

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

March 19, 2001 Hearing Room C
3:00 PM Tapes 53 - 55

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 134 – Public Hearing**
 SB 597 – Public Hearing and Work Session
 SB 826 - Public Hearing and Work Session
 SB 827 – Public Hearing and 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 53, A		
001	Chair Beyer	Calls meeting to order at 3:00 p.m. and opens public hearing on SB 134.
<u>SB 134 – PUBLIC HEARING</u>		
015	Senator Derfler	President of the Senate. Introduces SB 134. Discusses solutions for keeping a viable retirement system (EXHIBIT A).
098	Maria Keltner	Association of Oregon Counties (AOC) and League of Oregon Cities (LOC). States the problems on the local levels caused by Public Employees Retirement System (PERS) Supports SB 134 with amendments (EXHIBIT B) and (EXHIBIT C).
098	Staff	Submits written testimony of Duane Cole, President, Oregon City/County Management Association (EXHIBIT D).
145	Anthony Hyde	Commissioner, Columbia County. Concedes that the current PERS rates are bankrupting local governments.
160	Helen Berg	Mayor of Corvallis. Elaborates on the hardships caused by PERS contribution rate (EXHIBIT E). States that fundamental changes are necessary. Expresses that a long term solution is necessary for stabilization.
390	Nancy Brewer	Finance Director, City of Corvallis. Asks for ways to lessen the financial burden by issuing bonds.
TAPE 54, A		
080	Bill Van Vactor	Lane County Administrator. Explains the difficulties under the current PERS rates and contributions (EXHIBIT F). Supports the amendment that would strengthen the PERS Board fiscal accountability.
170	Steve Manton	City of Portland, Office of Management and Finance. Describes

355 John Krawczyk the unfairness of the PERS decisions to the employers regarding the matching contribution issue. Supports SB 134 as a step toward local solvency (**EXHIBIT G**).
 Administrator, Yamhill County. States the unfairness of the current PERS system. Supports SB 134 and -1 amendments and how it relates to the taxpayer.

370 Leslie Lewis Commissioner, Yamhill County. Supports SB 134 and -1 amendments that put the taxpayer in the equation and the bond issue. Encourages the committee to take a long term view as well as the quick fix.

TAPE 53, B

072 Myrnie Daut Risk and Benefits Manager, City of Eugene. Tells of the unfunded liabilities that are faced by local government. Supports SB 134 (**EXHIBIT H**).
 General Council, City of Eugene. Suggests amendments to SB 134 (**EXHIBIT I**). Describes three eras, 1- Employee contributed and employers matched. 2- Established a formula. 3- Full formula or money match and how the changes contributed to the crisis at hand.

180 Bill Gary

TAPE 54, B

030 Gary Continues with explanations.
 080 Gary Carlson Association of Oregon Industries (AOI). Establishes the need for changes in PERS in SB 134 and how it has been a continuing problem.
 135 Greg Hartman PERS Coalition. Responds to questions surrounding PERS and supports SB 134 except for Tier 3 (**EXHIBIT J**).
 420 Staff Submits written testimony from Clackamas County Fire District #1 (**EXHIBIT K**).
 430 Chair Beyer Closes public hearing on SB 134 and opens public hearing on SB 597

SB 597 – PUBLIC HEARING

460 Putman Explains SB 597.
 468 Darrell Fuller Oregon Automobile Dealers Association. States that SB 597 is recommended and there is no opposition.
 483 Chair Beyer Closes public hearing on SB 597 and opens work session on SB 597.

SB 597 – WORK SESSION

488 Sen. Gordly **MOTION: Moves SB 597 to the floor with a DO PASS recommendation.**
VOTE: 5-0
EXCUSED: 2 – Atkinson, Corcoran
Hearing no objection, declares the motion CARRIED.
SEN. HARPER will lead discussion on the floor.

497 Chair Beyer Closes work session on SB 597 and opens public hearing on SB 827.

SB 827 – PUBLIC HEARING

TAPE 55, A

034 Putman Explains SB 827 and -1 and -2 amendments
 043 Fuller Reviews SB 827 and the implications of amendments and agrees to both (**EXHIBIT L**).
 087 Larry Campbell General Motors. Expresses agreement with SB 827.
 094 Jim Gardner Hertz. States support of SB 827 and amendments.
 100 J.L. Wilson National Federation of Independent Business (NFIB). Believes SB 827 favors the small local businesses.

118	Chair Beyer	Closes public hearing on SB 827 and opens work session on SB 827.
<u>SB 827 – WORK SESSION</u>		
160	Sen. Gordly	MOTION: Moves to ADOPT SB 827-2 amendments. VOTE: 6-0 EXCUSED: 1 - Atkinson Hearing no objection, declares the motion CARRIED.
166	Chair Beyer Sen. Gordly	MOTION: Moves to ADOPT SB 827-1 amendments. VOTE: 6-0 EXCUSED: 1 - Atkinson Hearing no objection, declares the motion CARRIED.
169	Chair Beyer Sen. Gordly	MOTION: Moves SB 827 to the floor with a DO PASS AS AMENDED recommendation. VOTE: 6-0 EXCUSED: 1 - Atkinson Hearing no objection, declares the motion CARRIED. SEN. Starr will lead discussion on the floor.
170	Chair Beyer	Closes work session on SB 827 and opens public hearing on SB 826.
<u>SB 826 – PUBLIC HEARING</u>		
181	Putman	Explains SB 826.
190	Darrell Fuller	Supports SB 826 and submits testimony (EXHIBIT M).
210	Jim McDonough	President, Northside Trucks & Equipment. Supports SB 826 (EXHIBIT N).
257	Chair Beyer	Closes public hearing on SB 826 and opens work session on SB 826.
<u>SB 826 – WORK SESSION</u>		
262	Sen. Gordly	MOTION: Moves SB 826 to the floor with a DO PASS recommendation. VOTE: 5-0 EXCUSED: 2 – Atkinson, Harper Hearing no objection, declares the motion CARRIED. SEN. Gordly will lead discussion on the floor.
270	Chair Beyer	Closes work session on SB 826 and adjourns meeting at 5:15 p.m.

Submitted By,

Reviewed By,

Pam Brunell
Committee Assistant

Keith Putman,
Committee Administrator

EXHIBIT SUMMARY

- A – SB 134, written testimony, Senator Derfler, 1 p.**
- B – SB 134, written material, Maria Keltner, 15 pp.**
- C – SB 134, written testimony, Maria Keltner 1 p.**
- D – SB 134, written testimony, Duane Cole, 1 p.**

- E – SB 134, written material, Helen Berg, 1 p.**
- F – SB 134, written testimony, Anna Morrison 2 pp.**
- G – SB 134, written testimony, Steve Manton, 1 p.**
- H – SB 134, written testimony, Myrnie Daut, 2 pp.**
- I – SB 134, written material, Bill Gary, 2 pp.**
- J – SB 134, written material, Greg Hartman, 3 pp.**
- K – SB 134, written testimony, Clackamas Fire District, 2 pp.**
- L – SB 827, written, testimony, Darrell Fuller, 1 p.**
- M – SB 826, written testimony, Darrell Fuller, 1 p.**
- N – SB 826, written testimony, Jim McDonough, 2 pp.**