

## SENATE COMMITTEE ON RULES

April 14, 2005  
8:30 A.M.

Hearing Room 343  
Tapes 46 - 47

**MEMBERS PRESENT:**     **Sen. Kate Brown, Chair**  
                                  **Sen. Ted Ferrioli, Vice-Chair**  
                                  **Sen. Charlie Ringo**  
                                  **Sen. Frank Shields**

**MEMBER EXCUSED:**     **Sen. Jason Atkinson**

**STAFF PRESENT:**       **Tiffany Harris, Committee Administrator**  
                                  **Patricia Nielsen, Committee Assistant**

**MEASURE/ISSUES HEARD:**

**SB 105 – Public Hearing**  
**SB 188 – Public Hearing**  
**SB 1019 – Public Hearing**  
**SB 1020 – Public Hearing**  
**SB 1021 – Public Hearing**  
**SB 1022 – Public Hearing**  
**SB 1023 – Public Hearing**  
**SB 1024 – Public Hearing**  
**Approval of drafting requests – Work Session**  
**Introduction of Committee Measures – 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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| <b>TAPE/#</b>   | <b>Speaker</b>  | <b>Comments</b>   |
|---|-----------------|---|
| <b>TAPE 46, A</b>   |                 |   |
| 005   | Chair Brown     | Calls the meeting to order at 8:35 a.m. Opens as a subcommittee, including Senator Shields and Senator Brown.   |
| <b><u>SB 105 and SB 188 – PUBLIC HEARING</u></b>  |                 |   |
| 010   | Tom Chamberlain | Governor's Labor Policy Advisor. Testifies in support of SB 105. Provides overview of the 2003 Public Employees Retirement System (PERS) reform.  |
| 025   | Steve Delaney   | Deputy Director, PERS. Submits written testimony in support of SB 105 ( <b>EXHIBIT A</b> ) and SB 108 ( <b>EXHIBIT B</b> ). Discusses break in service issues and compares Tier 1, Tier 2, the Oregon Public Service Retirement Plan (OPSRP) and the Individual Account Program (IAP) ( <b>EXHIBIT A, page 2 and 3</b> ). Discusses seasonal employees and breaks in service. |
| 060   | Chair Brown     | Without closing public hearing on SB 105 and SB 188, opens a public hearing on SB 1019, SB 1020, SB 1021, SB 1022, SB 1023, and SB 1024.  |
| <b><u>SB 105, SB 188, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023, SB 1024 – PUBLIC HEARING</u></b> |                 |   |
| 075   | Jim Green       | Oregon School Boards Association (OSBA). Addresses the possibility for amendments to SB 105. Presents an overview of the SB 188 -1 amendments ( <b>EXHIBIT C</b> ). Notes the association supports SB 188 with the -1 amendment. Expresses  |

concerns over the remaining measures. Notes there has been conversations with the PERS coalition and a meeting will be held on April 26, 2005 to discuss issues in each bill. Comments that employers have concerns over provisions that may raise costs.

120 Beth Anne Darby Oregon Education Association (OEA); PERS Coalition. Testifies in support of SB 1019 through 1024. Submits written testimony in support of SB 1019 through SB 1024 (**EXHIBIT D**). Discusses break in service issues for a number of specific examples. Explains the extended leave for health recovery.

200 Darby Continues testimony and discusses PERS provisions for community college faculty. Refers to PERS Coalition written review of SB 1019 through 1024 (**EXHIBIT E**).

235 Sandy Ellis OEA, representing 7 districts / 2000 teachers and classified employees in the mid-valley area. Testifies in support of SB 1019 and SB 1023. Submits written testimony (**EXHIBIT F**). Discusses examples of extended leave by school district employees. Asks for restoration of fairness in the system.

325 Chair Brown Asks the panel to work on the issues.

335 Green Discusses pending litigation and the need for timely rectification of the issues.

355 Pat West President, Oregon State Firefighters Council (OSFFC). Agrees with the testimony of Beth Anne Darby in regards to SB 105. Testifies in support of SB 1022. Comments on the duties of firefighters. Explains SB 1022 and the delay in payment of death benefits. Supports voluntary programs where employer and employee can decide length of allowed leave.

**TAPE 47, A**

005 Tricia Smith Oregon School Employees Association (OSEA). Refers to the PERS Coalition review (**EXHIBIT E**). Disagrees with Mr. Green and suggests there is no increased cost to the system because the employees have been with PERS all along.

040 Mary Botkin American Federation of State, County and Municipal Employees (AFSCME). Concurs with the former testimony of previous speakers. Stresses the need for many professionals to have a break in service to further their careers. Provides example of scientists. Notes she is willing to work with employers to resolve issues. Discusses death benefits reduced under IAP.

070 Sen. Ringo Expresses concern over the cost of PERS and notes the break in service issues are about being fair to employees. Asks if this was discussed in 2003 legislation.

075 Smith Responds the issue was objected to at that time.

080 West Agrees and adds there were many unanticipated situations which developed.

085 Sen. Ringo Refers to last session bills and asks if there were any Tier 1 breaks pushing into Tier 2.

090 Smith Clarifies about the requirements.

095 Botkin Adds there was no move from Tier 1 to Tier 2 to OPSIRP. Only Tier 1 to OPS. Reiterates the want for fairness in the system, especially if public jobs are decreasing and some cannot get a job when ready to return.

110 Sen. Ringo Asks about declining death benefit.

115 West Discusses death benefit calculation based on account balance. Clarifies in IAP the benefit grows more slowly because account

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| 130 | Chair Brown  | increases more slowly. Asks for the IAP amounts to count with Tier 1 and Tier 2 benefits for purposes of calculating the benefit. Expresses concern over voluntary breaks in service. Asks about specific examples.   |
| 140 | Botkin       | Discusses jobs in public safety and higher professional classes have commitment to other programs which serve the community (example fire and police participating in Search and Rescue). Notes they also volunteer to go help with earthquake or tsunami relief. Explains that the breaks can exceed the 6-month limitation and may not have written agreement with employer before leaving. Comments on some of the ongoing education requirements for some professions, as well as requirements for research and publishing. |
| 175 | West         | Responds that firefighters and paramedics see same issues on the job as seen in major emergencies or natural disasters. Explains the requirements and duties of Northwest Medical Teams programs and 9-11 teams. Comments on the ability, training and incentive to participate.  |
| 195 | Sen. Shields | Inquires how common is a verbal agreement.  |
| 200 | Botkin       | Suggests they are common and are often handled around scheduling. Responds the length of the breaks may be unknown.   |
| 215 | Smith        | Adds that it depends on type of employee and type of leave. Provides examples.  |
| 225 | Sen. Ringo   | Agrees with giving breaks in service. Expresses concern over death benefits calculations. Inquires about the death benefit concept.   |
| 245 | West         | Responds about the Tier 1 structure.  |
| 250 | Smith        | Adds other provisions in SB 1022 would help the survivors gain benefits sooner.   |
| 265 | Ken Cropper  | Represented SEIU School Employees Local 140. Discusses the unemployment of Portland Public Schools custodians and the cause for longer breaks in service. Refers to submitted statements of Tina Jacky ( <b>EXHIBIT G</b> ), Dave Schleiger ( <b>EXHIBIT H</b> ) and Mark Schnoor ( <b>EXHIBIT I</b> ) in support of SB 1019. Discusses the Statesman Journal articles ( <b>EXHIBIT J</b> ).  |
| 300 | Mason Young  | Custodian, Portland Public Schools displaced in 2002. Explains the high unemployment rate at the time of break in service and notes he could not find a PERS job within the time limit. Asserts he will have to work additional time to regain his pension.   |
| 325 | Cropper      | Comments the legislation should give attention to the reasons behind layoffs.   |
| 330 | Chair Brown  | Responds about the potential conversations with school districts across the state.  |
| 350 | Rob Wagner   | American Federation of Teachers (AFT)-Oregon. Testifies in support of SB 1021. Discusses the issue of part-time faculty at community colleges currently not receiving retirement benefits.  |
| 375 | Chair Brown  | Closes public hearing on SB 105, SB 188, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023 and SB 1024. Opens work session for consideration of requests for drafting and introduction.   |

**APPROVAL OF DRAFTING REQUESTS AND INTRODUCTION OF COMMITTEE MEASURES – WORK SESSION**

**380 Chair Brown**

**MOTION: Moves 2 drafting requests be approved for drafting by Legislative Counsel and BE**

**INTRODUCED by the Rules committee (EXHIBIT K).**

385

**VOTE: 3-0-2**

**EXCUSED: 2 - Atkinson, Shields**

**Hearing no objection, declares the motion CARRIED.**

390

**Chair Brown**

**Chair Brown**

**MOTION: Moves LC 3521 (EXHIBIT L), LC 3527 (EXHIBIT M), LC 3528 (EXHIBIT N), and LC 3531 (EXHIBIT O) BE INTRODUCED as committee bills.**

400

**VOTE: 3-0-2**

**EXCUSED: 2 - Atkinson, Shields**

**Hearing no objection, declares the motion CARRIED.**

**Chair Brown**

**Note: LC 3521 printed as SB 1046**

**LC 3527 printed as SB 1047**

**LC 3528 printed as SM 2**

**LC 3531 printed as SB 1048**

405

**Chair Brown**

Closes work session on drafting and introduction and reopens public hearing on SB 105, SB 188, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023 and SB 1024.

**SB 105, SB 188, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023, SB 1024 – PUBLIC HEARING**

410

**Rob Wagner**

American Federation of Teachers (AFT)-Oregon. Notes he listened to HB 2020 (2003) and discusses the intent for PERS employees to receive full benefits they would have received under PERS. Discusses requirements for community college faculty which is not credited under PERS. Submits written testimony in support of SB 1021 (**EXHIBIT P**) and a written testimony of Michael Dembrow (**EXHIBIT Q**) in support of SB 1021.

**TAPE 46, B**

005

**Wagner**

Continues testimony. Refers to (**EXHIBIT P, attachment one**).

080

**Ross Folberg**

Portland Community College (PCC). Submits written testimony (**EXHIBIT R**) in support of SB 1021. Discusses the comparison of actual workloads between part-time and full-time faculty members.

120

**Chair Brown**

Inquires what the ratio of full-time faculty and part-time faculty is.

125

**Folberg**

Responds it is 3 to 1, 500 full-time and 15 part-time instructors. Continues testimony and asks for fair compensation for retirement to acknowledge part-time service.

165

**Chair Brown**

Introduces Kristen Heckleman and students from Koenigin Olga Schritt.

180

**Folberg**

Comments those hours equate to FTE. Equates contact hours.

190

**Marilyn Pitts**

President, Part-time Faculty Association, Mt. Hood CC; Instructor. Submits and refers to written testimony in support of SB 1021 (**EXHIBIT S**). Submits comments of Gay Monteverde (**EXHIBIT T**).

270

**Lori Sattenspiel**

Oregon Community College Association (OCCA). Submits written testimony of Jerry Donnelly (**EXHIBIT U**) in support of SB 1023 and written testimony (**EXHIBIT V**) in support of SB 105.

300

**Jesse Villarreal**

Reads written testimony in opposition of SB 1020 (**EXHIBIT W**).

350

**Paul Fisher**

Rogue Community College, Medford and Grants Pass.

Discusses specific examples of employees who fall below the minimum required hours for PERS. Points out the conflict between calculations based on calendar v. school year.

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

|     |              |   |
|-----|--------------|---|
|     | Tim Markwell | Submits written testimony in support of SB 188 ( <b>EXHIBIT X</b> ).  |
| 415 | Chair Brown  | Closes public hearing on SB 105, SB 188, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023, and SB 1024. Adjourns the meeting at 10:00 a.m. |

**EXHIBIT SUMMARY**

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- A. SB 105, written testimony, Steve Delaney, 3 pp**
- B. SB 188, written testimony, Steve Delaney, 1 p**
- C. SB 188, -1 amendments (4-4-05), staff, 1 p**
- D. SB 1019, SB 1020, SB 1021, SB 1022, SB 1023 and SB 1024, written testimony, Beth Anne Darby, 3 pp**
- E. SB 1019, SB 1020, SB 1021, SB 1022, SB 1023 and SB 1024, written testimony, Beth Anne Darby, 2 pp**
- F. SB 1019 and SB 1023, written testimony, Sandy Ellis, 2 pp**
- G. SB 1019, written testimony of Tina Jacky, Ken Cropper, 1 p**
- H. SB 1019, written testimony of David Schleiger, Ken Cropper, 1 p**
- I. SB 1019, written testimony of Mark Schnoor, Ken Cropper, 1 p**
- J. SB 1019, news articles, Ken Cropper, 3 pp**
- K. Approval of drafting and introduction request, memo, staff, 1 p**
- L. Introductions, LC 3521 (4-11-05), staff, 2 pp**
- M. Introductions, LC 3527 (4-12-05), staff, 5 pp**
- N. Introductions, LC 3528 (4-13-05), staff, 2 pp**
- O. Introductions, LC 3531 (4-13-05), staff, 12 pp**
- P. SB 1021, written testimony, Robert Wagner, 8 pp**
- Q. SB 1021, written testimony of Michael Dembrow, Robert Wagner, 2 pp**
- R. SB 1021, written testimony, Ross Folberg, 2 pp**
- S. SB 1021, written testimony, Marilyn Pitts, 2 pp**
- T. SB 1021, written testimony of Gay Monteverde, Marilyn Pitts, 2 pp**
- U. SB 1023, written testimony of Jerry Donnelly, Lori Sattenspiel, 1 p**
- V. SB 105, written testimony of Jerry Donnelly, Lori Sattenspiel, 1 p**
- W. SB 1020, written testimony, Jesse Villarreal, Jr., 1 p**
- X. SB 188, written testimony, Tim Markwell, 2 pp**