

SENATE COMMITTEE ON COMMERCE

April 21, 2005
3:10 P.M.

Hearing Room C
Tapes 59 - 60

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 Scoffield, Committee Assistant

MEASURES/ISSUES HEARD:
 SB 970 – Public Hearing
 SB 670 – Work Session
 SB 644 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 59, A		
005	Chair Prozanski	Calls the meeting to order at 3:45 p.m. Notes that the committee is meeting as a subcommittee. Opens public hearing on SB 970.
<u>SB 970 – PUBLIC HEARING</u>		
016	Anna Braun	Committee Administrator. Provides an overview of SB 970.
025	Kathleen Joy	Executive Director, Oregon Commission for Voluntary Action and Services. Discusses and submits written testimony in support of SB 970 (EXHIBIT A).
	Chair Prozanski	Notes that the committee is now meeting as a full committee.
070	Joy	Concludes testimony.
083	Renée Bryant	Oregon Employment Department. Testifies regarding SB 970. States that the Employment Department does not have a position on SB 970.
095	Chair Prozanski	States understanding of the Oregon Employment Department's procedures regarding AmeriCorp participants.
102	Bryant	Responds.
105	Sen. Beyer	Asks why the Employment Department has been treating AmeriCorp participants as exempt from unemployment insurance.
110	Bryant	States that through their interpretation of federal law, they feel that they have no choice. Elaborates.
123	Sen. Beyer	Comments that an Administrative Law Judge determined that the AmeriCorp participants should have received unemployment insurance.
126	Bryant	Responds that it is a different interpretation of federal law.
131	Sen. Beyer	Asks why SB 970 is needed.
133	Joy	Responds.
150	Sen. Beyer	Responds to Joy.
168	Bryant	Discusses the exclusions from unemployment insurance.

173	Sen. Beyer	Remarks that this is not currently an exclusion.
175	Bryant	Responds.
180	Sen. Beyer	Asks why the Employment Department has not covered the AmeriCorp participants after receiving the opinion from an Administrative Law Judge.
190	Bryant	Responds.
191	Sen. Beyer	Asks why they have not made the change.
192	Bryant	Responds that their interpretation is different than the Administrative Law Judge and the Employment Appeals Board.
195	Sen. Beyer	Asks if they appealed the decision.
197	Bryant	Answers that they did not appeal due to cost.
202	Chair Prozanski	Asks what discussions the Employment Department has had with Legal Counsel from the Department of Justice.
210	Bryant	States that they were told by their legal counsel that they had a legally defensible position to take with respect to interpretation of the federal law.
213	Chair Prozanski	Asks if the points were made to the Administrative Law Judge or the Employment Appeals Board.
217	Bryant	States that the law was quoted in the decision of the Employment Appeals Board.
225	Chair Prozanski	Clarifies that Bryant is speaking of the opinion from the Administrative Law Judge.
226	Bryant	Answers, yes.
228	Sen. Beyer	Discusses frustration with treating the public sector different from the private sector.
247	Chair Prozanski	Comments on SB 970. Asks witnesses to provide copies of the opinions that were referenced. Announces that the work session for SB 190 will be carried over. Closes public hearing on SB 970 and opens work session on SB 670.

SB 670 – WORK SESSION

277	Anna Braun	Committee Administrator. Provides an overview of SB 670. Introduces the -1 amendments (EXHIBIT B) and -2 amendments (EXHIBIT C) to SB 670.
295	Chair Prozanski	Clarifies that the amendments resolved the concerns in previous testimony.
303	Sen. Vicki Walker	Senate District 7. Responds. Discusses the -1 and -2 amendments to SB 670.
330	Sen. Ringo	Asks for clarification of the need for language in SB 670.
333	Sen. Walker	Responds.
347	Sen. Beyer	Asks if the Management Labor Advisory Committee (MLAC) has reviewed SB 670.
358	John Shilts	Administrator, Workers Compensation Division, Department of Consumer and Business Services (DCBS). States that the Management Labor Advisory Committee (MLAC) has not looked at SB 670 because they have not seen the amendments.
360	Chair Prozanski	Asks if MLAC reviewed SB 670 prior to the drafting of the amendments.
362	Shilts	Responds.
370	Chris Davie	State Accident Insurance Fund (SAIF) Corporation. States that he recalls that SB 670 was discussed at the last MLAC meeting, but he is not sure if they voted on it.
380	Chair Prozanski	Responds.
386	Shilts	Offers to verify MLAC's position on SB 670.
391	Sen. Beyer	States that he will support SB 670 if MLAC has approved it with

404	J.L. Wilson	the amendments. Co-Chair, MLAC. States that MLAC did not take a position on SB 670 because they were anticipating amendments, but he feels that they would support it.
414	Sen. Walker	Suspects that MLAC would support SB 670, since SAIF Corporation and the insurance companies do.
418	Sen. Burdick	States that she supports SB 670 with the amendments.
422	Chair Prozanski	Asks Sen. Beyer to find out MLAC's official position on SB 670.
428	Sen. Beyer	Responds.
430	Sen. Beyer	MOTION: Moves to ADOPT SB 670-1 amendments dated 4/13/05. VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
438	Chair Prozanski Sen. Beyer	MOTION: Moves to ADOPT SB 670-2 amendments dated 4/19/05. VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
442	Chair Prozanski Sen. Ringo	MOTION: Moves SB 670 to the floor with a DO PASS AS AMENDED recommendation. VOTE: 4-1-0 AYE: 4 - Burdick, Ringo, Whitsett, Prozanski NAY: 1 - Beyer The motion CARRIES. SEN. BURDICK will lead discussion on the floor.
453	Chair Prozanski	Closes work session on SB 670 and opens work session on SB 644.

SB 644 – WORK SESSION

TAPE 60, A

030	Anna Braun	Committee Administrator. Provides an overview of SB 644.
033	Sen. Ringo	MOTION: Moves SB 644 to the floor with a DO PASS recommendation.
036	Sen. Beyer	States that he will not support SB 644.
039	Sen. Whitsett	States that he will not support SB 644.
	Chair Prozanski	VOTE: 3-2-0 AYE: 3 - Burdick, Ringo, Prozanski NAY: 2 - Beyer, Whitsett The motion CARRIES. SEN. RINGO will lead discussion on the floor.
052	Chair Prozanski	Closes work session on SB 644. Adjourns the meeting at 4:17 p.m.

EXHIBIT SUMMARY

- A. SB 970, written testimony, Kathleen Joy, 9 pp
- B. SB 670, -1 amendments, staff, 1 p
- C. SB 670, -2 amendments, staff, 1 p