

HOUSE COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT SYSTEM

January 30, 2003 Hearing Room E
3:00 p.m. Tape 11

MEMBERS PRESENT: Sen. Tim Knopp, Chair
Sen. Alan Brown, Vice-Chair
Sen. Deborah Kafoury, Vice Chair
Rep. Jeff Barker
Rep. Tom Butler
Sen. Greg Macpherson
Sen. Mary Nolan
Sen. Dennis Richardson
Sen. Wayne Scott

STAFF PRESENT: Cara Filsinger, Administrator
Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: Work Session
Introduction of Committee Bill
HB 2005
Public Hearing
HB 2004

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
Tape 11, A		
003	Chair Knopp	Calls meeting to order at 3:08 and welcomes two new members: Rep. Tom Butler and Rep. Jeff Barker.
010	Rep. Butler	Introduces himself.
015	Rep. Barker	Introduces himself.
021	Chair Knopp	Opens a work session for the purpose of introduction of the partitioning bill as a committee bill.
<u>WORK SESSION – INTRODUCTION OF COMMITTEE MEASURE</u>		
026	Rep. Brown	MOTION: Moves LC 1666 BE INTRODUCED as a committee bill.
	Chair Knopp	VOTE: 8-0-1 EXCUSED: 1 - Rep. Kafoury Hearing no objection, declares the motion CARRIED.
030	Chair Knopp	Opens a work session on HB 2005.
<u>WORK SESSION – HB 2005</u>		
031	Chair Knopp	Advises that the committee has had discussions regarding the PERS Board membership. Reviews provisions of the proposed makeup of the Board.
033	Cara Filsinger	Administrator. Explains the HB 2005-6 amendments (EXHIBIT A).
050	Rep. Macpherson	Explains amendment in subsection (5), lines 22-24 on page 1 of the amendments.
	Chair Knopp	Explains the amendments are a combination of all the amendments the committee previously has seen.
	Rep. Brown	Asks if all members of the Board will be voting members.

	Chair Knopp	Responds affirmatively. Comments on amendment relating to United States citizenship, state residency, and age of Board members.
085	Rep. Brown	MOTION: Moves to ADOPT HB 2005-6 amendments dated 1/29/03 (EXHIBIT A).
088		VOTE: 8-0-1
	Chair Knopp	EXCUSED: 1 - Rep. Kafoury
		Hearing no objection, declares the motion CARRIED.
091	Sen. Brown	MOTION: Moves HB 2005 to the floor with a DO PASS AS AMENDED recommendation.
094	Rep. Nolan	Declares a potential conflict of interest.
	Rep. Butler	Asks why Section 3 relating to the Oregon Investment Council (OIC) is necessary.
	Chair Knopp	Explains that it is to make the language the same as in the OIC statutes.
	Rep. Butler	Comments that fiduciary duties are very complex. Asks if Rep. Macpherson can explain the responsibilities of the Board members.
	Rep. Macpherson	Explains that the fiduciary duties of a member on the Board and on the OIC are different. Explains differences.
119	Chair Knopp	Comments that this is an important bill and has no fiscal impact, other than a savings in expenses of Board members. Thinks it sends a strong message that the legislature is interested in new blood. Comments on Governor Kulongoski's position on appointing new members to the Board.
150		VOTE: 9-0-0
	Chair Knopp	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
	Chair Knopp	REP. MACPHERSON will lead discussion on the floor.
		Closes the work session on HB 2005 and opens a public hearing on HB 2004.
<u>PUBLIC HEARING - HB 2004</u>		
174	Chair Knopp	Announces that some persons who wanted to testify on this bill could not be here today and that he will schedule a public hearing on Tuesday.
185	Chair Knopp	Closes the public hearing on HB 2004 and adjourns meeting at 3:22 p.m.

EXHIBIT SUMMARY

A – HB 2005, HB 2005-6 amendments, Rep. Knopp, 2 pp

B – HB 2004 – Legislative Fiscal Statement, staff, 2 pp