

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

April 07, 2003 Hearing Room E  
8:30 A.M. Tapes 81 - 82

**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

**MEASURE/ISSUES HEARD:** HB 3069 – Public Hearing  
HB 2649 – Work Session  
HB 3174 – Public Hearing  
HB 2627 – Public Hearing  
HB 3174 – Public Hearing and Work Session  
HB 2952 – Public Hearing  
HB 2925 – Public Hearing  
HB 2717 – Public Hearing and Work Session  
HB 3163 – Public Hearing  
HB 2649 – 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 81, A</b>                      |                 |   |
| 003                                    | Chair Close     | Calls meeting to order at 8:35 a.m. Opens public hearing on HB 3069.  |
| <b><u>HB 3069 – PUBLIC HEARING</u></b> |                 |   |
| 007                                    | Chair Close     | Closes public hearing on HB 3069. Opens work session on HB 2649.  |
| <b><u>HB 2649 – WORK SESSION</u></b>   |                 |   |
| 012                                    | Chair Close     | Closes work session on HB 2649. Opens public hearing on HB 3174.  |
| <b><u>HB 3174 – PUBLIC HEARING</u></b> |                 |   |
| 016                                    | Chair Close     | Recesses public hearing on HB 3174. Opens public hearing on HB 2627.  |
| <b><u>HB 2627 – PUBLIC HEARING</u></b> |                 |   |
| 019                                    | Megan Palau     | Committee Administrator. Summarizes HB 2627.  |
| 022                                    | Jerod Broadfoot | International Brotherhood of Electrical Workers Local 280.<br>Explains and testifies in support of HB 2627. |
| 031                                    | Chair Close     | Asks about necessity for bill.  |
| 033                                    | Broadfoot       | Explains necessity for bill.  |
| 038                                    | Chair Close     | Closes public hearing on HB 2627. Reopens public hearing on   |

HB 3174.

**HB 3174 – PUBLIC HEARING**

|     |                |  |
|-----|----------------|--|
| 043 | Megan Palau    | Committee Administrator. Summarizes HB 3174.   |
| 060 | Rick Thomas    | Executive Director, Independent Electrical Contractors of Oregon. Testifies in support of HB 3174.   |
| 110 | Dan O'Brien    | President, Current Electrical Construction Company; Independent Electrical Contractors of Oregon. Submits and summarizes prepared testimony in support of HB 3174 <b>(EXHIBIT A)</b> . |
| 220 | Jessica Harris | Associated General Contractors. Testifies in support of HB 3174. Notes concerns about bill.  |
| 258 | John Killin    | Director of Government Affairs, Associated Builders and Contractors, Inc. Submits and summarizes prepared testimony in support of HB 3174 <b>(EXHIBIT B)</b> .                         |
| 275 | Scott Bray     | Northwest Electrical Specialties. Testifies in support of HB 3174.   |
| 353 | Rep. Rosenbaum | Asks if HB 3174 would apply to homeowner doing remodeling work.  |
| 359 | Harris         | Answers yes.   |
| 361 | Rep. Rosenbaum | Notes that 7 days is short payment period.   |
| 367 | Harris         | Clarifies nature of payment period.  |
| 379 | Killin         | Explains that intent of HB 3174 is intended for commercial projects rather than residential projects.  |
| 390 | Rep. Rosenbaum | Notes that bill could have unintended consequences and suggests amendments.  |
| 406 | Bill Boyd      | Constructors Contractors Board (CCB). States that CCB is neutral on HB 3174. Notes fiscal impact.  |

The following prepared testimony is submitted for the record without public testimony for HB 2614:  
James Van Dyke Senior Deputy City Attorney, City of Portland. Submits prepared testimony regarding HB 3174 **(EXHIBIT C)**.

**TAPE 82, A**

|     |             |  |
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| 014 | Chair Close | Closes public hearing on HB 3174. Opens work session on HB 3174. |
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**HB 3174 – WORK SESSION**

|            |                   |   |
|------------|-------------------|---|
| <b>018</b> | <b>Rep. Kitts</b> | <b>MOTION: Moves HB 3174 to the floor with a DO PASS recommendation.</b>  |
| 023        | Rep. Rosenbaum    | States support for concept of HB 3174. Notes objections to voting on bill before addressing concerns.                         |
| 030        | Rep. Schaufler    | States support for concept of HB 3174. Notes objections to voting on bill before addressing concerns.                         |
| 037        | Shawn Miller      | Associated Builders and Contractors, Independent Electrical Contractors of Oregon. States that changes to bill could be made. |
| <b>054</b> | <b>Rep. Kitts</b> | <b>Withdraws his motion.</b>  |
| 056        | Chair Close       | Closes work session on HB 3174. Opens public hearing on HB 2952.  |

**HB 2952 – PUBLIC HEARING**

|     |                |   |
|-----|----------------|---|
| 059 | Megan Palau    | Committee Administrator. Summarizes HB 2952.                                    |
| 063 | Paul Romain    | Oregon Beer and Wine Distributors Association. Testifies in support of HB 2952. |
| 147 | Rep. Merkley   | Asks for clarification of language in HB 2952.                                  |
| 156 | Romain         | Offers clarification of language in HB 2952.                                    |
| 181 | Rep. Merkley   | Expresses concern about specificity of language in HB 2952.                     |
| 190 | Romain         | Addresses concerns.   |
| 200 | Michael Taylor | State Relations Director, National Council on Compensation                      |

|  |                    |   |
|--|--------------------|---|
|  |                    | Insurance. Submits and summarizes prepared testimony in opposition to HB 2952 ( <b>EXHIBIT D</b> ).                                       |
| 225                                    | Chair Close        | Asks about legal decision related to issue.   |
| 235                                    | Taylor             | Explains legal decision.  |
| 243                                    | Rep. Garrard       | Asks how many classifications have been created in past five years.   |
| 246                                    | Taylor             | Clarifies classifications created in nationally and in Oregon.  |
| 257                                    | John Booton        | Ombudsman for Small Business, Department of Consumer and Business Services (DCBS). Testifies in opposition to HB 2952.                    |
| 294                                    | Chair Close        | Asks if DCBS was involved in development of HB 2952.  |
| 297                                    | Booton             | Explains involvement in development of HB 2952.   |
| 310                                    | Chair Close        | Asks why DCBS would not want more authority as granted in bill.   |
| 312                                    | Booton             | Responds.   |
| 320                                    | Chair Close        | Asks if there is difference between office work and other types of labor.   |
| 323                                    | Booton             | Answers and explains compensation classification.   |
| 328                                    | Rep. Schaufler     | Asks for clarification of classifications.  |
| 337                                    | Booton             | Responds and explains provisions.   |
| 348                                    | Taylor             | Offers clarification of provisions.   |
| 371                                    | John Shilts        | Administrator, Workers' Compensation Division, DCBS. Submits and summarizes prepared testimony in regard to HB 2952 ( <b>EXHIBIT E</b> ). |
| 395                                    | Chris Davie        | SAIF Corporation. Testifies in opposition to HB 2952.   |
| 421                                    | Lana Butterfield   | SAFECO Insurance Company. Testifies in opposition to HB 2952.   |
| 431                                    | Romain             | Clarifies concerns regarding classifications.   |
| <b>TAPE 81, B</b>                      |                    |   |
| 024                                    | Rep. Rosenbaum     | Asks what HB 2952 would accomplish that current statute does not.   |
| 030                                    | Romain             | Clarifies provisions and effects of HB 2952.  |
| 047                                    | Chair Close        | Closes public hearing on HB 2952. Opens public hearing on HB 2925.  |
| <b><u>HB 2925 – PUBLIC HEARING</u></b> |                    |   |
| 051                                    | Megan Palau        | Committee Administrator. Summarizes HB 2925.  |
| 052                                    | Jack Barnes        | Farmers Insurance. Submits and summarizes prepared testimony in support of HB 2925 ( <b>EXHIBIT F</b> ).                                  |
| 074                                    | Chair Close        | Closes public hearing on 2925. Opens work session on HB 2925.   |
| <b><u>HB 2925 – WORK SESSION</u></b>   |                    |   |
| 080                                    | Rep. Gallegos      | <b>MOTION: Moves HB 2925 to the floor with a DO PASS recommendation.</b>  |
|  |                    | <b>VOTE: 6-0</b>  |
|  |                    | <b>AYE: In a roll call vote, all members present vote Aye.</b>  |
|  |                    | <b>EXCUSED: 1 – Kitts</b>   |
|  | <b>Chair Close</b> | <b>The motion CARRIES.</b>  |
|  |                    | <b>REP. SCHAUFLEER will lead discussion on the floor.</b>   |
| 085                                    | Chair Close        | Closes work session on HB 2925. Opens public hearing on HB 2717.  |
| <b><u>HB 2717 – PUBLIC HEARING</u></b> |                    |   |
| 088                                    | Megan Palau        | Committee Administrator. Summarizes HB 2717.  |
| 100                                    | Mark Long          | Administrator, Building Codes Division. Explains HB 2717 and - 1 amendment.   |
| 123                                    | Jerod Broadfoot    | National Electrical Contractors Association, International Brotherhood of Electrical Workers. Testifies in support of HB                  |

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| 132 | Rep. Garrard   | 2717. Explains work that has been done on HB 2717.                               |
| 135 | Long           | Asks what electrical equipment is not considered a threat to life.               |
| 150 | Steve Jackson  | Explains provisions in HB 2717.  |
| 159 | Jim Craven     | Precision Interconnect. Testifies in support of HB 2717.                         |
| 171 | Nathan Philips | American Electronics Association. Testifies in support of HB 2717.               |
| 196 | Nathan Philips | Chairman, Oregon Electrical and Elevator Board. Testifies in support of HB 2717. |
| 203 | Chair Close    | Closes public hearing on HB 2717. Opens work session on HB 2717.                 |

**HB 2717 – WORK SESSION**

|     |                |   |
|-----|----------------|---|
| 210 | Rep. Rosenbaum | <b>MOTION: Moves to ADOPT HB 2717-1 amendments dated 4/4/03 (EXHIBIT G).</b>        |
|     |                | <b>VOTE: 6-0</b>  |
|     |                | <b>EXCUSED: 1 - Gallegos</b>  |
|     | Chair Close    | <b>Hearing no objection, declares the motion CARRIED.</b>                           |
| 215 | Rep. Rosenbaum | <b>MOTION: Moves HB 2717 to the floor with a DO PASS AS AMENDED recommendation.</b> |
|     |                | <b>VOTE: 7-0</b>  |
|     |                | <b>AYE: In a roll call vote, all members present vote Aye.</b>                      |
|     | Chair Close    | <b>The motion CARRIES.</b>  |
|     |                | <b>REP. ROSENBAUM will lead discussion on the floor.</b>                            |
| 225 | Chair Close    | Closes work session on HB 2717. Opens public hearing on HB 3163.                    |

**HB 3163 – PUBLIC HEARING**

|     |                 |  |
|-----|-----------------|--|
| 250 | Schelly Jensen  | Regulatory and Governmental Affairs Manager, Verizon. Testifies in support of HB 3163. |
| 274 | Mark Long       | Administrator, Building Codes Division. Testifies in regard to HB 3163.                |
| 290 | Nathan Philips  | Chairman, Oregon Electrical and Elevators Board. Testifies in support of HB 3163.      |
| 321 | Mike Dewey      | Oregon Cable Telecommunications Association. Testifies in support of HB 3163.          |
| 358 | Jerod Broadfoot | National Electrical Contractors Association. Testifies in support of HB 3163.          |
| 372 | Chair Close     | Closes public hearing on HB 3163. Opens work session on HB 3163.                       |

**HB 3163 – WORK SESSION**

|     |                |   |
|-----|----------------|---|
| 377 | Rep. Kitts     | <b>MOTION: Moves to ADOPT HB 3163-1 amendments dated 4/7/03 (EXHIBIT H).</b>        |
|     |                | <b>VOTE: 6-0</b>  |
|     |                | <b>EXCUSED: 1 – Garrard</b>   |
|     | Chair          | <b>Hearing no objection, declares the motion CARRIED.</b>                           |
| 385 | Rep. Kitts     | <b>MOTION: Moves HB 3163 to the floor with a DO PASS AS AMENDED recommendation.</b> |
| 388 | Rep. Rosenbaum | Commends work done on HB 3163. Declares potential conflict of interest.             |
|     |                | <b>VOTE: 7-0</b>  |
|     |                | <b>AYE: In a roll call vote, all members present vote Aye.</b>                      |
|     | Chair Close    | <b>The motion CARRIES.</b>  |
|     |                | <b>REP. KITTS will lead discussion on the floor.</b>                                |
| 410 | Chair Close    | Closes work session on HB 3163. Opens work session on HB 2649.                      |

**TAPE 82, B**

**HB 2649 – WORK SESSION**

|     |             |  |
|-----|-------------|--|
| 002 | Megan Palau | Committee Administrator. Summarizes HB 2649.                   |
| 010 | Jim Welsh   | Oregon State Grange. Testifies in support of HB 2649.          |
| 045 | Chair Close | Closes work session on HB 2649. Adjourns meeting at 10:03 a.m. |

**EXHIBIT SUMMARY**

**A – HB 3174, written testimony, Dan O’Brien, 4 pp**  
**B – HB 3174, written testimony, John Killin, 3 pp**  
**C – HB 3174, written testimony, James Van Dyke, 3 pp**  
**D – HB 2952, written testimony, Michael Taylor, 5 pp**  
**E – HB 2952, written testimony, John Shilts, 2 pp**  
**F – HB 2925, written testimony, Jack Barnes, 1 p**  
**G – HB 2717, -1 amendment, staff, 16 pp**  
**H – HB 3163, -1 amendment, staff, 11 pp**