

HOUSE COMMITTEE ON
BUSINESS, LABOR AND CONSUMER AFFAIRS

March 14, 2003 Hearing Room E
9:00 A.M. Tapes 56 - 58

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

MEMBER EXCUSED: **Rep. Bill Garrard**

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

MEASURE/ISSUES HEARD: **HB 2824 – Public Hearing**
 HB 2313 – Work Session
 HB 2682 – Work Session
 HB 2934 – Public Hearing
 HB 2983 – 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.

TAPE/#	Speaker	Comments
TAPE 56, A		
005	Chair Close	Calls meeting to order at 9:06 a.m. Opens public hearing on HB 2824.
<u>HB 2824 – PUBLIC HEARING</u>		
006	Megan Palau	Committee Administrator. Summarizes HB 2824.
011	Lisa Trussell	Associate Oregon Industries (AOI). Testifies in support of HB 2824.
029	Dan Harmon	Vice-President, Hoffman Corporation. Testifies in support of HB 2824 and explains why bill is important.
118	Chair Close	Asks what type of company Hoffman Corporation is.
119	Harmon	States that it is a construction company.
123	Rep. Rosenbaum	Asks at what level people were denied benefits.
124	Harmon	Answers that it was in the administrative and appeal process.
130	Rep. Rosenbaum	Asks if this sets a precedent for standards for businesses in the future.
135	Harmon	States that the cases were over a period of time and had a number of hearings.
148	Rep. Schaufler	Asks if Hoffman Company would be willing to help people who failed drug tests instead of letting them go.
172	Paula Barran	Attorney. Refers to current law.
181	Rep. Schaufler	Notes that in ten days a person could change their lifestyle.
184	Harmon	States that if a drug test is failed, the employee will go on leave and may be rehired within a year if treatment has been initiated.
198	Chair Close	Refers to substance abuse treatment in some companies.

202	Rep. Gallegos	Asks what kind of accidents happen when people are under the influence and what costs are involved.
211	Harmon	Offers incidents of accidents involving substance abuse.
233	Barran	Testifies in favor of HB 2682 and offers information on the structure of the bill and speaks on philosophical concerns.
TAPE 57, A		
001	Barran	Continues testimony.
020	Chair Close	Ask why the wording was changed from controlled substance to drug.
021	Barran	Offers clarification and informs committee of levels of testing and explains the last chance agreement.
095	Rep. Gallegos	Asks for clarification on the statement in the bill regarding domestic violence.
106	Barran	Explains that is when an employee leaves a workplace for the reason of domestic violence.
125	Rep. Merkley	Asks for clarification to wording in the bill.
143	Barran	Answers if there are further drafts on the bill the statue may be changed.
161	Rep. Merkley	Notes the findings are by an authorized representative.
166	Rep. Rosenbaum	States the wording applies to disqualification for tardiness.
172	Trussell	Clarifies that the language applies to drug treatment.
193	Rep. Rosenbaum	Notes that bill states disqualification for not testing.
202	Harmon	Clarifies the reasons for disqualifications.
216	Rep. Rosenbaum	Asks if a person has a chance to go in to treatment if they fail to test or would they receive unemployment benefits.
229	Harmon	Answers yes if they seek treatment in ten days.
231	Trussell	Notes the Employment Department has questions regarding the wording of the bill and will work on issues.
235	Chair Close	Closes public hearing on HB 2824. Opens work session on HB 2313.

HB 2313 – WORK SESSION

240	Megan Palau	Committee Administrator. Summarizes HB 2313.
241	Rep. Gallegos	MOTION: Moves to SUSPEND the rules for the purpose of RECONSIDERING the vote on HB 2313.
		VOTE: 6-0
		EXCUSED: 1 – Garrard
	Chair Close	Hearing no objection, declares the motion CARRIED.
251	Rep. Gallegos	MOTION: Moves to RECONSIDER the vote by which HB 2313 was sent to the floor with a DO PASS recommendation.
		VOTE: 6-0
		EXCUSED: 1 – Garrard
	Chair Close	Hearing no objection, declares the motion CARRIED.
263	Chair Close	Closes work session on HB 2313. Opens a work session on HB 2682.

HB 2682 – WORK SESSION

270	John McCulley	Oregon Association of Mortgage Brokers. Submits and summarizes prepared testimony in support of HB 2682 (EXHIBIT A) and summarizes the -2 amendments.
334	John Powell	State Farm Insurance. Testifies in favor of HB 2824 and outlines the -2 amendments and explains changes.
390	Rep. Kitts	MOTION: Moves to ADOPT HB 2682-2 and -3 amendments dated 03/13/03 (EXHIBITS B & C).

392 **VOTE: 6-0**
EXCUSED: 1 - Rep. Garrard
Hearing no objection, declares the motion CARRIED.
394 **Chair Close**
Rep. Kitts **MOTION: Moves HB 2682 to the floor with a DO PASS AS**
AMENDED recommendation.
396 **VOTE: 6-0**
EXCUSED: 1 - Rep. Garrard
Chair Close **Hearing no objection, declares the motion CARRIED.**
REP. KITTS will lead discussion on the floor.
398 Chair Close Closes work session on HB 2682 and re-opens public hearing on
HB 2824.

HB 2824 – PUBLIC HEARING

400 J.L. Wilson National Federation of Independent Business of Oregon (NFIB).
Testifies in favor of HB 2824 and describes business themes as
associated with HB 2824.

TAPE 56, B

001 Wilson Continues testimony.
012 Rep. Merkley Asks for clarification to wording in the bill noting to the
separation between subsection #2 and subsection #9.
020 Wilson Offers he does not know.
023 Darrell Fuller Oregon Auto Dealers Association. Testifies in favor of HB 2824
and concurs with testimony of J.L. Wilson.
030 Rep. Rosenbaum Asks if all small employers have written policies or legal
document for requirements.
039 Wilson States not all businesses are able financially to have policies in
place.
042 Patrick Green Oregon AFL-CIO. Testifies in opposition to HB 2824 and states
there is already adequate legislation in place.
091 Rep. Schaufler Asks how someone avoids being discharged from employment.
103 Wilson Notes that he opposes testing for regulations to off the job
behavior.
113 Ed Glad Pacific Northwest Regional Counsel of Carpenters. Testifies in
opposition to HB 2824 and explains people do not want to work
for a company where they are being tested for doing something
they do in their spare time.
176 Chair Close Asks if there are construction companies that do not drug test.
177 Glad States that other than union companies most contractors do not
test unless they are large companies and submit their own testing.
202 David Fidanque American Civil Liberties Union (ACLU) of Oregon. Testifies in
opposition to HB 2824 and states that bill is unnecessary and that
it will cause more problems than it will solve.
293 Rep. Gallegos States that applying for unemployment should require
availability for suitable work.
294 Fidanque States the definition of suitable work.
306 Rep. Gallegos Asks if he is opposing context of the bill.
307 Fidanque States he is not and explains.
326 Rep. Rosenbaum Asks what are the provisions in the bill that would allow persons
to object if tested positive.
327 Fidanque Explains the bill does not state any provisions for people using
legal medical marijuana but would be disqualified from
unemployment benefits.

TAPE 57, B

001 Fidanque Continues testimony.

022	Tom Byerly	Oregon Employment Department. Testifies as a neutral party and offers further information on needing clarification on the word adulterant.
045	Rep. Schaufler	Asks if drinking a gallon of water would look like a deterrent from testing positive for drugs.
046	Chair Close	Asks how he would rewrite the language of the bill.
048	Byerly	Answers he needs to look at the term adulterant and will be working with drafters to change the wording.
083	Rep. Rosenbaum	Asks in his interpretation if avoiding misconduct refers to all phases of misconduct.
100	Rep. Merkley	Comments on the different kinds of drugs related in the bill except drugs taken under the supervision of health care professionals.
112	Byerly	States the bill only refers to discharges that occur as a result of being absent or tardy.
126	Chair Close	Closes public hearing on HB 2824 and opens a public hearing on HB 2934.

HB 2934 – PUBLIC HEARING

138	Megan Palau	Committee Administrator. Summarizes HB 2934.
139	Jon Chandler	Oregon Building Industry Association (OBIA). States he will be testifying on HB 2934 and HB 2983.
141	Chair Close	Closes public hearing on HB 2934 and opens a public hearing on HB 2934 and HB 2983 jointly.

HB 2934 & HB 2983 – PUBLIC HEARING

151	Jon Chandler	Oregon Building Industry Association (OBIA). Testifies in favor of HB 2983 and explains the bill refers to System Development Charges (SDCs) but explains the language in the bill is broad and is in need of the language being changed. On HB 2934 it only relates to level of service.
286	Rep. Schaufler	Asks if the fees that are being charged for development are used to slow progress.
291	Chandler	Says yes but development is needed and there are easier ways of slowing it down.
301	Richard Reed	Alternatives to Growth Oregon. Testifies in opposition to HB 2934 and HB 2983. States that bills are inadequate and in need of change.
371	Rep. Gallegos	Asks if SDCs are charged to existing home sales.
378	Reed	Acknowledges only new construction.
383	Rep. Gallegos	Notes if there is no land to build on how can the SDC be recovered.
393	Reed	States that when a community reaches to build out, revenues should be healthy and funds are also received from other sources.
401	Rep. Schaufler	Notes that adequate land exists for development, but not enough money exists to maintain it.
405	Chair Close	Closes public hearing on HB 2934 and HB 2983. Adjourns meeting at 10:55 a.m.

EXHIBIT SUMMARY

A – HB 2682, written testimony, John McCulley, 3 pp

B – HB 2682, proposed amendments, staff, 2 pp

C – HB 2682, proposed amendments, staff, 1 p