

## SENATE COMMITTEE ON RULES

July 10, 2003  
1:30 P.M.

Hearing Room B  
Tapes 84 - 85

**MEMBERS PRESENT:**     **Sen. Kate Brown, Co-chair, Presiding**  
                                  **Sen. Bev Clarno, Co-chair**  
                                  **Sen. Jason Atkinson, Vice-chair**  
                                  **Sen. Ginny Burdick, Vice-chair**  
                                  **Sen. Roger Beyer**  
                                  **Sen. Tony Corcoran**

**STAFF PRESENT:**       **Jim Stembridge, Committee Administrator**  
                                  **Jeana Harrington, Committee Assistant**

**MEASURES HEARD:**     **Work Session – Consideration of legislative concepts for drafting and introduction**  
                                  **HB 2390A – Public Hearing**  
                                  **SB 906 – Public Hearing**

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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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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 84, A</b>		
003	Co-chair Brown	Calls meeting to order at 1:37 PM. Opens work session for consideration of legislative concepts for drafting and introduction.
<b><u>WORK SESSION</u></b>		
010	Sen. Clarno	<b>MOTION: Moves legislative concept one, requested by staff, BE</b> <b>APPROVED FOR DRAFTING by Legislative Counsel</b> <b>and BE INTRODUCED as a committee bill (EXHIBIT A).</b>
017	Co-chair Brown	<b>VOTE: 4-0-2</b> <b>EXCUSED: 2 - Burdick, Corcoran</b> <b>Hearing no objection, declares the motion CARRIED.</b>
020	Co-chair Brown	Closes work session on legislative concepts. Opens public hearing on HB 2390A.
<b><u>HB 2390A – PUBLIC HEARING</u></b>		
022	Jan McComb	Committee Administrator. Summarizes HB 2390A, which prohibits all restrictions in non-competition agreements in broadcasting industry other than one-year restriction on employee's service in broadcasting industry after termination of employment. Notes the -A6, -A7, and -A8 amendments <b>(EXHIBITS B, C &amp; D).</b>
038	Rep. Mark Hass	House District 27. Testifies in support of HB 2390A. Speaks on the compromise made. Submits the March 3, 2003 testimony of Jeff Scovel <b>(EXHIBIT E).</b>
050	Co-chair Brown	Notes the number of Oregon Association of Broadcasters (OAB) members listed to testify in opposition to HB 2390A. Requests

054	Rep. Hass	how the compromise was reached and who was involved in it. Understands the OAB voted to support the draft amendment in the House and testified in favor of the bill.
071	Dave Fiskum	Oregon Association of Broadcasters (OAB). Testifies in opposition to HB 2390A. Lists the members included in OAB also in opposition to HB 2390A. Explains the bill arrived from the House Judiciary Committee. Comments on the –A6 amendments before the committee ( <b>EXHIBIT B</b> ). Raises question as to the need for HB 2390A. Notes the compromise was in the A-engrossed HB 2390 created by Rep. Max Williams. Advocates the original compromise, HB 2390A if the committee feels it must move forward with the bill. Informs of the OAB vote on HB 2390A.
144	Ron Carter	OAB; Manager KWJJ, KOTK. Testifies in opposition to HB 2390A. Provides work history in the broadcasting industry. Believes the bill is narrowly written. Speaks on non-competition agreements. Provides example of the “Mike & Amy Show” to illustrate the necessity of non-competition agreements in the broadcasting industry. Believes the elimination of non-competition agreements would be a detriment to Oregonians.
223	David Lipoff	OAB; KOIN 6 TV Vice President and General Manager. Testifies in opposition to HB 2390A ( <b>EXHIBIT F</b> ). Provides work history in broadcasting industry in Oregon. Explains the process behind non-competition agreements currently. Offers that those who enter into the agreements are fully informed as to the contract. Disagrees with the involvement of the Legislature in the area.
315	Sen. Burdick	Requests the situation for an employee whose contract is not renewed.
328	Lipoff	Responds that contracts are negotiated individually. Informs there are aspects of the contract that allow for discussion of employment. Offers that the agreement is voluntary.
366	Sen. Burdick	Speaks on the inability of employees to continue with employment in the area for one year. Asks if Mr. Carter believes the practice is fair.
377	Carter	Agrees that the situation does take place, but contends that the agreement benefits all.
390	Sen. Burdick	Asks how preventing individuals from seeking employment can be justified.
397	Carter	Answers that agreements are not always utilized, and in some cases may be waived. States that the option for the agreement is necessary.
<b>TAPE 85, A</b>		
002	Co-chair Brown	Requests clarification as to compromise established by HB 2390A.
005	Fiskum	Responds OAB felt it was necessary the whole issue be considered. Speaks on the compromise made.
020	Sen. Corcoran	Voices frustration and questions if negotiations involving lobby will now be by chamber.
023	Fiskum	Reiterates the intentions of the industry in its testimony. Expresses the intent to be candid in discussion of the issue.
035	Sen. Corcoran	States his belief of what constitutes a compromise.
038	Co-chair Brown	Remarks.
041	Sen. Rick Metsger	Senate District 26. Testifies in support of HB 2390A. Notes he is a former broadcaster. Contextualizes HB 2390A with regard to

		the broadcast industry and non-competition agreements. Speaks on the comments of Mr. Fiskum. States he does not support amendments to HB 2390A as it affects the compromise.
105	Co-chair Brown	Speaks on the investment in employees. Inquires as to why the contract is not a “free-choice.”
112	Sen. Metsger	Recognizes the contract is a choice. Believes a unilateral agreement is being suggested that does not affect the employee.
133	Mike Cheney	OAB. Testifies in opposition to HB 2390A. Disagrees with the “singling out of one industry.” Disagrees with Sen. Metsger views. Speaks on the broadcasting industry and on employee compensation. Believes non-competition agreements are needed as employees are witnesses included in the propriety information of the business.
196	Dave McDonald	OAB; Senior Vice President, Infinity Broadcasting. Testifies in opposition to HB 2390A. Speaks on the fairness of non-competition agreement provisions. Believes judicial oversight would be removed by HB 2390A and is an unnecessary tampering. Disagrees with Sen. Metsger’s views.
236	Chrisse Rocco	President, Portland Local of the American Federation of Television and Radio Artists (AFTRA). Testifies in support of HB 2390A ( <b>EXHIBIT G</b> ). Thanks the sponsors of the bill. Points out no AFTRA member was asked to testify on the bill. Supports the –A8 amendments to HB 2390A with one noted exception. Lists states where similar legislation has been approved. Believes the bill is a “free-market issue.”
359	Steve Lanning	Oregon American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). Testifies in support of HB 2390A ( <b>EXHIBIT H</b> ). Notes AFL-CIO was not included in discussions on the House side. Refers the committee to the testimony of Jeff Scovel on April 8, 2003 ( <b>EXHIBIT H</b> ).

The following prepared testimony is submitted for the record without public testimony for HB 2614:

	Dan Gardner	Commissioner, Bureau of Labor and Industries. Submits letter ( <b>EXHIBIT I</b> ).
400	Co-chair Brown	Closes public hearing on HB 2309A. Opens public hearing on SB 906.

**SB 906 – PUBLIC HEARING**  
**TAPE 84, B**

012	Jan McComb	Committee Administrator. Summarizes SB 906, which establishes the Residential Structure Board. Explains the reincarnation of bills in SB 906. Notes the -1, -2 & -3 amendments to SB 906 ( <b>EXHIBITS J, K &amp; L</b> ).
028	Mark Long	Administrator, Building Codes Division (BCD). Describes facilitation of agreements on two of the House bills included in SB 906. States there is no fiscal impact on three House bills affecting the Division.
054	Sen. Beyer	Asks if there are comments on the proposed amendments.
057	Long	Comments he has not seen many of the amendments. Responds the amendments are the product of workgroups on the matter.
063	Co-chair Brown	Suggests advocates of the amendments can describe them.
069	John DiLorenzo	Attorney, Davis, Wright, and Tremain. ( <b>EXHIBIT M</b> ). Testifies in support of SB 906. Describes purpose of amendments. Speaks on the consequences of unlicensed individuals who build. Describes the problem with the requirements for the licensing. Explains the changes to the requirements made by the

		amendments and the consequences of those who do not fulfill new requirements.
123	Shawn Miller	Associated Builders & Contractors; Independent Electrical Contractors of Oregon. Testifies in support of SB 906. Explains the negotiations of issues within the bill and consensus amendments. States the construction industry was greatly impacted in the recent recession. Speaks on the “chain-of-payment” within the construction industry to illustrate the need for payment provisions. Overviews the bill.
191	Jerod Broadfoot	PacWest Communications. Testifies in support of SB 906. Reviews section 67 regarding electrical contracting.
210	DiLorenzo	Adds all parties have requested the subsequent referral to Ways and Means be rescinded. Refers committee to letter from Craig Smith ( <b>EXHIBIT N</b> ).
219	Co-chair Brown	Names those present to answer questions on the bill.
228	Jenene Delauney	Director, Oregon Disabilities Commission. Testifies in opposition to SB 906. Voices concern with the removal of two disabled members on the board.
266	Bob Pike	Member, State Accessibility Committee; Attorney. Testifies in opposition to SB 906. Speaks on the purpose of the council regarding accessibility. States Oregon has more stringent provisions than the American Disability Association (ADA). Speaks specifically on section 17 of SB 906.
326	Patrick Roger	Member, State Accessibility Committee. Testifies in opposition to SB 906. Speaks on the need for disabled members on the board. Points out the members are volunteers. States desire for the positions to be kept.
363	Mark Long	Speaks on the number of boards that assist the BCD and also provide access for all to the advisory process.
406	Bob Shiprack	Oregon State Building and Construction Trades Council. Discusses HB 3460. Explains the process the board underwent to organize the boards more effectively. States he is not on any of the boards. Explains the intent of the restructuring of the board.
<b>TAPE 85, B</b>		
028	Shiprack	Informs of the issues discussed in the creation of the board by SB 906.
049	Co-chair Brown	States concern that public buildings are not accessible enough.
053	Shiprack	Concurs. Speaks on the ADA law.
059	Dave Barenberg	League of Oregon Cities (LOC). Withdraws the -3 amendments to SB 906 ( <b>EXHIBIT J</b> ).
065	Sandy Flicker	Oregon Rural Electric Cooperative Association. Informs the committee of a definition problem discovered in statute and of the -2 amendments ( <b>EXHIBIT K</b> ) that could correct it. Testifies in favor of SB 906 as it is a vehicle for the amendments. States the -2 amendments makes no substantive change. Speaks on the types of utilities in statute. Requests that, if the committee decides to entertain amendments, the change be made so universal application can be enjoyed.
120	Bill Cross	Oregon Building Officials Association (OBOA). Testifies in support of the -1 amendments to SB 906 ( <b>EXHIBIT L</b> ). Explains the intent of the amendments. Lists the benefits obtained by them. Detects an interest by sponsors not to amend the bill, but requests the amendments be considered.
152	Sen. Atkinson	Understands SB 710 could also be a vehicle for the -2

		amendments.
158	Flicker	Agrees SB 710 is also a vehicle, but notes SB 710 is in Ways and Means and has a fiscal impact.
171	Sen. Beyer	Refers to the -1 amendments with regard to the adoption of rules. Asks if rules could be adopted to accommodate the issue.
181	Cross	Responds that there have been discussions on implementing the changes through administrative rule and that OBOA is willing to pursue them if that is the request of the committee.
197	Mark Long	Responds to the question of the -1 amendments becoming administrative rules. States he is willing to work with the OBOA if the amendment request is withdrawn.
210	Sen. Beyer	Asks if the Building Codes Division has the authority.
212	Long	Believes the Division does.
217	Co-chair Brown	Closes public hearing on SB 906. Adjourns the meeting at 3:16 PM.

## EXHIBIT SUMMARY

- A – Legislative Concepts, Staff, 1 p**
- B – HB 2390A, -A6 amendments, Staff, 4 pp.**
- C – HB 2390A, -A7 amendments, Staff, 4 pp.**
- D – HB 2390A, -A8 amendments, Staff, 4 pp.**
- E – HB 2390A, written testimony of Jeff Scovel, Rep. Mark Hass, 2 pp.**
- F – HB 2390A, written testimony, David Lippoff, 3 pp.**
- G – HB 2390A, written testimony, Chrissie Roccaro, 6 pp.**
- H – HB 2390A, written testimony of Steve Lanning and Jeff Scovel, Steve Lanning, 3 pp.**
- I – HB 2390A, letter, Dan Gardner, 1 p**
- J – SB 906, -3 amendments, Staff, 1 p**
- K – SB 906, -2 amendments, Staff, 7 pp.**
- L – SB 906, -1 amendments, Staff, 1 p**
- M – SB 906, written testimony, John DiLorenzo, 17 pp.**
- N – SB 906, letter from Craig Smith, John DiLorenzo, 1 p**