

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

August 06, 2003 Hearing Room E
1:30 PM Tapes 110 - 111

MEMBERS PRESENT: Rep. Dan Doyle, Chair
Rep. Linda Flores, Vice-Chair
Rep. Laurie Monnes Anderson, Vice Chair
Rep. Vic Backlund
Rep. Phil Barnhart
Rep. Betsy L. Close
Rep. Joanne Verger

STAFF PRESENT: Cara Filsinger, Administrator
Rick Berkobien, Administrator
Ray Kelly, Administrator
Janet Adkins, Administrator
Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: HB 3526 – Work Session
HB 2577 A – Public Hearing and Work Session
SB 916 – Public Hearing and Work Session
HB 3653 – Public Hearing and Work Session
SB 923 – Public Hearing and Work Session
SB 924 – Public Hearing and Work Session
SB 932 – Public Hearing and Work Session
SB 914 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
Tape 110, A		
004	Chair Doyle	Calls meeting to order at 1:32 p. m., announces order agenda items will be considered, and opens a work session on HB 3526.
<u>HB 3526 – WORK SESSION</u>		
020	Rep. Flores	MOTION: Moves HB 3526 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Budget.
024		VOTE: 6-0-1
	Chair Doyle	EXCUSED: 1 - Rep. Barnhart Hearing no objection, declares the motion CARRIED.
	Chair Doyle	Closes the work session on HB 3526 and opens a public hearing on HB 2577 A
<u>HB 2577 A – PUBLIC HEARING</u>		
030	Sen. David Nelson	District 29. Testifies in support of HB 2577 A. States that this bill is a policy statement on telecommunications. Submits and explains graphics of Fiber Network Infrastructure (EXHIBIT A). HB 2577 A gives the Telecommunications Council the

		leverage and ability to finish up the work they have been doing. Comments that Rep. Monnes Anderson has some amendments that relate to health care and education—connecting communities. This is giving people access to high speed and large band telecommunications. They would not have DSL in his district if it were not for all the work these people have done.
073	Rep. Laurie Monnes Anderson	District 50. Testifies in support of HB 2577 A (EXHIBIT B) with the HB 2577-A7 amendments (EXHIBIT C).
108	Rep. Verger	Asks how we know how much advancement in teach health services there will be.
119	Rep. Monnes Anderson	Notes that the HB 2577-A7 amendments have a requirement that they report back.
124	Sen. Nelson	Comments he believes the council ends on January 1, 2005 under the original bill. Adds that the council has been together and developed the energy and pushed it forward. Comments on medical accomplishments.
136	Chair Doyle	Closes the public hearing and opens the work session on HB 2577 A.

HB 2577 A – WORK SESSION

141	Rep. Flores	MOTION: Moves to ADOPT HB 2577-A7 amendments dated 8/5/03.
144		VOTE: 6-0-1
	Chair Doyle	EXCUSED: 1 - Rep. Close
		Hearing no objection, declares the motion CARRIED.
148	Rep. Flores	MOTION: Moves HB 2577 A to the floor with a DO PASS AS AMENDED recommendation.
150		VOTE: 6-0-1 (SEE TAPE AT 283)
		AYE: In a roll call vote, all members present vote Aye.
	Chair Doyle	EXCUSED: 1 - Rep. Close
		The motion CARRIES.
		REP. MONNES ANDERSON will lead discussion on the floor.
156	Chair Doyle	Closes the work session on HB 2577 A and opens a public hearing on SB 916.

SB 916 – PUBLIC HEARING

159	Sen. Frank Morris	District 8. Testifies in support of SB 916. Explains that SB 916 is a response to constituents raising an issue with respect to the ability of family members in corporations that are closely held to have the opportunity to exempt themselves from unemployment insurance. It is a technical fix because the statute, ORS 657.044, gives definition of family members that are eligible to opt out but leaves out spouse. Believes there was an oversight to not include spouses. SB 916 changes the definition of family. Reads language in the bill. States the bill had no opposition in the Senate and is endorsed by the Employment Department.
220	Rep. Barnhart	Asks if the intent is to omit nieces and nephews.
222	Sen. Morris	Responds that his recommendation is that the committee pass the bill and if it needs further adjustment, it can be done in the next session. The present fix would affect a very small number of people.
240	Don Schellenberg	Oregon Farm Bureau. Supports comments by Sen. Morris.

259	Vice-Chair Flores	Gives examples of situation of Farm Bureau members and states that the new language does provide for brothers (EXHIBIT D).
SB 916 – WORK SESSION		Closes the public hearing and opens a work session on SB 916.
263	Rep. Backlund	MOTION: Moves SB 916 to the floor with a DO PASS recommendation.
267	Vice-Chair Flores	Asks that the committee stand at ease at 1:52 p.m.
269	Chair Doyle	Reconvenes the meeting at 1:55 p.m.
270	Rep. Backlund	WITHDRAWS HIS MOTION.
273	Chair Doyle	Closes the work session on SB 916. Explains that amendments are being proposed to SB 916 but they are not ready yet.
HB 2577 A – WORK SESSION		
283	Rep. Doyle	MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. CLOSE to BE RECORDED as voting AYE on the motion to send HB 2577 A to the floor with a DO PASS AS AMENDED recommendation.
286	Chair Doyle	VOTE: 7-0-0 Hearing no objection, declares the motion CARRIED.
287	REP. CLOSE	Votes AYE.
288	Chair Doyle	Opens a public hearing on HB 3653.
HB 3653 – PUBLIC HEARING		
291	Rep. Kruse	District 7. Testifies in support of HB 3653 and proposes HB 3653-1 amendments (EXHIBIT E). Comments on his work on health care for several sessions. Explains that the reason we need to create the new commission is to make sure the people on the commission have a broad knowledge because the direction they go has impacts beyond the health care system. Legislators are on the commission as ex-officio members to make a connection with the legislative assembly. They are assuming that the President and Speaker would appoint a Republican and a Democrat; there are concerns whether that needs to be stated.
390	Rep. Kruse	Comments on duties of the new commission. In order to shine a brighter light on the issues of health care, they wanted the commission to have the ability to review things such as plan amendments, administrative rules, and the things that go on inside the agency so the legislature would have an external point to the agency to make sure that the direction the agency was going did not conflict with the intent of the legislation they were writing a rule to address. A concern on the front end was this would be a violation of federal law but they do not believe it would be because the review would be on the front end. States it is not their intention to create a commission that would have the ability to stop what OMAP would be doing.
451	Rep. Kruse	Explains that he has worked with Dr. Goldberg and the governor's office and has support across the board on the change in the way we set health policy in Oregon.
TAPE 111, A		
036	Rep. Verger	Comments on appointments and compensation. Asks if the members of the legislature would be entitled to compensation.
	Rep. Kruse	Responds that they envision quarterly meetings and other meetings as necessary. Legislators' compensation comes from

		the assembly, not the commission.
	Rep. Verger	Comments that Section 13 talks about the statement of economic interest. Asks if there is a dramatic change.
063	Rep. Kruse Rep. Monnes Anderson Rep. Kruse	Responds it is current statute. It is only making the name change. Asks if other task forces deal with OMAP, and if there will be any conflict. Responds there are two bodies currently under the council that are being eliminated and they will reside under the new commission.
090	Rep. Monnes Anderson Rep. Kruse Jim Edge	Asks if this would be the main body and whether the Medicaid Advisory Committee would be under the new commission. Responds affirmatively. Assistant Administrator, Office of Medical Assistance Programs, Department of Human Services. States that they support the concept and purpose of the bill; it is a good idea to coordinate health policy. States they have minor wording concerns. One has to do with the subjects the commission would deal with on waivers, waiver amendments, state plan amendments, rules, and protocols. States that depending on how the word "protocol" is defined it can dig down pretty deeply into day-to-day operations of the agency. Adds that they have talked to Rep. Kruse about their concerns.
115	Rep. Kruse	Responds that protocols frequently deal with significant policy issues. It is not the intent to micromanage but the fear was that if "protocol" were eliminated, we might miss some big things that should be included. Believes that as this evolves, we will find that Dr. Goldberg will have the discretion to make a determination based on conversations with the new commission as to what level minutia needs to go before the commission.
129	Edge	States that another concern is the wording that the department shall work with the commission to resolve the concerns of the commission. The issue is who decides when a concern has been resolved. Asks if the wording would mean that an unresolved issue could hold up decision making by the agency indefinitely, and if so, it would violate some federal statutes which require that the single state Medicaid agency not have its decision making impaired by any other state entities.
145	Rep. Kruse	States they tried to soften the language to a level he is comfortable with. They are saying the "determination of whether an issue is resolved" rests with the agency.
154	Rep. Barnhart	Comments there might be a situation arise in which the resolution was an agreement to disagree with the agency making the decision.
158	Rep. Kruse	Concurs with Rep. Barnhart.
161	Rep. Close Edge	Asks what an example is of a Medicaid protocol. Responds there are a couple of definitions of protocol. One is the formal definition, that is, they have an operational protocol they supply to the federal government, which defines the day-to-day operations of the state Medicaid agency. There are also protocols about how they do things on a day-to-day basis within the agency. Usually they use the term "operational protocol" in the agency to refer to the cookbook that is an agreement between them and the federal government about how they operate on a

172	Rep. Kruse	day-to-day basis. Comments at that level there may be significant changes in relationships and that is the sort of stuff they wanted to make sure they were aware of ongoing, not necessarily looking at the wording of this sentence and the book sort of thing.
179	Rep. Backlund Edge	Asks if Edge will be supporting the bill. Responds yes, they will support the bill. They think it is a good idea to coordinate and consolidate health policy across state government. They wanted to get their concerns clarified.
188	Rep. Monnes Anderson	Comments she has concerns with Section 9 and is happy to see the amendment, and hopes it is not the intent of the legislators to make this a political venue and to politicize issues.
197	Rep. Kruse	Responds that is not their intention. States that the four legislators are ex-officio members and are non-voting. The 10-member board will make the policy decisions.
208	Bruce Goldberg, M.D.	Administrator, Office of Health Policy and Research. Testifies in support of the bill. Comments we re facing huge health care issues in Oregon; it is not just about Medicaid. This is about the issues of rising health cost, access, health care work force, professional liabilities, training, and quality. They face challenges in all the arenas and feel the state needs a deliberative, broad-based body. Thinks the intent is to reconnect and reinvigorate a body and there is need to reconnect with the legislature. Views such a commission to advise, support and provide information to legislators who make health policy.
247	Chair Doyle	Closes the public hearing and opens a work session on HB 3653.
<u>HB 3653 – WORK SESSION</u>		
251	Rep. Flores	MOTION: Moves to ADOPT HB 3653-1 amendments dated 7/28/03.
		VOTE: 7-0-0
256	Chair Doyle	Hearing no objection, declares the motion CARRIED.
257	Rep. Flores	MOTION: Moves HB 3653 to the floor with a DO PASS AS AMENDED recommendation.
262		VOTE: 7-0-0
266	Chair Doyle	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
		REP. KRUSE will lead discussion on the floor.
266	Chair Doyle	Closes the work session on HB 3653 and opens a public hearing on SB 923.
<u>SB 923 – PUBLIC HEARING</u>		
277	Harlan Levy	Staff Attorney, Oregon Association of Realtors. Testifies in support of SB 923 (EXHIBIT F).
325	Jeannette Holman	Assistant Director for Finance and Administration, Division of State Lands. Testifies in support of SB 923 (EXHIBIT G).
341	Rep. Verger	Comments on constituents feeling their concerns are not addressed by state agencies and hopes that state agencies can do a better job.
357	Rep. Barnhart	Asks why mineral rights are reserved when the state sells property.
	Holman	Explains mineral rights are a part of the Common School Fund, and the conflict in statutes.

384	Chair Doyle	Closes the public hearing and open work session on SB 923
<u>SB 923 – WORK SESSION</u>		
387	Rep. Flores	MOTION: Moves SB 923 to the floor with a DO PASS recommendation.
394	Rep. Barnhart	Expresses his understanding of the bill.
412	Chair Doyle	Advises members that this bill was originally HB 2545 which passed the House by a vote of 56-0-4.
		VOTE: 7-0-0
	Chair Doyle	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
426	Chair Doyle	Asks if the bill is a candidate for the Consent Calendar.
427	Rep. Barnhart	Advises that based on comments by colleagues, he has been asked to not consent to Consent Calendar bills and therefore objects but thinks this one should go on the Consent Calendar.
437	Chair Doyle	Rep. Barnhart will carry SB 923 on the floor.
439	Chair Doyle	Closes the work session on SB 923 and opens a public hearing on SB 924.
<u>SB 924 – PUBLIC HEARING</u>		
442	Chair Doyle	Asks that the committee stand at ease pending the arrival of Rep. Macpherson.
445	Rep. Greg Macpherson	District 38. Testifies in support of SB 924 (EXHIBIT H). Explains that SB 924 is the exactly the same as HB 3602 and adds to the long list of exemptions that apply to the workers' compensation statute an exemption for persons engaged in language translation and interpretation services when their services are through a broker.
475	Chair Doyle	Closes the public hearing and opens a work session on SB 924.
<u>SB 924 – WORK SESSION</u>		
479	Rep. Flores	MOTION: Moves SB 924 to the floor with a DO PASS recommendation.
498		VOTE: 7-0-0
503	Chair Doyle	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.
507	Rep. Barnhart	Comments that he has the same problem with putting the bill on the Consent Calendar.
512	Chair Doyle	Rep. Macpherson will lead discussion on the floor.
515	Chair Doyle	Closes the work session on SB 924.
TAPE 110, B		
018	Chair Doyle	Opens a public hearing on SB 932.
<u>SB 932 – PUBLIC HEARING</u>		
023	John Shilts	Administrator, Workers' Compensation Division, Department Consumer and Business Services. Testifies in support of SB 932. States that the existing law bars a claim unless a notice is given to the employer within one year after the date of the accident, as long as the employer had knowledge of the injury or death, or if the worker died within 180 days of the accident. SB 932 adds one more exception in lines 22-23 of the bill in order to not bar a claim when it is filed late. Comments on incident where an employee may be working out of a union hall or working for a series of employers and files a claim with the

050	Bob Shiprack	wrong employer. Executive Secretary, Oregon Building Trades. Testifies in support of SB 932. Explains there was a change in the law in 1995 and if they don't file the claim correctly within 90 days, even though the claim is clearly compensable, they are barred from any remedy. The burden is on the worker to prove there is a just cause for why the claim was not perfected within 90 days. Gives example.
071	Chair Doyle	Closes the public hearing and opens a work session on SB 932.
<u>SB 932 – WORK SESSION</u>		
074	Rep. Flores	MOTION: Moves SB 932 to the floor with a DO PASS recommendation.
077		VOTE: 7-0-0
082	Chair Doyle	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES. REP. BARNHART will lead discussion on the floor.
084	Chair Doyle	Closes the work session on SB 932 and opens a public hearing on SB 914.
<u>SB 914 – PUBLIC HEARING</u>		
090	Rob Douglas	Oregon Self-Insurers Association. Testifies in support of SB 914 (EXHIBIT I). Explains that SB 914 is the same language in HB 3300 and HB 3400 which passed the House with no negative votes.
109	Linda Barno	Chair, Oregon Self-Insurers Association. Comments they had a good working relationship with all members of labor and management, the MLAC group, and the Workers' Compensation Division. The bill will not in any way affect benefits to injured workers.
11	Chair Doyle	Closes the public hearing on SB 914, announces that a work session will be held on the bill at a later date, and adjourns the meeting at 2:45 p.m.

EXHIBIT SUMMARY

- A – HB 2577, graphics, Sen. Nelson, 3 pp**
- B – HB 2577, prepared statement, Rep. Monnes Anderson, 2 pp**
- C – HB 2577, HB 2577-A7 amendments, Rep. Monnes Anderson, 2 pp**
- D – SB 916, prepared statement, Don Schellenberg, 1 p**
- E – HB 3653, HB 3653-1 amendments, Rep. Kruse, 1 p**
- F – SB 923, prepared statement, Harlan Levy, 4 pp**
- G – SB 923, prepared statement, Jeanette Holman, 2 pp**
- H – SB 924, prepared statement, Rep. Macpherson, 1 p**
- I – SB 914, prepared statement, Rob Douglas, 1 p**