

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

June 23, 2005

Hearing Room 357

1:00 P.M.

Tapes 6 - 7

MEMBERS PRESENT: Rep. Wayne Krieger, Chair

Rep. Jeff Barker, Vice-Chair

Rep. Brian Boquist, Vice-Chair

Rep. Linda Flores

Rep. Greg Macpherson

STAFF PRESENT: Sam Litke, Committee Administrator

Cletus Moore, Committee Administrator

Joe O’Leary, Counsel

Bill Taylor, Counsel

Sandy Thiele-Cirka, Committee Administrator

Annetta Mullins, Committee Assistant

MEASURES/ISSUES HEARD:

SB 899A – Public Hearing

SB 955A – Public Hearing

SB 984A – Public Hearing

SB 1032A – Public Hearing

SB 1059A – Public Hearing

SB 321 – Public Hearing

SB 978A – Public Hearing and Work Session

Introduction of Committee Measure LC 3717 – 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.

TAPE/#	Speaker	Comments
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TAPE 6, A

003	Vice-Chair Boquist	Calls the meeting to order at 1:06 p.m., makes announcements and opens a public hearing on SB 899A.
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SB 899A – PUBLIC HEARING

014	Cletus Moore	Committee Administrator. Describes SB 899A which abolishes the Multnomah County Tax Supervising and Conservation Commission (TSCC); and allows counties with populations of 500,000 or more to establish a TSCC if the county obtains the approval of the county governing body and taxing districts within the county. Explains the -7 amendments (EXHIBIT A).
024	Dennis Mulvihill	Government Affairs Officer, Washington County. Testifies and submits written testimony in support of SB 899A with the -7 amendments (EXHIBIT B) which allow Multnomah County to retain their TSCC and allow the citizens of other counties to vote to create a commission. Provides a history of the requirement for tax supervising and conservation commissions. Concludes that the mayors of Washington County and the Clackamas and Washington County Boards of Commissioners also support SB 899A with the -7 amendments.
070	Dave Boyer	Chief Financial Officer, Multnomah County. Testifies and submits written testimony in support of SB 899A in its present form (EXHIBIT C). Believes that the cost of the TSCC far outweighs the benefits to the taxpayers of Multnomah County. Describes their current processes. Refers to ORS chapter 294 that requires the county to provide \$280,000 in funding for the TSCC, which could be used for more needed services.
117	Rep. Macpherson	Asks what is different that would make continuation of this commission appropriate in Multnomah County and not appropriate in Washington County.

120	Mulvihill	Thinks Multnomah County needs the support of all the taxing jurisdictions in the county. Appears there is ambivalence with some taxing jurisdictions.
131	Rep. Macpherson	Clarifies that it is not just the county but other taxing entities in the county that are subject to the jurisdiction of this commission, and the entire cost of the TSCC is paid by the county so the other taxing authorities may not feel as strongly.
144	Mulvihill	Agrees.
146	Rep. Macpherson	Asks if there is a difference in protecting the public in the two counties that would make it appropriate in Multnomah County and not in Washington County.
151	Boyer	Responds the only difference is population size.
161	Vice-Chair Boquist	Closes the public hearing on SB 899A and opens a public hearing on SB 955A.

SB 955A – PUBLIC HEARING

168	Sam Litke	Committee Administrator. Explains that SB 955A requires a condominium and planned community board of directors to include under their annual reserve study a 30-year plan for the maintenance, repair and replacement of the common elements of association property.
183	John Carroll	Developer, Portland, Oregon. Testifies in support of SB 955A. Gives example of sources of complaints. Offers that SB 955A provides direction for people to manage their assets.
230	Brian DeMarco	Oregon Real Estate Agency. Testifies in support of SB 955A which goes a long way to mediate the differences between purchasers and developers.
248	Rep. Macpherson	Asks what the consequences would be if the homeowner association did not do maintenance that conforms to the maintenance plan.
251	DeMarco	Responds that he is not in a position to give that legal advice.

253	Carroll	Answers that at the time a unit is purchased, a disclosure statement must be completed by the seller so believes they could use the mechanisms already in place to provide information to prospective buyers.
263	DeMarco	Adds that the Agency is in the position to protect the consumer and there is no reason to believe this legislation would harm the consumer.
289	Rep. Macpherson	Explains why he believes this is a good bill.
288	Vice-Chair Boquist	Closes the public hearing on SB 955A and opens a public hearing on SB 984A.

SB 984A – PUBLIC HEARING

295	Sandy Thiele-Cirka	Committee Administrator. Summarizes SB 984A which requires the Department of Consumer and Business Services (DCBS) to conduct a review of the assigned risk plan and of the subject employers covered by the plan to provide a report to the Legislature by August 1, 2006. Notes the bill has a subsequent referral to the House Committee on Budget.
317	Shawn Miller	Liberty Northwest. Testifies and submits written testimony in support of SB 984A (EXHIBIT D). Discusses the portion of the bill that assures Oregon employers the process used to establish assigned rate tiers for workers' compensation insurance is done objectively and fairly.
352	John DiLorenzo	Oregonians for Sound Economic Policy. Testifies and submits testimony in support of SB 984A (EXHIBIT E). Provides history of the assigned risk pool. Cites statistics from a State Accident Insurance Fund Corporation (SAIF) survey on the leading reasons companies are in the assigned risk pool (EXHIBIT E).

TAPE 7, A

052	Brenda Rocklin	SAIF Corporation. Testifies in opposition to SB 984A. Advises that DCBS already has the authority to conduct most of the activities set forth in the bill. Continues that this committee has the ability to ask SAIF to explain their actions with respect to employers in the assigned risk pool.
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077	Rep. Macpherson	Asks if the states listed in EXHIBIT E are a fair comparison and what analysis would be done if SB 984A is not pursued.
086	Chris Davie	SAIF Corporation. Responds that they have not looked at Arizona and Idaho to see why there is a discrepancy. Explains that the statistics are probably based on the number of employers rather than the premium volume.
101	Rep. Macpherson	Seeks clarification on the comparison to two other states that have the same configuration as Oregon.
116	Davie	Answers that Arizona and Idaho are not insurers of last resort. Advises that a study to be done by DCBS will give more information about why companies are in the assigned risk pool.
131	Rep. Macpherson	Asks if DCBS is going to do what is described in SB 984A anyway, why there is any harm putting it in statute.
130	Davie	Is unsure why anything should be put in statute if DCBS is committed to conducting the study.
142	Cory Streisinger	Director, DCBS. Testifies and submits written testimony as neutral on SB 984A (EXHIBIT F). Advises that the assigned risk pool provides workers' compensation insurance coverage for employers who cannot obtain insurance coverage from the voluntary market, and most are small employers. Remarks on their plan to study the reasons companies are in the insurance pool. Explains that they review and approve rates for nondiscrimination and actuarial soundness before they can be used and have rules in place to govern that review.
173	Rep. Macpherson	Inquires if it makes a difference whether SB 984A is passed or not.
177	Streisinger	Answers no. Points out two areas in SB 984A that are not in the Department's current powers.
196	Jack Munro	American Insurance Association. Has no interest in the assigned risk provisions but expresses concern that the language in Section 5 of SB 984A is not in the best interest of Oregon consumers.
243	Rep. Macpherson	Asks if the belief is there would be a departure from the way workers' compensation insurance is regulated in Oregon now.

253 Munro Shares the discussions on the Senate side.

The following written material is submitted for the record without public testimony:

Chris Davie SAIF Corporation. Submits printed assigned risk pool report
(EXHIBIT G).

285 Vice-Chair Boquist Closes the public hearing on SB 984A and opens a public hearing on
SB 1032A.

SB 1032A – PUBLIC HEARING

294 Sam Litke Committee Administrator. Explains SB 1032A which deals with
schools in urban growth boundaries (UGB). Points out there are no
revenue or fiscal impacts.

318 Gary Conkling Beaverton School District. Testifies in support of SB 1032A.
Explains that UGB decisions in the metro area are made on different
bases. Advises that Beaverton has run out of school sites within the
UGB. Provides history on property condemnation for schools. States
that SB 1032A is a compromise that follows a decade of disagreement
on how to insert school siting effectively into the land use planning
process.

372 Randy Tucker Legislative Affairs Manager, Metro. Testifies in support of SB
1032A. States that the bill requires the metro council to develop an
expedited process for UGB amendments that occur in between the
regularly scheduled UGB expansions.

421 Rep. Macpherson Comments that consideration should be given to building multi-story
schools.

TAPE 6, B

006 Conkling Advises that building two-story schools require special permits for
elevators, and accommodations for special education students are very
expensive.

019 Vice-Chair Boquist Closes the public hearing on SB 1032A and opens a public hearing on
SB 1059A.

SB 1059A – PUBLIC HEARING

- 031 Joe O’Leary Counsel. Explains SB 1059A which provides that juveniles found guilty except for insanity or found mentally incompetent to stand trial may be committed to a secure intensive community inpatient facility as opposed to the Oregon State Hospital. Reports on the current law. Refers to the -4 amendments (**EXHIBIT H**) that resolve a conflict with SB 39A.
- 058 Bill Bouska Department of Human Services. Testifies and submits written testimony in support of SB 1059A (**EXHIBIT I**).
- 083 Vice-Chair Boquist Closes the public hearing on SB 1059A and opens a public hearing on SB 321.

SB 321 – PUBLIC HEARING

- 087 Sandy Thiele-Cirka Committee Administrator. Explains SB 321 which modifies the definition of employment relations in public collective bargaining for employees who are prohibited from striking to include staffing levels and safety issues that have a potential impact on the on-the-job safety and workload for employees. Points out the fiscal analysis provides additional comments on the potential impacts but the fiscal impact is indeterminate (**EXHIBIT J**).
- 104 Pat West Oregon State Firefighters Council. Testifies and submits written testimony in support of SB 321 (**EXHIBIT K**). Reads from prepared statement.
- 170 Brian DeLashmutt Oregon Council of Police Associations. Testifies and submits written testimony in support of SB 321 (**EXHIBIT L**). Provides history of collective bargaining process. Reiterates that they want the ability to discuss safety issues during contract negotiations.
- 234 Ken Armstrong Oregon Fire Chiefs Association. Testifies in opposition to SB 321. Cites other employers who deal with public safety issues, with whom they have been working. States it is a prerogative of management to deal with staffing and safety issues.
- 266 John Powell Oregon State Sheriffs’ Association. Testifies in opposition to SB 321. States there are significant issues on the employer side.
- 302 George Barry

City of Salem. Testifies in opposition to SB 321 (**EXHIBIT M**). Agrees with comments by Mr. Armstrong and Mr. Powell.

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| 323 | Rep. Barker | Seeks clarification on bargaining on safety issues. |
| 326 | Armstrong | Comments on the statement that there is no bargaining on staffing and safety; however, there is if there is a demonstration of a direct and substantial impact. |
| 336 | Rep. Barker | States that “direct and substantial impact” have been interpreted to mean imminent and immediate. Asks if the employer doesn’t want to talk about those issues, they don’t have to. |
| 345 | Armstrong | Responds that if there is demonstration of direct and substantial impact on staffing and safety, they have to bargain it. Points out the language in SB 321 opens the door for anything that has the potential for impacting staffing and safety. |
| 355 | Rep. Barker | Comments on the process of selecting arbitrators. |
| 388 | John Cock | Oregon Youth Authority (OYA). Testifies and submits written testimony in support of SB 321 (EXHIBIT N). Comments on the changes in their population and staffing and the need for safety training. Cites statistics on staff assaults. |

TAPE 7, B

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| 046 | Randy Davis | Oregon State Hospital (OSH). Testifies in support of SB 321. Reports on the increase in size of the patient population and the number of staff assaults during the last year. |
| 078 | Roy Carter | OYA. Testifies in support of SB 321. Reiterates the need for the opportunity to discuss safety and staffing issues in bargaining. |
| 096 | Rep. Macpherson | Asks if under current law issues being presented for bargaining are being carved out by the arbitrator as not having met the direct and substantial impact standard. |
| 104 | Carter | Responds with the negotiation process. |
| 116 | Rep. Barker | |

Inquires how one makes a situation “imminent and immediate” until it is too late.

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| 122 | Davis | Replies with criteria used at OSH. Cites specific dangerous incidents. |
| 153 | Rep. Billy Dalto | House District 21. Comments on efforts to revise the statutes for personnel at OSH. Provides information on altercations by young offenders toward officers. |

The following written material is submitted for the record without public testimony:

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| | Tom Brian | Washington County Board of Commissioners. Submits written testimony in opposition to SB 321 (EXHIBIT O) . |
| | Mark Landauer | City of Portland. Submits written testimony in opposition to SB 321 (EXHIBIT P) . |
| | Ken Strobeck | Executive Director, League of Oregon Cities. Submits written testimony in opposition to SB 321 (EXHIBIT Q) . |
| | | Association of Oregon Counties. Submits written testimony in opposition of SB 321 (EXHIBIT R) . |
| 207 | Vice-Chair Boquist | Closes the public hearing on SB 321 and asks the committee to stand at ease at 2:42 p.m. |
| 213 | Chair Krieger | Calls the meeting back to order and opens a public hearing on SB 978A. |

SB 978A – PUBLIC HEARING

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| 324 | Bill Taylor | Counsel. Explains SB 978A which expands a district attorney’s authority to limit disclosure of personal identifier information. Describes current law. |
| 236 | Rep. Dennis Richardson | House District 4. Testifies and submits written testimony in support of SB 978A (EXHIBIT S) . Explains the Jackson County District Attorney brought these issues forward. |

252 Mary Botkin American Federation of State, County and Municipal Employees. Testifies in support of SB 978A. Points out that inmates have a constitutional right to their criminal file. Comments that certain personal information used in investigations has ended up in those files and inmates are selling it for identity theft.

The following written material is submitted for the record without public testimony:

Mark Huddleston Jackson County District Attorney. Submits written testimony in support of SB 978A (**EXHIBIT T**).

301 Chair Krieger Closes the public hearing and opens a work session on SB 978A.

SB 978A – WORK SESSION

303 Rep. Barker **MOTION: Moves SB 978A to the floor with a DO PASS recommendation.**

VOTE: 5-0-0

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

310 Chair Krieger **The motion CARRIES.**

REP. RICHARDSON will lead discussion on the floor.

320 Chair Krieger Opens a work session on introduction of committee measure LC 3717 (**EXHIBIT U**).

INTRODUCTION OF COMMITTEE MEASURE – WORK SESSION

322 Rep. Boquist **MOTION: Moves LC 3717 BE INTRODUCED as a committee bill.**

VOTE: 5-0-0

324 Chair Krieger **Hearing no objection, declares the motion CARRIED.**

326 Chair Krieger Closes the work session on committee measure introduction of LC 3717 and adjourns the meeting at 2:50 p.m.

EXHIBIT SUMMARY

- A. SB 899, A7 amendments, staff, 1 p
- B. SB 899, written testimony, Dennis Mulvihill, 3 pp
- C. SB 899, written testimony, Dave Boyer, 3 pp
- D. SB 984, written testimony, Shawn Miller, 2 pp
- E. SB 984, written testimony, John DiLorenzo, 5 pp
- F. SB 984, written testimony, Cory Streisinger, 2 pp
- G. SB 984, printed report, Chris Davie, 2 pp
- H. SB 1059, A4 amendments, staff, 4 pp
 - I. SB 1059, written testimony, Bill Bouska, 2 pp
 - J. SB 321, fiscal analysis, staff, 2 pp
- K. SB 321, written testimony, Pat West, 1 p
- L. SB 321, written testimony, Brian DeLashmutt, 2 pp
- M. SB 321, written testimony, George Barry, 2 pp
- N. SB 321, written testimony, John Cock, 3 pp
- O. SB 321, written testimony, Tom Brian, 1 p
- P. SB 321, written testimony, Mark Landauer, 1 p
- Q. SB 321, written testimony, Ken Strobeck, 1 p
- R. SB 321, written testimony, Association of Oregon Counties, 1 p
- S. SB 978, written testimony, Rep. Dennis Richardson, 1 p
- T. SB 978, written testimony, Mark Huddleston, 1 p
- U. Introductions, LC 3717, staff, 1 p