

HOUSE COMMITTEE ON
BUSINESS, LABOR AND CONSUMER AFFAIRS

April 16, 2003 Hearing Room E
8:00 A.M. Tapes 96 – 98

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
Mike Reiley, Committee Assistant

MEASURES HEARD: HB 3274 – Work Session
HB 3376 – Work Session
HB 2433 – Work Session
HB 3354 – Work Session
HB 3460 – Work Session
HB 2447 – Work Session
HB 3467 – Work Session
HB 2824 – Work Session
HB 3354 – Work Session
HB 2577 – Work Session
HB 3579 – 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.

TAPE/#	Speaker	Comments
TAPE 96, A		
002	Chair Close	Calls meeting to order at 8:10 a.m. Opens work session on HB 3274.
<u>HB 3274 – WORK SESSION</u>		
011	Megan Palau	Committee Administrator. Summarizes HB 3274 and the -1 amendment (EXHIBIT A).
020	Karen Mainzer	Oregon Restaurant Association. Explains HB 3274 and the -1 amendment.
030	Rep. Kitts	MOTION: Moves to ADOPT HB 3274-1 amendments dated 4/11/03.
033		VOTE: 6-0-1 EXCUSED: 1 - Gallegos
	Chair Close	Hearing no objection, declares the motion CARRIED.
036	Rep. Kitts	MOTION: Moves HB 3274 to the floor with a DO PASS AS AMENDED recommendation.
039		VOTE: 7-0
	Chair Close	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES. REP. KROPF will lead discussion on the floor.

041	Chair Close	Closes work session on HB 3274. Opens work session on HB 3376.
<u>HB 3376 – WORK SESSION</u>		
046	Megan Palau	Committee Administrator. Summarizes HB 3376 and the -1 amendment (EXHIBIT B).
063	Joe Gilliam	Oregon Grocery Association. Explains the -1 amendment.
080	Rep. Kitts	MOTION: Moves to ADOPT HB 3376-1 amendments dated 4/14/03.
083		VOTE: 7-0
	Chair Close	Hearing no objection, declares the motion CARRIED.
087	Rep. Kitts	MOTION: Moves HB 3376 to the floor with a DO PASS AS AMENDED recommendation.
096	Rep. Merkley	Asks for comment by the Public Utility Commission (PUC).
104	Roy Hemingway	Chair, PUC. Testifies in opposition to HB 3376.
120	Lee Beyer	Commissioner, PUC. Testifies in opposition to HB 3376.
132	Chair Close	Asks about the bidding process.
136	Beyer	Explains bidding and the market.
147	Rep. Schaufler	Asks if anyone has taken advantage of direct access in market.
151	Beyer	Explains direct access.
166	Rep. Kitts	States support for the bill.
177	Rep. Schaufler	States support for the bill.
185	Rep. Merkley	States opposition to the bill.
205	Rep. Rosenbaum	States support for the bill.
215		VOTE: 6-1
		AYE: 6 - Gallegos, Garrard, Kitts, Rosenbaum, Schaufler,
		Close
		NAY: 1 – Merkley
	Chair Close	The motion CARRIES.
		CHAIR CLOSE will lead discussion on the floor.
220	Chair Close	Closes work session on HB 3376. Opens work session on HB 2433.
<u>HB 2433 – WORK SESSION</u>		
226	Megan Palau	Committee Administrator. Summarizes HB 2433. Explains the allowances by the -2 amendment (EXHIBIT C).
240	Grover Simmons	Independent Employers Association. Submits and summarizes prepared testimony in support of HB 2433 (EXHIBIT D). Speaks on individuals seeking legislative assistance by the bill. Speaks on journeyman licensing. Notes a letter from Legislative Counsel to former Rep. Dan Gardner from 1999 (EXHIBIT E).
380	Chair Close	Requests Mr. Long discuss the experience necessary by the bill.
386	Mark Long	Administrator, Building Codes Division. Responds.
396	Chair Close	Asks if number of affected is limited.
398	Long	Affirms and clarifies.
400	Rep. Rosenbaum	Asks what happens after the sunset date.
412	Long	Responds.
TAPE 97, A		
007	Rep. Rosenbaum	Asks if there have been attempts to address the issue before HB 2433.
009	Long	Explains issue and work done to address the issue.
017	Rep. Rosenbaum	Inquires if there is opposition.
018	Long	Affirms.

024	Chair Close	Closes work session on HB 2433. Opens work session on HB 3354.
<u>HB 3354 – WORK SESSION</u>		
030	Megan Palau	Committee Administrator. Summarizes HB 3354.
040	Gary Bauer	Northwest Natural. Explains -1 amendment (EXHIBIT F).
044	Mike Grainey	Director, Department of Energy. States support for amendment.
055	Chair Close	Closes work session on HB 3354. Opens work session on HB 3460.
<u>HB 3460 – WORK SESSION</u>		
061	Mark Long	Administrator, Building Codes Division. Testifies in support of HB 3460 and the -1 amendment (EXHIBIT G).
070	Burton Weast	Associated Building Contractors. Testifies in support of HB 3460.
087	Chair Close	Notes that bill does not yet have a fiscal statement issued.
091	Long	Explains fiscal considerations.
098	Chair Close	Asks if the fiscal impact is changed by the amendment.
100	Long	Affirms and explains reasons.
120	Rep. Kitts	MOTION: Moves to ADOPT HB 3460-1 amendments dated 4/11/03.
122		VOTE: 7-0
	Chair Close	Hearing no objection, declares the motion CARRIED.
125	Rep. Kitts	MOTION: Moves HB 3460 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means.
128	Rep. Rosenbaum	Notes there is one more day to consider bills.
130	Rep. Kitts	Withdraws motion.
132	Long	Reiterates the intent of the bill.
135	Chair Close	Closes work session on HB 3460. Opens work session on HB 2447.
<u>HB 2447 – WORK SESSION</u>		
145	Megan Palau	Committee Administrator. Summarizes HB 2447.
155	Mark Long	Administrator, Building Codes Division. Explains workgroup conducted on the measure.
168	Chair Close	Asks if there is a fiscal impact.
170	Long	Negates.
172	Rep. Merkley	Requests there is a consensus among the participants in the workgroup.
174	Long	Affirms and adds he knows of no opposition.
177	Rep. Rosenbaum	MOTION: Moves to ADOPT HB 2447-1 amendments dated 4/14/03 (EXHIBIT H).
179		VOTE: 7-0
	Chair Close	Hearing no objection, declares the motion CARRIED.
182	Rep. Rosenbaum	MOTION: Moves HB 2447 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 6-0-1
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 1 - Garrard
185	Chair Close	The motion CARRIES.
		REP. HANSEN will lead discussion on the floor.
193	Chair Close	Closes work session on HB 2447. Opens work session on HB 3467.

HB 3467 – WORK SESSION

203 Megan Palau Committee Administrator. Summarizes HB 3467.
215 Rep. Schaufler **MOTION: Moves HB 3467 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Revenue by prior reference.**

219 Rep. Rosenbaum Requests the motion be changed as no testimony has been heard.
222 Rep. Schaufler **Withdraws motion.**
224 Rep. Schaufler **MOTION: Moves HB 3467 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Revenue by prior reference.**

230 Rep. Merkley States he would support returning to the bill to hear testimony.
233 **VOTE: 4-0-3**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 3 - Gallegos, Garrard, Kitts
The motion CARRIES.

236 Chair Close
Rep. Gallegos **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. GALLEGOS to BE RECORDED as voting AYE to move HB 3467 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Revenue by prior reference.**

238 **VOTE: 5-0-2**
EXCUSED: 2 - Garrard, Kitts
Hearing no objection, declares the motion CARRIED.
Chair Close
Chair Close Closes work session on HB 3467. Opens work session on HB 2824.

HB 2824 – WORK SESSION

262 Megan Palau Committee Administrator. Summarizes HB 2824 and -2 amendment (**EXHIBIT I**).

276 Lisa Trussell Associated Oregon Industries (AOI). Testifies in support of HB 2824 and -2 amendment.

304 Rep. Garrard **MOTION: Moves to ADOPT HB 2824-2 amendments dated 4/16/03.**

307 **VOTE: 7-0**
Chair Close **Hearing no objection, declares the motion CARRIED.**

309 Rep. Garrard **MOTION: Moves HB 2824 to the floor with a DO PASS AS AMENDED recommendation.**

311 Rep. Rosenbaum States support for HB 2824 in committee.
315 **VOTE: 7-0**
Chair Close **AYE: In a roll call vote, all members present vote Aye.**
The motion CARRIES.
REP. GARRARD will lead discussion on the floor.

324 Chair Close Closes work session on HB 2824. Opens work session on HB 3354.

HB 3354 – WORK SESSION

326 Rep. Kitts **MOTION: Moves to ADOPT HB 3354-1 amendments dated 4/8/03.**

331 **VOTE: 7-0**
Chair Close **AYE: In a roll call vote, all members present vote Aye.**
The motion CARRIES.

335 Rep. Kitts **MOTION: Moves HB 3354 to the floor with a DO PASS AS**

		AMENDED recommendation.
350		VOTE: 7-0
	Chair Close	AYE: In a roll call vote, all members present vote Aye.
		The motion CARRIES.
		REP. KITTS will lead discussion on the floor.
373	Chair Close	Closes work session on HB 3354. Opens work session on HB 2577.
<u>HB 2577 – WORK SESSION</u>		
400	Sen. David Nelson	Senate District 29. Submits and summarizes prepared information in support of HB 2577 (EXHIBIT J).
434	Rep. Laurie Monnes Anderson	House District 50. Submits and summarizes prepared testimony in support of HB 2577 (EXHIBIT K).
TAPE 96, B		
020	Sen. Nelson	Speaks on the grassroots effort of the individuals involved.
030	Rep. Merkley	Asks about relationship of HB 2577 to the other long distance learning bill.
034	Rep. Monnes Anderson	Explains relationship the relationship between HB 2577 and HB 3574 regarding OTCC and healthcare.
043	Rep. Merkley	Asks Sen. Nelson about the effect of the bill on the commission.
044	Sen. Nelson	Explains the commission.
056	Rep. Gallegos	Asks about other efforts to address issue.
064	Sen. Nelson	Explains efforts to address issue.
072	Rep. Gallegos	Asks about broadening and expanding of telecommunications policy.
079	Sen. Nelson	Explains importance of telecommunications in business development.
087	Rep. Rosenbaum	Asks about the usage of economic development funds for education.
089	Sen. Nelson	Answers that he is unsure.
094	Rep. Merkley	Requests the intent of the bill.
105	Sen. Nelson	Responds regarding access and services.
113	Rep. Garrard	Emphasizes importance of telecommunications and health care industry.
138	Rep. Monnes Anderson	Explains importance of working with telecommunication industry to develop systems.
155	John Irwin	Chair, Oregon Telecommunications Coordinating Council (OTCC). Submits and summarizes prepared testimony in support of HB 2577 and the -1 amendment (EXHIBIT L).
311	Kim Hoffman	Member, OTCC. Submits and summarizes prepared testimony in support of HB 2577 (EXHIBIT M).
331	Rep. Rosenbaum	Requests the intent of using economic development funds to aid educational programs with regard to Oregon Economic and Community Development Commission (OECDD) and the -1 amendment.
335	Irwin	Explains funding.
362	Rep. Rosenbaum	Asks about funding and staffing.
364	Irwin	Clarifies.
374	Brant Wolf	Oregon Telecommunications Association (OTA). Submits and summarizes prepared testimony in opposition to HB 2577 (EXHIBIT N).
TAPE 97, B		
026	Rep. Kitts	Asks if there have been efforts made to reconcile differences.
033	Wolf	Responds that not all concerns have been addressed.
040	Rep. Kitts	States opposition to HB 2577.

044	Wolf	Clarifies provisions of HB 2577.
050	Rep. Merkley	Speaks on the expansion of services being necessary to economic development. Encourages discussion of the issues raised.
064	Wolf	Understands that HB 3574, a similar bill, has passed out of committee.
069	Mike Dewey	Oregon Cable Telecommunications Association. Testifies in opposition to HB 2577.
130	Chair Close	Closes work session on HB 2577. Recesses hearing at 9:44 a.m. Reconvenes at 9:52 a.m. Opens work session on HB 3579.

HB 3579 – WORK SESSION

147	Rep. Derrick Kitts	House District 30. Testifies on behalf of HB 3579.
156	Rep. Wayne Scott	House District 39. Testifies in support of HB 3579.
180	Rep. Merkley	Asks about “hole in existing loans” or existing programs address issue.
189	Rep. Scott	Explains funding allocation.
201	Rep. Kitts	Explains benefits of HB 3579.
216	Rep. Kitts	MOTION: Moves HB 3579 to the floor with a DO PASS recommendation.
228	Rep. Kitts	Offers further explanation of support of HB 3579.
233	Rep. Merkley	Acknowledges support for HB 3579 and notes reservations.
251	Rep. Kitts	Explains interest would go back into revolving account.
255		VOTE: 7-0
	Chair Close	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
		REP. SCOTT will lead discussion on the floor.
261	Chair Close	Closes work session on HB 3579. Opens work session on HB 2433.

HB 2433 – WORK SESSION

295	Frank Regalado	Business representative, International Union of Elevator Constructors. Responds (EXHIBIT O). Testifies in opposition to HB 2433.
315	Chair Close	Remarks on the changes made to the bill by the -2 amendment.
318	Regalado	Reiterates he does not support the measure.
325	Rep. Schaufler	States opposition to HB 2433. Believes the law would allow individuals to circumvent the process.
344	Rep. Merkley	Poses scenario and asks Rep. Schaufler about grandfathering types of work.
354	Rep. Schaufler	Clarifies opposition to HB 2433 as he does not support the premise.
365	Grover Simmons	Independent Employers Association. Notes that individuals obtained permits in the past. Speaks on the discrepancies within the issue.
424	Rep. Garrard	Asks Mr. Regalado if there is apprenticeship program available to individuals affected currently.
428	Regalado	Affirms.
429	Simmons	Interjects he does not agree.
430	Chair Close	Notes Mr. Long indicated there was a conflict.
TAPE 98, A		
002	Rep. Merkley	Asks that prior to the 1999 change, the men were operating as elevator mechanics on both the electrical and the mechanical side.
005	Regalado	Answers that prior to 1999, a signed permit from a journeyman was required. Explains the changes post 1999.
010	Rep. Merkley	Clarifies that an electrician was necessary during those times.

012	Regalado	Answers before and after.
019	Simmons	States that he is unsure as to the mechanics.
023	Rep. Garrard	MOTION: Moves to ADOPT HB 2433-2 amendments dated 4/9/03.
032	Rep. Schaufler	States opposition to HB 2433 as he believes alternatives are available and that statute is not required.
040	Rep. Merkley	Concludes that the case has not been made as far as an existing unfairness. States opposition to HB 2433.
061	Rep. Gallegos	Provides support for HB 2433 in committee. Notes reservations.
068	Chair Close	Notes that bill would allow discretion for the board and that the authority would still lie with them.
072		VOTE: 4-3
		AYE: 4 - Gallegos, Garrard, Kitts, Close
		NAY: 3 - Merkley, Rosenbaum, Schaufler
	Chair Close	The motion CARRIES.
075	Rep. Garrard	MOTION: Moves HB 2433 to the floor with a DO PASS AS AMENDED recommendation.
082	Rep. Kitts	States support for HB 2433. Voices hope answers to questions are answered before the bill arrives in the senate.
092	Rep. Garrard	States support for HB 2433 as it allows an opportunity to correct wrongdoings if they exist.
100	Rep. Merkley	Asks Chair Close about discretion by the board.
110	Chair Close	Explains the discretion as she understands it.
115		VOTE: 4-3
		AYE: 4 - Gallegos, Garrard, Kitts, Close
		NAY: 3 - Merkley, Rosenbaum, Schaufler
	Chair Close	The motion CARRIES.
		REP. KROPF will lead discussion on the floor.
117	Chair Close	Closes work session on HB 2433. Adjourns meeting at 10:20 a.m.

EXHIBIT SUMMARY

A – HB 3274, -1 amendment, staff, 1 p
B – HB 3376, -1 amendment, staff, 1 p
C – HB 2433, -2 amendment, staff, 2 pp
D – HB 2433, Grover Simmons, 2 pp
E – HB 2433, Grover Simmons, 4 pp
F – HB 3354, -1 amendment, staff, 1 p
G – HB 3460, -1 amendment, staff, 47 pp
H – HB 2447, -1 amendment, staff, 4 p
I – HB 2824, -2 amendment, staff, 2 pp
J – HB 2577, Sen. David Nelson, 1 p
K – HB 2577, Rep. Laurie Monnes Anderson, 1 p
L – HB 2577, John Irwin, 4 pp
M – HB 2577, Kim Hoffman, 2 pp
N – HB 2577, Brant Wolf, 2 pp
O – HB 2433, Frank Regalado, 1 p