

SENATE COMMITTEE ON COMMERCE

April 12, 2005
3:10 P.M.

Hearing Room C
Tapes 53 - 54

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

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

MEASURES/ISSUES HEARD:
 HB 2311A – Public Hearing
 HB 2127 – Public Hearing
 HB 2124A – Public Hearing
 HB 2126 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 53, A		
005	Chair Prozanski	Calls the meeting to order at 3:20 p.m. Opens public hearing on HB 2311A.
<u>HB 2311A – PUBLIC HEARING</u>		
015	Rick Walker	Owner, Wild Bills Interactive Events. Discusses and submits written testimony in support of HB 2311A (EXHIBIT A).
060	Chris Dudley	Dudley Foundation. Testifies in support of HB 2311A. Discusses the work and fundraising efforts of his foundation.
095	Ross Laybourn	Assistant Attorney General. Attorney In Charge, Department of Justice Charitable Activities. Testifies with a neutral position on HB 2311A. Remarks that it will not be a significant change for his office to regulate the form of casino nights in HB 2311A.
105	Sen. Beyer	Asks Walker regarding his fundraising efforts.
110	Walker	Responds.
115	Sen. Ringo	Discusses potential problems with gambling.
132	Walker	Comments that typically invited guests are the only ones allowed to participate in charitable casino games.
137	Chair Prozanski	Clarifies that the casino games are not going to be extended from what is on page 1, subsection 4, of HB 2311A.
145	Laybourn	Answers, yes. States that they have rule making authority to specify which games are permitted.
150	Chair Prozanski	Asks for clarification of the language of HB 2311A.
151	Laybourn	Responds.
163	Chair Prozanski	Closes public hearing on HB 2311A and opens public hearing on HB 2127.
<u>HB 2127 – PUBLIC HEARING</u>		
170	Anna Braun	Committee Administrator. Provides an overview of HB 2127.
180	Deborah Lincoln	Director, State of Oregon Employment Department. Discusses

and submits written testimony in support of HB 2127 (**EXHIBIT B**).

275 Lincoln Comments that lowering business taxes will bring in more employers to Oregon. Continues testimony.

345 Lincoln Summarizes and concludes testimony.

375 Sen. Whitsett Clarifies that the Employment Department has been taxing at a higher level than is necessary.

383 Lincoln Answers, yes.

385 Sen. Whitsett Inquires if they are redirecting the interest income to the Employment Department.

390 Lincoln Responds that the interest currently comes to the Employment Department and that it is only changing the way the revenue is generated.

398 Sen. Whitsett Asks the amount of interest they receive.

400 Lincoln Responds that it is around \$30 million and has been going down. Provides statistics on revenue for the Employment department.

430 Sen. Whitsett Asks the likelihood of combining efforts.

TAPE 54, A

015 Lincoln Responds.

043 Sen. Whitsett Asks what assistance they provide for people searching for jobs.

048 Lincoln Responds.

055 Sen. Whitsett Asks Lincoln regarding combining efforts.

058 Lincoln Responds.

075 Sen. Whitsett States that he would like to speak further with Lincoln about this.

080 J.L. Wilson National Federation of Independent Business (NFIB). Testifies in support of HB 2127.

100 Lisa Trussell Associated Oregon Industries (AOI). Discusses and submits written testimony in support of HB 2127 (**EXHIBIT C**).

115 Steve Lanning Political Director, Oregon American Federation of Labor – Congress of Industrial Organizations (AFL-CIO). Discusses and submits written testimony in support of HB 2127 (**EXHIBIT D**).

127 Dan Floyd Oregon Grocery Association. Testifies in support of HB 2127.

140 Chair Prozanski Closes public hearing on HB 2127 and opens public hearing on HB 2124A.

HB 2124A – PUBLIC HEARING

147 Renée Bryant Unemployment Insurance Tax Manager, Oregon Employment Department. Discusses and submits written testimony in support of HB 2124A (**EXHIBIT E**).

230 Bryant Discusses current law regarding unemployment insurance tax rates. Discusses proposed sanctions for violation.

310 Bryant States that HB 2124A will be the Oregon Employment Department into conformity with federal requirements. Concludes testimony.

360 Tom Barrows National Association of Professional Employers Organization. Testifies in support of HB 2124A.

380 Sen. Whitsett Clarifies that the federal government requires that the penalty be the highest tax rate plus 2% for 3 years.

388 Bryant Responds.

395 Sen. Whitsett Asks where the fines are held.

402 Bryant Responds.

405 Chair Prozanski Asks Bryant to discuss and separate the fines by civil and criminal.

408 Bryant Responds.

412	Chair Prozanski	Discusses the disbursement of the funds from fines.
415	Bryant	Comments.
420	Sen. Beyer	Asks how the Employment Department will carry out HB 2124A.
430	Bryant	Discusses plans to implement HB 2124A.
TAPE 53, B		
030	Sen. Beyer	Asks if HB 2124A has been checked to avoid the technical issues that SB 37 (2005) had.
033	Bryant	Responds that HB 2124A alters the law that SB 37 is related to.
040	Chair Prozanski	Asks if the U.S. Department of Labor has provided feedback.
045	Bryant	Asks Chair Prozanski to rephrase the question.
047	Chair Prozanski	Restates his question.
050	Bryant	Answers, yes. States that the U.S. Department of Labor has approved the proposed legislation.
052	Chair Prozanski	Closes public hearing on HB 2124A and opens public hearing on HB 2126.
<u>HB 2126 – PUBLIC HEARING</u>		
062	Tom Byerley	Assistant Director, Unemployment Insurance, Oregon Employment Department. Discusses and submits written testimony in support of HB 2126 (EXHIBIT F).
095	Sen. Beyer	Asks how far they can go back to collect.
100	Byerley	Responds.
102	Sen. Beyer	Clarifies that they can go back as far as they choose if it is due to fraud.
104	Byerley	Answers, yes. Discusses a scenario regarding benefits.
114	Sen. Beyer	Inquires how much overpayment is currently outstanding.
118	Byerley	Responds that it is at \$34.6 million.
120	Sen. Beyer	Asks if HB 2126 will lower the amount.
122	Byerley	Responds.
128	Sen. Beyer	Asks if they are aggressively trying to collect the \$34.6 million.
130	Byerley	Answers, yes.
140	Chair Prozanski	Clarifies the intent of HB 2126.
146	Byerley	Responds.
148	Chair Prozanski	Closes public hearing on HB 2126.
150	Anna Braun	Committee Administrator. Discusses plans for the April 14 th committee meeting in Eugene.
158	Chair Prozanski	Discusses the April 14 th meeting committee meeting. Adjourns the meeting at 4:27 p.m.

EXHIBIT SUMMARY

- A. **HB 2311A, written testimony, Rick Walker, 11 pp**
- B. **HB 2127, written testimony, Deborah Lincoln, 2 pp**
- C. **HB 2127, written testimony, Lisa Trussell, 1 p**
- D. **HB 2127, written testimony, Steve Lanning, 1 p**
- E. **HB 2124A, written testimony, Renée Bryant, 2 pp**
- F. **HB 2126, written testimony, Tom Byerley, 2 pp**