

**SENATE COMMITTEE ON BUSINESS, LABOR AND ECONOMIC
DEVELOPMENT**

February 14, 2001
3:00 PM

Hearing Room C
Tapes 26 - 27

MEMBERS PRESENT: **Sen. Roger Beyer, Chair**
 Sen. Avel Gordly, Vice-Chair
 Sen. Jason Atkinson
 Sen. Tony Corcoran
 Sen. Ryan Deckert
 Sen. Steve Harper
 Sen. Charles Starr

STAFF PRESENT: **Keith Putman, Committee Administrator**
 Pam Brunell, Committee Assistant

MEASURE/ISSUES HEARD: **SB 485 – Work Session**
 SB 439 – Public Hearing
 SB 334 – Public Hearing and Possible 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 26, A		
003	Chair Beyer	Calls meeting to order at 3:06 p.m. and opens work session on SB 485.
<u>SB 485 – WORK SESSION</u>		
Staff submits (EXHIBIT B) as written testimony from Danny Johnson.		
005	Chair Beyer	Asks for clarification on the Johansen case in SB 485.
017	Charlie Cheek	Legislative Council. States that Section 10 clearly addresses the Johansen case.
033	John Shilts	Administrator, Workers' Compensation Division. Provides update from Management Labor Advisory Committee (MLAC) meeting. Notes that MLAC will receive amendments until 5:00 p.m. tomorrow. States that they will have analysis of current amendments by Friday morning and they will be done after Tuesday's meeting. Submits testimony (EXHIBIT A) . Highlights the main issues of the bill in the Matrix. Relates 14 main issues and comparison of the costs and assumptions. States that interim medical benefits were a big issue. Predicts a \$12 million increase. Notes that SAIF Corporation and National Council of Compensation Insurance (NCCI) numbers did not change.
230	Chair Beyer	Closes work session on SB 485 and opens public hearing on SB 439.

SB 439 – PUBLIC HEARING

- 250 Keith Putman Committee Administrator. Explains SB 439.
- 300 Meg Reinhold Department of Consumer & Business Services (DCBS). Explains workability of going from 5 to 3 board members in SB 439. Notes that the bill makes all members public, not partisan. Explains that ease of administration is the reason for SB 439 and amendments. Describes the Workers' Compensation Board as an appellate review.

TAPE 27, A

- 030 Chair Beyer Explains the rationale of reducing the members of the board in SB 439. Clarifies that this is not a policy setting board but an administrative board.
- 115 Fred VanNata Liberty Northwest Company. Notes the needs and duties of the board have changed over the years. Supports the concept of a three member board. States that members should be attorneys representing the "public".
- 210 Jennifer Webber Oregon Workers' Compensation Attorneys. Opposes SB 439 (**EXHIBIT C**). States that decreasing the members of the board would be too limiting.
- 262 Jim Egan Oregon Workers' Compensation Attorneys. Testifies that the board is a judicial body. States that SB 439 will increase the appeals workload and that passage of SB 485 will spike the number of cases.
- 360 Brad Witt Oregon AFL-CIO, Secretary-Treasurer. Submits written testimony (**EXHIBIT D**). Testifies in opposition to SB 439. Clarifies how a five member board has decreased workload by 60%. Notes that the system is working and a new statute would cause additional case backlog and that given the complexity of the workers' compensation board, it would be a mistake to decrease the board.

TAPE 26, B

- 030 Witt Expresses that the system is far more efficient and cost effective. Notes that work load and fair representation are the two issues.
- 200 Witt States the importance that interpretations or case decision is made by parties other than attorneys. Indicates that MLAC has not had an opportunity to consider SB 439. Believes management and labor should make the cases.
- 284 Chair Beyer Closes public hearing on SB 439 and opens public hearing on SB 334.

SB 334 – PUBLIC HEARING

- 270 Putman Explains SB 334.
- 315 Marlo Nedwicke Department of Consumer & Business Services. Explains the by-laws and codes for SB 334. States that currently there are no certified associations.
- 474 Jim Krueger Program Manager, Non-Depository Programs, DCBS. States that sellers of travel can belong to associations out of state.

TAPE 27, B

- 030 Vicki Walker Representative, House District 41. Describes example of fraud and misrepresentation in the sellers of travel. Indicates that certification

- would help stop consumer fraud. Stresses that travel fraud is one of the top ten consumer fraud issues.
- 110 Monte Montgomery Travel Agent. States that membership is voluntary. Comments that the travel industry is growing and competition is stiff. Wants to be able to control the consumer complaints. Supports SB 334.
- 288 Krueger Explains that spring time brings much business and statute requires school districts to use certified associations.
- 318 Rep. Walker Points out that school boards submitted draft policy to school districts.
- 353 Chair Beyer Closes public hearing on SB 334 and adjourns meeting at 4:55 p.m.

Submitted By,



Pam Brunell
Committee Assistant

Reviewed By,



Keith Putman,
Committee Administrator

EXHIBIT SUMMARY

- A – SB 485, written material, John Shilts, 17 pp.**
B – SB 485, written testimony of Danny Johnson, staff, 6 pp.
C – SB 439, written material, Jennifer Webber, 2 pp.
D – SB 439, written testimony, Brad Witt, 2 pp.