

# SENATE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

February 24, 2005  
1:00 P.M.

Hearing Room B  
Tapes 29 - 30

**MEMBERS PRESENT:** Sen. Rick Metsger, Chair  
Sen. Bruce Starr, Vice-Chair  
Sen. Jason Atkinson  
Sen. Ryan Deckert  
Sen. Laurie Monnes Anderson

**STAFF PRESENT:** Theresa Van Winkle, Committee Administrator  
James Goulding, Committee Assistant

**MEASURES/ISSUES HEARD:**  
SB 323 – Public Hearing  
SB 207 – Work Session  
SB 318 – Work Session  
SB 367 – Work Session

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 29, A</b>		
003	Chair Metsger	Calls the committee to order at 1:05 P.M. Opens a public hearing on SB 323.
<b>SB 323 – PUBLIC HEARING</b>		
015	Sen. Vicki Walker	Senate District 7. Begins testimony in favor of SB 323. Discusses the -2 amendments to SB 323 ( <b>EXHIBIT A</b> ). Notes the -1 amendments are still being prepared but are minimal.
063	Lisa Trussell	Chair, Independent Contractor Task Force. Presents written testimony in favor of SB 323 ( <b>EXHIBIT B</b> ). Relates the key findings of the Independent Contractors Task Force. Discusses the Final Nov. 1, 2004 Report of the Independent Contractor's Task Force ( <b>EXHIBIT C</b> ).
150	Elizabeth Harchenko	Governor's Representative, Independent Contractor's Task Force. Presents written testimony in favor of SB 323 to the committee ( <b>EXHIBIT D</b> ). Details the amendments needed in state statute.
200	Harchenko	Discusses the criteria needed to properly identify an independent contractor.
250	Harchenko	Relays exceptions in the measure for farm workers. Discusses page 3 of the bill.
300	Harchenko	Speaks in detail about additional statute changes proposed in the bill and the reasoning behind them.
350	Harchenko	Discusses the -2 amendments provided by Senator Walker.
410	Chair Metsger	Asks when they can expect to have the opinion of the Management-Labor Advisory Committee (MLAC) on the bill.
415	Trussell	Replies that they are working on getting amendments ready.

425	Chair Metsger	Feels the bill would be an improvement as drafted. States they are working to add the workers compensation piece. Appreciates her work on this measure.
<b>TAPE 30, A</b>		
010	Jerry Managhan	Deputy Administrator, Workers Compensation Division, Department of Consumer and Business Services (DCBS). Testifies in favor of SB 323. Presents written testimony ( <b>EXHIBIT E</b> ).
050	Managhan	Relates that the SB 323 will be more of a clarification, than a change. Discusses an amendment to change workers compensation definition of “worker”.
085	Jeff Chicoine	Newcomb, Sabin, Schwartz & Landsverk, LLP. Testifies in favor of SB 323. Supports the bill as proposed. Feels the -1 amendments complicate the measure, as workers compensation was excluded on purpose. Considers more input is needed from the workers compensation community before moving forward.
100	Norman Malbin	Labor Attorney, International Brotherhood of Electrical Workers (IBEW) Local Union 48. Presents written testimony in support of SB 323 ( <b>EXHIBIT F</b> ). Voices his support for the measure as introduced and that there was a strong consensus formed around it.
150	Patrick Allen	Office of Regulatory Streamlining. Testifies in favor of SB 323, as well as the -1 amendments. Advocates that passage will assist greatly with regulatory streamlining.
180	Chris Davie	State Accident Insurance Fund (SAIF) Corporation. Presents written testimony ( <b>EXHIBIT G</b> ). Discusses his concern over the amendments shifting the handling of workers compensation claims.
200	Chair Metsger	Asks for elaboration on his concerns with the structure of the measure.
203	Davie	References statutes needing additional clarity.
220	Don Schellenberg	Oregon Farm Bureau. Provides definition of custom farming schedules. Suggests some changes to the measure. States they need to consider the filing of custom farming schedules.
255	Ed Glad	Pacific Northwest Regional Council of Carpenters. Presents written testimony in favor SB 323 ( <b>EXHIBIT H</b> ).
270	Chair Metsger	Asks Ms. Harchenko to return to clarify Mr. Schellenberg’s request.
272	Harchenko	Notes she had stepped out of the hearing room for a moment.
275	Chair Metsger	Summarizes Mr. Schellenberg’s concerns regarding language in the measure.
277	Schellenberg	Notes the measure requires them to always fill out two farming schedules when they only need to do one or the other, and occasionally both.
280	Harchenko	Understands the concerns voiced. Suggests they work with Mr. Schellenberg to modify the language.
300	Michael Dale	Executive Director, Northwest Workers’ Justice Project. Discusses classification of “independent contractors”. Expresses his concerns with the amendments proposed to the SB 323.
350	Dale	Explains the concerns of a field worker client he is representing, who was injured. Observes some of the language is unclear.
363	Chair Metsger	Notes that those proposing changes or having concerns should contact Committee Administrator, Theresa Van Winkle, to see

378	Dale	how best to amend the bill. States he would be happy to submit information to Ms. Van Winkle.
380	Chair Metsger	Closes public hearing SB 323. Opens work session on SB 207.
<b><u>SB 207 – WORK SESSION</u></b>		
390	Theresa Van Winkle	Committee Administrator. Explains the provisions of the bill.
405	Chair Metsger	Recalls past public hearing on SB 207. Comments that they did not hear any opposition to the bill.
<b>410</b>	<b>Sen. Deckert</b>	<b>MOTION: Moves SB 207 to the floor with a DO PASS recommendation.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 – B. Starr</b>
<b>415</b>	<b>Chair Metsger</b>	<b>Hearing no objection, declares the motion CARRIED. SEN. WALKER will lead discussion on the floor.</b>
420	Chair Metsger	Closes work session on SB 207. Opens a work session on SB 318.
<b>TAPE 29, B</b>		
<b><u>SB 318 – WORK SESSION</u></b>		
010	Van Winkle	Discusses the provision of the bill. Explains the -1 amendments before the committee ( <b>EXHIBIT I</b> ).
<b>015</b>	<b>Sen. Atkinson</b>	<b>MOTION: Moves to ADOPT SB 318-1 amendments dated 2/22/05.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
<b>017</b>	<b>Chair Metsger</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
020	Lori Makinen	Oregon State Veterinary Medical Examining Board. Testifies that the amendment was a change for clarity. Voices her concern about the change being misinterpreted.
030	Chair Metsger	Asks if she discussed the change with legislative counsel
035	Makinen	States they were comfortable with it, but wonders if they might wish to change it.
040	Chair Metsger	Notes that the bill could be further amended in the other chamber if they feel it is a real issue.
<b>045</b>	<b>Sen. Atkinson</b>	<b>MOTION: Moves SB 318 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
<b>050</b>	<b>Chair Metsger</b>	<b>Hearing no objection, declares the motion CARRIED. SEN. SCHRADER will lead discussion on the floor.</b>
053	Chair Metsger	Closes work session on SB 318. Opens a work session on SB 367.
<b><u>SB 367 – WORK SESSION</u></b>		
055	Van Winkle	Summarizes the bill. Explains the -2 amendments to the measure ( <b>EXHIBIT J</b> ).
065	Chair Metsger	Notes a letter of written support for the amendments from Steve Entler of Radio Cab ( <b>EXHIBIT K</b> ). Talks about the compromises they were able to reach in addressing the concerns over the measure. States that Ms. Whitman did some research on this issue to present to the committee.
090	Christa Whitman	Salem resident. Presents research report to the committee ( <b>EXHIBIT L</b> ).
120	Chair Metsger	Observes Mr. Castales from Oregon Department of Transportation (ODOT) is present to answer any questions.
123	Sen. Atkinson	Remarks that he is concerned with the enforcement of this

		measure. States that he doesn't like taxis being targeted more than any other vehicle.
125	Chair Metsger	Offers he doesn't believe taxis will be targeted any more than an average driver. Asks for an overview of the reasoning behind the bill.
133	Troy Castales	Manager, Transportation Safety Division, ODOT. Explains the history of the seatbelt law in Oregon being enacted by voters in 1990.
175	Sen. Atkinson	Wonders if this would affect shuttle van programs for seniors in his district.
182	Castales	Clarifies this only applies to privately owned vehicles of 15 passengers or less.
187	Sen. Atkinson	Notes it is unfair to enact laws only on private vehicles and not on public ones. Wonders if this is really that much of a problem.
197	Chair Metsger	Explains the reasoning and intent of the bill in addressing the tragic death of a figure skater's mother in a Portland taxi the previous year.
215	Chair Metsger	Calls a brief recess at 2:18 P.M.
218	Chair Metsger	Calls the committee back to order at 2:20 P.M.
220	<b>Sen. Monnes Anderson</b>	<b>MOTION: Moves to ADOPT SB 367-2 amendments dated 2/16/05.</b>
223		<b>VOTE: 4-0-1</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Metsger</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
230	<b>Sen. Monnes Anderson</b>	<b>MOTION: Moves SB 367 to the floor with a DO PASS AS AMENDED recommendation.</b>
235	Sen. Deckert	Offers that the child seat issue needs additional attention.
237		<b>VOTE: 3-1-1</b>
		<b>AYE: 3 - Deckert, Monnes Anderson, Metsger</b>
		<b>NAY: 1 - Atkinson</b>
		<b>EXCUSED: 1 - B. Starr</b>
	<b>Chair Metsger</b>	<b>The motion CARRIES.</b>
		<b>SEN. METSGER will lead discussion on the floor.</b>
265	Chair Metsger	Closes the work session on SB 367. Adjourns the committee at 2:23 p.m.

## EXHIBIT SUMMARY

- A. SB 323, -2 amendments, staff, 2 pp
- B. SB 323, Written testimony, Lisa Trussell, 2 pp
- C. SB 323, Report of Independent Contractors Task Force, Lisa Trussell, 90 pp
- D. SB 323, Written testimony, Elizabeth Harchenko, 2 pp
- E. SB 323, Written testimony, Jerry Managhan, 2 pp
- F. SB 323, Written testimony, Norman Malbin, 4 pp
- G. SB 323, Written testimony, Chris Davie, 2 pp
- H. SB 323, Written testimony, Ed Gland, 3 pp
- I. SB 318, -1 amendments, staff, 1 p
- J. SB 367, -2 amendments, staff, 3 pp
- K. SB 367, Written testimony of Steve Entler, staff, 1 p
- L. SB 367, Written testimony, Christa Whitman, 2 pp