

## SENATE COMMITTEE ON COMMERCE

February 3, 2005  
3:10 P.M.

**CORRECTED May 9, 2005**  
**Hearing Room C**  
**Tapes 9 - 10**

**MEMBERS PRESENT:**     **Sen. Floyd Prozanski, Chair**  
                                  **Sen. Roger Beyer, Vice-Chair**  
                                  **Sen. Ginny Burdick**  
                                  **Sen. Charlie Ringo**

**MEMBER EXCUSED:**     **Sen. Doug Whitsett**

**STAFF PRESENT:**       **Anna Braun, Committee Administrator**  
                                  **Karen Scofield, Committee Assistant**

**MEASURES/ISSUES HEARD & WITNESSES:**  
                                  **Bureau of Labor and Industries - Informational Meeting**  
                                  **SB 172 - Public Hearing and Work Session**  
                                  **SB 119 - Public Hearing**

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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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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 9, A</b>		
005	Chair Prozanski	Calls the meeting to order at 3:17 p.m. Opens informational meeting on the Bureau of Labor and Industries (BOLI).
<b><u>BUREAU OF LABOR AND INDUSTRIES - INFORMATIONAL MEETING</u></b>		
010	Dan Gardner	Commissioner, Bureau of Labor and Industries (BOLI). Introduces himself. Submits and presents an informational packet regarding the Bureau of Labor and Industries ( <b>EXHIBIT A</b> ). Discusses the divisions of the Bureau. Continues and discusses the background and purpose of BOLI.
060	Christine Hammond	Administrator, Wage and Hour Division, BOLI. Discusses the Wage and Hour Division.
110	Chair Prozanski	Inquires if there is a cap to the Wage Security Fund.
115	Annette Talbott	Deputy Commissioner, BOLI. Answers that there is not a cap to the fund, but the amount has to last for two (2) full years.
128	Hammond	Discusses child labor provisions. Discusses prevailing wage rate law.
155	Hammond	Discusses wage claims and private employment agency law.
180	Amy Klare	Administrator, Civil Rights Division, BOLI. Gives overview and background on the Civil Rights Division.
215	Chair Prozanski	Inquires as to the discrimination complaint investigators' office locations.
217	Klare	Answers that the locations are divided throughout the state.
230	Chair Prozanski	Asks why there are vacancies in the positions.
231	Klare	Answers that they plan to fill the positions.
232	Gardner	Comments regarding the reason for vacancy of employees.
235	Klare	Discusses claims brought to the Civil Rights Division.
290	Gardner	Introduces Steve Simms. Refers to EXHIBIT A.
300	Steve Simms	Director, Apprenticeship and Training Division, BOLI. Discusses the Apprenticeship and Training Division.

370	Simms	Discusses the Division's activities and goals.
445	Chair Prozanski	Asks the Division's plans to implement their program in high schools.
455	Simms	Responds.
<b>TAPE 10, A</b>		
040	Gardner	Thanks committee members. Asks if there are any further questions.
045	Chair Prozanski	Thanks witnesses and comments on their testimonies. Closes informational meeting on the Bureau of Labor and Industries and opens public hearing on SB 172.

**SB 172 - PUBLIC HEARING**

065	Anna Braun	Committee Administrator. Gives an overview of SB 172.
070	John Shilts	Administrator, Workers Compensation Division, Department of Consumer and Business Services. Discusses and submits written testimony in support of SB 172 ( <b>EXHIBIT B</b> ). Discusses background on SB 172.
110	Shilts	Discusses the three technical aspects that the bill addresses regarding workers compensation law.
155	Sen. Beyer	Inquires if the Management Labor Advisory Committee (MLAC) has reviewed SB 172.
160	Shilts	Answers that MLAC has reviewed the bill and has approved it to go forward to the legislature.
165	Ed Johnston	Lincoln County, Oregon. Discusses personal experience as an injured worker. Discusses concerns regarding SB 172.
200	Chair Prozanski	Closes public hearing on SB 172 and opens work session on SB 172.

**SB 172 – WORK SESSION**

210	<b>Sen. Beyer</b>	<b>MOTION: Moves SB 172 to the floor with a DO PASS recommendation.</b>
		<b>VOTE: 3-0-2</b>
		<b>EXCUSED: 2 – Sen. Ringo, Sen. Whitsett</b>
	<b>Chair Prozanski</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
		<b>SEN. BURDICK will lead discussion on the floor.</b>
225	Chair Prozanski	Closes work session on SB 172 and opens public hearing on SB 119.

**SB 119 – PUBLIC HEARING**

230	Anna Braun	Committee Administrator. Gives overview of SB 119.
240	John Shilts	Administrator, Workers Compensation Division, Department of Consumer and Business Services. Remarks that an amendment is currently being drafted on SB 119. Discusses support of SB 119.
270	Shilts	Discusses preferred worker program.
325	Shilts	Discusses efforts to assist employees and the desire to clarify this ability through statute.
360	Sen. Burdick	Inquires regarding the need to move the definition of a preferred worker in the statute.
365	Shilts	Clarifies the need of moving the definition.
375	Sen. Burdick	Clarifies understanding of the need to move the definition.
380	Shilts	Remarks that the bill will increase workers' ability to use the preferred worker program. Explains and discusses the amendment to SB 119.
425	Chair Prozanski	Asks for a clarification regarding reimbursement of payment for vocational assistance by insurers.
430	Shilts	Answers clarification. Requests that SB 119 be held until the amendment is final.

450	Chair Prozanski	Remarks that the committee was not aware of an amendment being drafted.
470	Sen. Beyer	Inquires as to the financial status of the worker benefit fund.
<b>TAPE 9, B</b>		
035	Shilts	Answers that the fund is doing very well.
040	Sen. Beyer	Inquires regarding withdrawals to a fund to balance the budget last legislative session.
045	Shilts	Answers question.
050	Sen. Beyer	Inquires if the bill will jeopardize the worker benefit fund.
052	Shilts	Answers that they do not think it will adversely affect the fund balance.
055	Chair Prozanski	Inquires as to how many workers the Department estimates will qualify for preferred worker program benefits if the bill passes.
060	Shilts	Answer question. Provides an estimated number of workers.
070	Ted Swigert	Field Services Manager, Department of Human Services. Discusses support of Senate Bill 119. Discusses efforts of the Department to assist workers.
090	Shilts	Comments regarding amendment to the bill.
095	Chair Prozanski	Asks Shilts if he knows when the amendment will be final.
100	Shilts	Answers question.
101	Chair Prozanski	Asks for notice when the amendment is final.
105	Ed Johnston	Lincoln County, Oregon. Discusses personal experience as an injured worker. Discusses concerns of SB 119. Remarks that he is currently going through the preferred worker program.
131	Chair Prozanski	Asks if Johnston has reviewed bill.
132	Johnston	Answers that he has not read the entire bill.
135	Chair Prozanski	Comments that the bill was written to assist employees and will allow more workers to take part in the preferred worker program.
140	Johnston	Continues to discuss personal experience and concerns.
160	Chair Prozanski	Closes public hearing on SB 119.
169	Braun	Discusses upcoming out of building committee meeting.
174	Chair Prozanski	Adjourns the meeting at 4:35 p.m.

## **EXHIBIT SUMMARY**

- A. **Bureau of Labor and Industries, informational packet, Dan Gardner, 33 pp**
- B. **SB 172, written testimony, John Shilts, 3 pp**