

**HOUSE COMMITTEE ON**  
**BUSINESS, LABOR AND CONSUMER AFFAIRS**

February 07, 2003 Hearing Room E  
9:00 A.M. Tapes 22 - 24

**MEMBERS PRESENT:** Rep. Betsy Close, Chair  
Rep. Derrick Kitts, Vice-Chair  
Rep. Diane Rosenbaum, Vice-Chair  
Rep. Mary Gallegos  
Rep. Bill Garrard  
Rep. Jeff Merkley  
Rep. Mike Schaufler

**STAFF PRESENT:** Megan Palau, Committee Administrator  
Pam Cox, Committee Assistant

**MEASURE/ISSUES HEARD:** Introduction of Committee Measures – Work Session  
HB 2341 - 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 22, A</b>		
001	Chair Close	Calls committee meeting to order at 9:11 a.m. Opens work session on LC 1259.
<b><u>WORK SESSION</u></b>		
<b>011</b>	<b>Rep. Garrard</b>	<b>MOTION: Moves LC 1259 BE INTRODUCED as a committee</b>
<b>012</b>		<b>Bill.</b>
		<b>VOTE: 5-0</b>
		<b>EXCUSED: 3 - Gallegos, Rosenbaum, Kitts</b>
		<b>Hearing no objection, declares the motion CARRIED.</b>
021	Chair Close	Closes work session and opens public hearing on HB 2341.
<b><u>HB 2341 - PUBLIC HEARING</u></b>		
023	Jessica Harris	Associated General Contractors. Testifies in favor of HB 2341 and explains disqualification procedures.
051	Bill Nessly	Oregon Department of Justice. Testifies in favor of HB 2341 and describes bid disqualification issues and appeal process.
069	Chair Close	Asks for clarification of who pays fees on disqualification and appeals.
079	Nessly	Explains.
090	Harris	Describes bifurcating contracts. Defers to Mr. Nessly.
169	Nessly	Comments on public contracting agencies.
204	Chair Close	Asks who pays attorney fees.
221	Rep. Rosenbaum	Asks if changes in the bill affect contracts already awarded.
222	Nessly	Comments the old law applies.
263	Harris	Outlines issues on payment requirements for contractors.
314	Chair Close	Asks for clarification on determining interest for jobs not being on time.
315	Harris	Describes the rate of interest.

**TAPE 23, A**

052 Harris Continues.  
050 Rep. Merkley Asks question regarding lien holders.  
053 Nessly Responds.  
060 Harris Comments on subcontractor penalties and remedies.  
081 Chair Close Explains time for public testimony.  
088 Harris Continues to explain construction requirements and compensation.  
  
196 Chair Close Asks for clarification about fees for education.  
213 Harris Clarifies.  
226 Rep. Rosenbaum Comments on language change and rulemaking process.  
228 Harris Answers.  
269 Rep. Merkley Asks for clarification on the time process.  
271 Harris Answers.  
333 Rep. Rosenbaum Asks about effective date.  
312 Harris Explains the effective date on the bill.  
326 Nessly Comments on being timely.  
412 Harris Summarizes changing references to statutes.

**TAPE 22, B**

107 Nan Heim Oregon Rehabilitation Program. Testifies for the disabled.  
141 Tim Kral Oregon Rehabilitation Program. Explains the revision of Oregon state rules and compliance **(EXHIBITS A, B)**.  
  
218 Emil Graziani Garten Services, Inc. Testifies in support of HB 2341 and on concerns for the disabled **(EXHIBIT C)**.  
  
232 Rep Kitts Comments on his office working hard for his issue.  
306 Marsha Latt Salem-Keizer Public Schools. Testifies on concerns as to changes to cooperative procurement. Defers to Lavan Maskel.  
318 Lavan Maskel Salem-Keizer Public Schools. Discusses cooperative purchasing and submits written testimony **(EXHIBIT D)**.  
368 Rep. Merkley Asks for the difference between joint or permissive property procurement.  
369 Meskal Defines.  
402 Sandra Bishop Fair Competition Alliance Coalition. Testifies against HB 2341.

**TAPE 23, B**

016 Jerry Eggar Owner of Mid Valley Pre-Sort. Testifies in opposition of HB 2341 and comments on the disabled individuals law **(EXHIBIT E)**.  
088 Chair Close Asks if clarifying this bill will cause disabled persons to lose jobs.  
089 Eggar Responds.  
104 Rep. Merkley Asks about the rulemaking is regarding.  
106 Eggar Explains.  
118 Rep. Merkley Asks if his concern is process.  
130 Bishop Comments on the length of time they have been working on the rulemaking process.  
  
140 Eggar Continues.  
160 Rep. Garrard Asks if Portland Public Schools replaced lost employees.  
189 Larry Kirk Displaced Custodian from Portland Public Schools. Testifies in opposition to HB 2341 and explains that this law has put him out of work **(EXHIBIT F)**.  
  
239 Tina Jackey Former Custodian Portland Public Schools. Testifies in opposition to HB 2341 **(EXHIBIT G)**.  
277 Rep. Merkley Comments on existing law.  
306 Bishop Answers how HB 2341 and disabled law are included.

342	Rep. Garrard	Discusses intent of bill.
352	Eggar	Offers to provide documentation needed on administration and implementation on the amendment that will make changes against the disabled.
382	Rep. Rosenbaum	Explains concern regarding the context of the bill.
410	Rep. Schaufler	Comments on what the School District had done on these employment issues.

**TAPE 24, A**

**ORS 279.835 submitted by George Hall in reference to HB 2341 (EXHIBIT H).**

**Written testimony submitted by Robin Freeman, Oregon People's Utility District Association, in regard to HB 2341 (EXHIBIT I).**

008	Chair Close	Summarizes. Closes public hearing on HB 2341. Adjourns committee meeting at 11:02 p.m.
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**EXHIBIT SUMMARY**

- A – HB 2341, written testimony, Tim Kral, 4 pp**
- B – HB 2341, written testimony, Tim Kral, 1 pp**
- C – HB 2341, written testimony, Emil Grazini, 2 pp**
- D – HB 2341, written testimony, George Hall, 22 pp**
- E – HB 2341, , written testimony Jerry Egger, 2 pp**
- F – HB 2341, written testimony, Larry Kirk, 1 pp**
- G – HB 2341, written testimony, Tina Jacky, 1 pp**
- H – HB 2341, ORS 279.835 Section 3, George Hall, 2 pp**
- I – HB 2341, written testimony, Robin Freeman, 1 p**