judge, Clackamas. Outlines the problems that occur within the Court System. Discusses the inadequacies of court houses. Mentions the fatal shooting that occurred at the courthouse due to lack of security and poor building design. |
| 191 | Dale Koch | Presiding Judge, Multnomah County. Speaks in support of HB 3253 and submits a graph of the average age of a courthouses in Oregon (EXHIBIT I). States that the average age of courthouses in Oregon is 71. Talks about how the courthouses can not meet the needs of the public and no room exists for expansion. Talks about a judge that has an office suite with no security. Notes that the Multnomah Courthouse is one of the buildings that is danger of collapsing if an earthquake hits Portland. |
| 240 | Koch | Indicates that there are more structural deficiencies, such as sewage flowing in the basement and destroying computer equipment. Outlines security issues in the courthouse. Says that there have been over 20 studies done that say that there needs to be a new building. |
| 296 | Rep. Schaufler | Appreciates the situation that the Multnomah County Courthouses are experiencing. Says that this state has convinced itself that no new taxes should exist and that services should continue. States that Oregon has not built new industries or used its natural resources. |
| 327 | Rep. Shields | Speaks in support of HB 3253. |

335	Marco Hernandez	Judge, Washington County. Says that the courtrooms need help. Outlines specific areas of concern in Washington County.
370	Click	States that it is a statewide issue.
390	Rep. Holvey	Speaks in support of HB 3253. Believes that LLCs pay little into the state and says that they do use the court system. Likes that the fee is given a direct use and says that the fee will provide construction jobs.
415	Chair Brown	Says that the courthouses have aged. States that they are not able to handle the increased population.

TAPE 119, B

009	Paul Snider	Association of Oregon Counties. Notes that since the late 1990s the court system has had funding difficulties. Talks about the federal law that will expire in 2006 that provides a safety net for counties that rely on timber harvests. Talks about the improvements to the hearing rooms at the capitol. States that some courts have similar video cameras and talks about how this saves the courts money.
060	Snider	Believes that many courts only need a one time payment and it can be funded through HB 3253. States that they will have a position on HB 3253 by Monday
105	Chair Brown	Moves the full committee to a subcommittee.
108	Don Schellenberg	Oregon Farm Bureau. Submits written testimony in opposition to HB 3253 (EXHIBIT J). Says that the flat fee is imposed on all businesses regardless of the company's size and is unfair. Notes that farmers stay away from the court system as much as possible.
139	Joe Schweinhart	Associated Oregon Industries. Speaks in opposition to HB 3253. Says that voters rejected imposing higher taxes on businesses. Asserts that HB 3253 is another way to raise taxes through fees.
153	Rep. Schaufler	States that the vote on Measure 30 was clear. Asks when Oregonians will find a right way to fund government programs.
174	Schweinhart	Says that there was an agreement on the budget. Believes that Oregon needs to move forward in terms of industry and encourage economic growth as a way to generate funds for government agencies.

184	Chair Brown	Talks about a general obligation bond measure that was on the ballot six times before it passed, and after the bond passed, the county built a new courthouse.
199	Peter Threlkel	Secretary of States Office. Speaks in opposition to HB 3253. States that if the bill passes they would have to charge them \$150 to dissolve a LLC. Wants the committee to waiver or reduce the fee if HB 3253 passes. Notes that 150,000 businesses will be affected.
233	Chair Brown	Closes the public hearing on HB 3253 and opens the work session on HB 2958.

HB 2958 – WORK SESSION

235	Janet Adkins	Committee Administrator. Explains HB 2958 and the -3 amendments (EXHIBIT K) .
245	Rep. Esquivel	Submits a prepayment contract (EXHIBIT L) . Explains that this document will be filed with the county clerk.
265	Tom Perrick	Oregon Bankers Association. Takes a neutral stance on HB 2958 and the -3 amendments.
280	Rep. Kitts	MOTION: Moves to ADOPT HB 2958-3 amendments dated 05/06/05.
282		VOTE: 7-0-0
	Chair Brown	Hearing no objection, declares the motion CARRIED.
286	Rep. Kitts	MOTION: Moves HB 2958 to the floor with a DO PASS AS AMENDED recommendation.
290		VOTE: 7-0-0
		AYE: In a roll call vote, all members present vote Aye.
	Chair Brown	The motion CARRIES.
298	Rep. Esquivel	

MOTION: Moves HB 2958 be placed on the CONSENT CALENDAR.

300 VOTE: 7-0-0

Chair Brown Hearing no objection, declares the motion CARRIED.

303 Chair Brown Closes the work session on HB 2958. Opens the work session on HB 2772.

HB 2772 – WORK SESSION

304 Janet Adkins Committee Administrator. Explains HB 2772 and the -5 amendments **(EXHIBIT M)**.

327 Rep. Esquivel Explains the -5 amendments. Notes that a sunset clause exists in the HB 2772.

339 Rep. Shields Asks if the -5 amendments only deal with small business health insurance.

346 Rep. Esquivel Affirms that they do.

348 Rep. Kitts Believes that the -5 amendments allow Rep. Kitts to support HB 2772.

354 Chair Brown Notes for the record that members of the industry support HB 2772.

355 Rep. Esquivel MOTION: Moves to ADOPT HB 2772-5 amendments dated 05/05/05.

257 VOTE: 7-0-0

Chair Brown Hearing no objection, declares the motion CARRIED.

361 Rep. Esquivel MOTION: Moves HB 2772 to the floor with a DO PASS AS AMENDED recommendation.

370 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.

376 Chair Brown Closes the work session on HB 2772. Opens the public hearing on HB 3026.

HB 3026 – PUBLIC HEARING

387 Janet Adkins Committee Administrator. Explains HB 3026 and submits the -1 amendments (**EXHIBIT N**).

398 Mike Dewey Oregon Cable Telecommunications Association. Talks about how telecommunication projects are not eligible to the public works fund and that it does need to be included in HB 3026.

TAPE 120, A

001 Dewey Talks about the telecommunication system that Ashland is considering selling. Mentions the telecommunication system in Monmouth. Wants the state to look at the appropriateness of the program and its affects on private businesses. States that private businesses pay property and income taxes in the state.

042 Rep. Schaufler Notes the impact on private businesses and the liability that is assumed by the local governments when they build public telecommunication systems. Asks what will happen if Ashland cannot sell the system and who will pay for the loan. Speaks in support of HB 3026 and the -1 amendments.

063 Rep. Shields Asks what the contentious bill was dealing with telecommunication companies.

065 Adkins Says it was HB 2445.

067 Dewey States that there needs to be a little more scrutiny of telecommunication projects.

082 Rep. Shields

Asks if the -1 amendments move the legislature towards HB 2445's intent.

084	Dewey	Believes that he does not see the -1 amendments that way. Wants people to explore what services are already available.
096	Chair Brown	Asks if the public works funds are lottery dollars. Talks about the intent to develop rural facilities. States that, even in rural communities, there needs to be careful consideration of using the funds for telecommunication networks.
104	Dewey	States that the funds are lottery dollars.
110	Rep. Holvey	Asks how much money from the lottery industry is going into the funds.
112	Dewey	States that he does not know.
124	Mike Salzer	Oregon Economic and Community Development (OECD). Says that cities are already required to submit a resolution that shows that there is no private or for-profit entity that could provide the same service when applying for funds. States that their policy and that of the Governor has been not to compete with private businesses. Notes that Oregon is one of the most wired states in the nation. Indicates that they are not interested in competing with the private sector and the fund is available for public entities that do not have access to private telecommunication systems.
154	Chair Brown	Asks if the OECD has placed fiber optic infrastructure within telecommunication infrastructure.
158	Salzer	Believes that it is not excluded in statute. Says that OECD has entertained applications to do it.
164	Rep. Holvey	Asks how much money goes into the special public works out of the lottery dollars.
169	Salzer	Believes that it is about \$22 million and says that he will get the exact information for Rep. Holvey.
174	Rep. Shields	Asks if OECD has seen the -1 amendments.

177	Salzer	States that the language is not opposed by OECD.
179	Rep. Shields	Asks if a private company could say that the situation was not fully evaluated and sue OECD.
187	Salzer	Notes that OECD has not examined that possibility.
189	Rep. Shields	Asks clarifying question.
191	Salzer	States that the analysis on the situation has not been done.
194	Dewey	Believes that a company would not move forward with litigation.
213	Chair Brown	Closes the public hearing on HB 3026. Opens the work session on HB 3026.

HB 3026 – WORK SESSION

216	Rep. Kitts	MOTION: Moves to ADOPT HB 3026-1 amendments dated 05/06/05.
218		VOTE: 6-0-1 EXCUSED: 1 - Esquivel
	Chair Brown	Hearing no objection, declares the motion CARRIED.
319	Rep. Kitts	MOTION: Moves HB 3026 with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Rules.
326		VOTE: 6-0-1 EXCUSED: 1 - Esquivel
	Chair Brown	Hearing no objection, declares the motion CARRIED.
335	Chair Brown	Closes the work session on HB 3026. Opens the public hearing on HB 3438.

HB 3438 – PUBLIC HEARING

338 Janet Adkins Committee Administrator. Explains HB 3438.

250 Rep. Kitts Asks if we can just move it to rules.

254 Chair Brown Closes the public hearing on HB 3438. Opens work session on HB 3438.

HB 3438 – WORK SESSION

257 Rep. Kitts **MOTION: Moves HB 3438 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 Rules.**

266 **VOTE: 4-0-3**

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

EXCUSED: 3 - Esquivel, Holvey, Schaufler

(NOTE: Please see page 15, tape 121, B, of this tape log for Rep. Holvey's vote.)

Chair Brown The motion CARRIES.

277 Chair Brown Closes the work session on HB 3438. Opens a public hearing on HB 2391.

HB 2391 – PUBLIC HEARING

280 Janet Adkins Committee Administrator. Explains HB 2391. Submits written testimony on behalf of Alyse Lansing, Elizabeth Rathbun, and Mario D Vaden, the -2 amendments, and the fiscal statement (**EXHIBIT O, P, Q, R, and S**).

337 Bill Cross Oregon Landscape Contractors Association. Submits written testimony in support of HB 2391 (**EXHIBIT T**). Notes that HB 2391 addresses consumer and environmental protection involving landscape maintenance. Talks about how a security bond would be

required by landscape maintenance companies. States that it parallels the requirements for landscape contractors.

409	Rep. Schaufler	Asks if people in the industry are comfortable with the fee structure and the certification process.
411	Cross	States that a survey of the industry shows that a majority of landscape contractors and maintenance workers want the program in place.
TAPE 121, A		
001	Cross	Notes that, although no one enjoys paying a fee, the industry is willing to pay in order to find a solution. Details the cost of HB 2391 for landscape maintenance workers.
018	Rep. Kitts	References document and shares concerns about Section 22 (A). States that no need exists for the section unless you raise what landscape contractors are required to do. Says that he will seek an amendment to narrow the language.
041	Cross	Indicates that they were thinking along the lines of educating them about rule changes.
049	Rep. Kitts	Asks about legislative oversight and sunset amendments. Notes that he does not want to make the test cumbersome.
068	Mike Snyder	Administrator, Landscape Contractors Board. Submits written testimony that is neutral on HB 2391 (EXHIBIT U). Gives history of HB 2391.
081	Patrick Allen	Office of Regulatory Streamlining. Talks about the process that agencies that wanted new regulations and permits underwent with the Office of Regulatory Streamlining. States that costs are being imposed on the industry that range from \$700 to \$900 annually. Believes that they are passing increased costs onto consumers and refers to the fiscal statement. Notes that he investigated who is complaining about the services and states that he could not find a significant level of complaints. Says that Better Business Bureau had received 75 complaints against landscape maintenance companies over the last three years.
123	Rep. Kitts	Asks if consumer liability exists without HB 2391 in place. Says that people put a lot of money into the maintenance of their landscape.

144	Allen	Says that there is a risk for consumers but says that not all industries where there is an area have licensing and insurance requirements.
153	Rep. Kitts	Asks how many complaints have to be filed before there is a pattern.
158	Allen	States that many complaints can be taken care of through other government agencies' licensing requirements. Emphasizes that he is not persuaded that there is a problem.
173	Rep. Kitts	States that the people that are working on cars are certified mechanics.
177	Allen	Says that mechanic certification is done by private industry. Believes that the private sector may be able to regulate the landscaping maintenance industry.
180	Rep. Kitts	Asks if Mr. Allen supports forming a business that would regulate landscape maintenance companies.
186	Allen	Believes that a role does not exist for him to support or oppose what an industry wants to do privately in that area.
192	Chair Brown	Closes the public hearing on HB 2391. Opens the work session on HB 2391

HB 2391 – WORK SESSION

200	Rep. Kitts	MOTION: Moves HB 2391 with a NO recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
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205	VOTE: 4-2-1
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AYE: 4 - Esquivel, Holvey, Kitts, Brown

NAY: 2 - Gilman, Schaufler

EXCUSED: 1 – Shields

(NOTE: Please see page 13, tape 120, B, of this tape log for Rep. Shield's vote.)

Chair Brown

The motion CARRIES.

220 Chair Brown Closes the work session on HB 2391 and opens the public hearing on HB 2408.

HB 2408 – PUBLIC HEARING

227 Janet Adkins Committee Administrator. Explains HB 2408 and the -1 amendments **(EXHIBIT V)**.

235 John Shilts Department of Consumer and Business Services. Takes a neutral position on HB 2408 and the -1 amendments. Talks about different types of workers compensation benefits for workers with permanent total or partial disability. States that HB 2408 with the -1 amendment changes how permanent partial disability is determined and includes sunsets for the policy changes.

294 Rep. Schaufler Asks if the Management Labor Advisory Committee (MLAC) approved HB 2408. Asks how the benefit is calculated.

297 Shilts Says that MLAC has approved HB 2408. States that a person did get a certain amount of money per degree in the old law.

311 Adkins Asks if the language regarding the calculation of loss of limb is changing in HB 2408.

318 Shilts States that it is the old law that would come back into affect if the Legislature decides to repeal the sunset clauses.

363 Lisa Trussell Associated Oregon Industries and MLAC. Speaks in support of HB 2408. Emphasizes that the changes are relatively simple. Says that the intent of the law is to give higher awards to someone who are unable to return to work than someone who is able to return to work. Believes that the sunsets will be eliminated once data has been collected on the actual fiscal impact of HB 2408.

400 Linda Barnu Legislative Co-Chair, Oregon Self-Insurers Association. Submits and summarizes written testimony in support of HB 2408 **(EXHIBIT W)**.

TAPE 120, B

009 Chair Brown Closes the public hearing on HB 2408. Opens the work session on HB 2408.

HB 2408 – WORK SESSION

012 Rep. Schaufler **MOTION: Moves to ADOPT HB 2408-1 amendments dated 05/05/05.**

013 **VOTE: 5-0-2**

EXCUSED: 2 - Gilman, Kitts

Chair Brown Hearing no objection, declares the motion CARRIED.

017 Rep. Schaufler **MOTION: Moves HB 2408 to the floor with a DO PASS AS AMENDED recommendation.**

019 **VOTE: 5-0-2**

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

EXCUSED: 2 - Gilman, Kitts

(NOTE: Please see tape 120, A, page 14, of this tape log for Rep. Gilman and Rep. Kitts' vote.)

Chair Brown The motion CARRIES.

024 Rep. Schaufler **MOTION: Moves HB 2408 be placed on the CONSENT CALENDAR.**

027 **VOTE: 5-0-2**

EXCUSED: 2 - Gilman, Kitts

(NOTE: Please see tape 120, A, page 14, of this tape log for Rep. Gilman and Rep. Kitts' vote.)

Chair Brown Hearing no objection, declares the motion CARRIED.

030 Chair Brown Closes the work session on HB 2408 and opens the public hearing on HB 2303

HB 2303 – PUBLIC HEARING

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| 033 | Janet Adkins | Committee Administrator. Explains HB 2303 and submits the –2 amendments (EXHIBIT X). |
| 042 | Jerod Broadfoot | National Electrical Contractors Association. Speaks in support of HB 2303 and the -2 amendments. Talks about electrical product certification. Notes that HB 2303 will create a system in which the Department of Consumer and Business Services (DCBS) only regulates electrical products that are a part of the construction. |
| 063 | Bill Cross | Oregon Building Officials Association. Submits and summarizes written testimony in support of HB 2303 (EXHIBIT Y). Adds that HB 2303 will create conformity with the Low-Rise Residential Code. |
| 068 | John Killin | Independent Electrical Contractors of Oregon. Speaks in support of HB 2303. |
| 074 | Rep. Holvey | Speaks in support of HB 2303. |
| 078 | Chair Brown | Closes the public hearing on HB 2303 and opens the work session on HB 2303. |

HB 2303 – WORK SESSION

082	Rep. Esquivel	MOTION: Moves to ADOPT HB 2303-2 amendments dated 05/06/05.
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088		VOTE: 4-0-3
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EXCUSED: 3 - Gilman, Kitts, Schaufler

	Chair Brown	Hearing no objection, declares the motion CARRIED.
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089	Rep. Esquivel	MOTION: Moves HB 2303 to the floor with a DO PASS AS AMENDED recommendation.
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092		VOTE: 6-0-1
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AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Schaufler

Chair Brown **The motion CARRIES.**

099 **Rep. Gilman** **MOTION: Moves HB 2303 be placed on the CONSENT CALENDAR.**

101 **VOTE: 6-0-1**

EXCUSED: 1 - Schaufler

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

103 Chair Brown Closes the work session on HB 2303. Opens the work session on HB 2391 for the purpose of allowing Rep. Shields to vote.

HB 2391 – WORK SESSION

107 **Rep. Kitts** **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. SHIELDS to BE RECORDED as voting AYE on the motion to move HB 2391 with a NO recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**

110 **VOTE: 6-0-1**

EXCUSED: 1 – Schaufler

(NOTE: Please see page 11, tape 121, A, of this tape log for the original vote.)

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

111 Chair Brown Closes the work session on HB 2391 for the purpose of allowing Rep. Shields to vote. Opens the work session on HB 2408 for the purpose of allowing Rep. Gilman and Rep. Kitts to vote.

HB 2408 – WORK SESSION

112 **Rep. Shields** **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. GILMAN and REP. KITTs to BE RECORDED as voting AYE on the motion to moves HB 2408 to**

the floor with a DO PASS AS AMENDED recommendation and be placed on the CONSENT CALENDAR.

113

VOTE: 6-0-1

EXCUSED: 1 – Schaufler

(NOTE: Please see tape 120, A, page 12, of this tape log for the original vote.)

Chair Brown

Hearing no objection, declares the motion CARRIED.

122

Chair Brown

Closes the work session on HB 2408 for the purpose of allowing Rep. Gilman and Rep. Kitts to vote. Opens the public hearing on HB 2596.

HB 2596 – PUBLIC HEARING

Janet Adkins

Committee Administrator. Submits the -3 amendments (**EXHIBIT AA**).

122

Jerod Broadfoot

National Electrical Contractors Association and the International Brotherhood of Electrical Workers 48. Speaks in support of HB 2596. Notes that, for the last 20 to 30 years, electricians have been able to design and install non-complex electrical installations. Says that several months ago the Attorney General ruled that only engineers could design, plan, and layout.

148

Rep. Kitts

Asks what is meant by “never has been the case”.

151

Broadfoot

States that in current statute electricians have an exemption to any other part of statute. Notes that journeyman electricians have been complying with statute when designing and laying out non-complex electrical installations.

155

Rep. Kitts

Asks if electricians have been violating Oregon statute.

157

Broadfoot

Asserts that the electricians have not been in violation of the law prior to the Attorney General’s ruling.

163

Rep. Kitts

Asks if the Attorney General’s interpretation of the law is correct.

166	Broadfoot	Notes that, after the subsequent enforcement of the Attorney General's opinion, the electricians sought the opinion of the Building Codes Division. Indicates that, when the Building Codes Division went to the Attorney General, they were told that electricians were "probably" ok designing and laying out non-complex electrical systems.
182	Rep. Kitts	Asks if HB 2596 would allow electricians to continue current practice in the field.
184	Chair Brown	Moves to a subcommittee.
185	Broadfoot	Says that the -3 amendments would keep the status quo and clarify the statutes. Notes that noncomplex electrical installations should not require plan review. Indicates that electricians will be put out of work if they have to go to engineers to review non-complex electrical installations.
241	Tim Nickel	International Brotherhood of Electrical Workers. Speaks in support of HB 2596.
243	Chair Brown	Welcomes Rep. Shields and Rep. Kitts back and moves the subcommittee to a full committee.
246	John Killin	Independent Electrical Contractors of Oregon. Speaks in support of HB 2596. States that it was a major change in policy to have engineers review non-complex electrical plans. Gives examples.
277	Broadfoot	States that they will be committed to have the engineers in the rule-making process in the review committee that determines what kinds of work is exempt.
294	Stuart Albright	Geotechnical and Environmental Engineer, Ash Creek Associates, Beaverton. States that the Attorney General's opinion had to do with the sprinkler heads and says that the clarification was only for sprinkler heads. Believes that the electrical contractors should have come to Oregon State Board of Engineering Examiners to resolve the issue. Says that HB 2596 is extremely broad. Believes at a bare minimum the engineers should provide input about what is and what is not engineering.
393	Mark Wirfs	Electrical Engineer. Speaks in opposition to HB 2596 and concurs with Mr. Albright's remarks.

TAPE 121, B

001	Wirfs	States that the word “design” complicates who is supposed to design electrical projects.
009	Jennings Ruffin	Electrical Engineer and Contractor. Speaks in opposition to HB 2596. Believes that electricians designing electrical systems are not in the public’s best interest. Gives history of exemption for non-complex projects for electricians. Gives example of bad electrical design and installation.
052	Rep. Kitts	Asks if the exemption only applies to union shops.
057	Ruffins	States that in his opinion union shops train their electricians better. Continues story. Believes that the exemption for electrical engineers needs to be more specific and not broader.
082	Rep. Kitts	Asks if HB 2596 is allowing electricians to continue what they have been doing since the 1970s.
084	Wirfs	States that the Attorney General’s was only for fire sprinkler systems and that HB 2596 is much broader.
093	Chair Brown	Closes the public hearing on HB 2596 and opens the work session on HB 3438 for the purpose of allowing Rep. Holvey to vote.

HB 3438 – WORK SESSION

095	Rep. Gilman	MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. HOLVEY to BE RECORDED as voting AYE on the motion to move HB 3438 to the floor 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 Rules.
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098		VOTE: 4-0-3
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EXCUSED: 3 - Esquivel, Schaufler, Shields

(NOTE: Please see page 10, tape 120, A, of this tape log for the original vote.)

Chair Brown

Hearing no objection, declares the motion CARRIED.

102

Chair Brown

Closes the work session on HB 3438 for the purpose of allowing Rep. Holvey to vote. Adjourns the meeting at 1:00 p.m.

EXHIBIT SUMMARY

- A. HB 3363, -1 amendments, staff, 5 pp
- B. HB 3363, -2 amendments, staff, 2 pp
- C. HB 3363, written testimony, David C. Hewitt, 6 pp
- D. HB 3240, -2 amendments, staff, 2 pp
- E. HB 3240, written testimony, Davis I. Dyer, 10 pp
- F. HB 3253, -1 amendments, staff, 2 pp
- G. HB 3253, informational handout, Rep. Greg Macpherson, 1 p
- H. HB 3253, informational packet, Kingsley Click, 7 pp
 - I. HB 3253, graph, Dale Koch, 1 p
 - J. HB 3253, written testimony, Don Schellenberg, 1 p
- K. HB 2958, -3 amendments, staff, 3 pp
- L. HB 2958, prepayment contract, Rep. Esquivel, 2 pp
- M. HB 2772, -5 amendments, staff, 2 pp
- N. HB 3026, -1 amendments, staff, 1 p
- O. HB 2391, written testimony of Alyse Lansing, staff, 2 pp
- P. HB 2391, written testimony of Elizabeth Rathbun, staff, 2 pp
- Q. HB 2391, written testimony of Mario D. Vaden, staff, 2 pp
- R. HB 2391, -2 amendments, staff, 2 pp
- S. HB 2391, fiscal statement, staff, 3 pp
- T. HB 2391, written testimony, Bill Cross, 6 pp
- U. HB 2391, written testimony, Mike Snyder, 1 p
- V. HB 2408, -1 amendments, staff, 18 pp
- W. HB 2408, written testimony, Linda Barnu, 3 pp
- X. HB 2303, -2 amendments, staff, 16 pp
- Y. HB 2303, written testimony, Bill Cross, 1 p
- Z. HB 2060, -1 amendments, staff, 5 pp
- AA. AA. HB 2596, -3 amendments, staff, 1 p