

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

April 18, 2001 Hearing Room C
3:00 PM Tapes 79 - 80

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 801 – Reconsideration**
 SB 134 – Work Session
 SB 383 – Work Session
 SB 209 – Work Session
 SB 463 – Work Session
 HB 2588 – Public Hearing and Work Session
 HB 3358 – 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 79, A		
001	Chair Beyer	Calls meeting to order at 3:10 p.m.
<u>SB 801 – RECONSIDERATION</u>		
010	Sen. Deckert	MOTION: Moves to RECONSIDER the vote to which SB 801 as amended was referred to Ways and Means without recommendation. VOTE: 3-4 AYE: 3 - Corcoran, Deckert, Gordly NAY: 4 - Atkinson, Harper, Starr, Beyer R The motion FAILS.
094	Chair Beyer	Opens work session on SB 383.
<u>SB 383 – WORK SESSION</u>		
110	Keith Putman	Committee Administrator. Explains SB 383 and –8 amendments
120	Staff	Submits written testimony from City of Portland, City of Eugene and League of Oregon Cities (EXHIBIT A).
250	Sen. Beyer	MOTION: Moves to ADOPT SB 383-8 amendments. VOTE: 4-3 AYE: 4 - Atkinson, Harper, Starr, Beyer R NAY: 3 - Corcoran, Deckert, Gordly The motion CARRIES.
280	Chair Beyer Sen. Beyer	MOTION: Moves SB 383 to the floor with a DO PASS AS AMENDED recommendation.

VOTE: 4-3

AYE: 4 - Atkinson, Harper, Starr, Beyer R

NAY: 3 - Corcoran, Deckert, Gordly

The motion CARRIES.

SEN. BEYER will lead discussion on the floor.

Closes work session on SB 383 and opens work session on SB 209

Chair Beyer

272 Chair Beyer

SB 209 – WORK SESSION

310 Sen. Atkinson

MOTION: Moves to ADOPT SB 209-1 amendments.

VOTE: 4-0

EXCUSED: 3 - Corcoran, Deckert, Gordly

Hearing no objection, declares the motion CARRIED.

313 Chair Beyer
Sen. Atkinson

MOTION: Moves SB 209 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.

VOTE: 4-0

EXCUSED: 3 - Corcoran, Deckert, Gordly

Hearing no objection, declares the motion CARRIED.

SEN. ATKINSON will lead discussion on the floor.

305 Chair Beyer

Closes work session on SB 209 and opens work session on SB 463.

Chair Beyer

SB 463 – WORK SESSION

308 Putman

Explains SB 463.

368 Paul Slyman

Department of Environmental Quality. Contends that SB 463 is a workable solution and needs continuing funding.

441 Sen. Harper

MOTION: Moves to ADOPT SB 463-3 amendments.

VOTE: 4-0

EXCUSED: 3 - Corcoran, Deckert, Gordly

Hearing no objection, declares the motion CARRIED.

460 Chair
Sen. Harper

MOTION: Moves SB 463 to the floor with a DO PASS AS AMENDED recommendation.

VOTE: 4-0

EXCUSED: 3 - Corcoran, Deckert, Gordly

Hearing no objection, declares the motion CARRIED.

SEN. HARPER will lead discussion on the floor.

461 Sen. Harper

Declares a potential conflict of interest as a part owner in a dry cleaning establishment.

473 Chair Beyer

Closes work session on SB 463 and opens work session on SB 134.

Chair

SB 134 WORK SESSION

485 Putman

Explains progress on –4 amendments and –20 amendments.

TAPE 80, A

030 Ken Armstrong

Seattle Northwest Securities. Agrees with bonding issues in –11 amendments to SB 134.

055 Jim Voytko

Director, Public Employees Retirement System (PERS). Speaks to the pooling issue and how many locals would join the state pool. States that the rate would be increased for the state pool by \$4 million and to the community colleges about \$600,000 **(EXHIBIT B).**

201 Sen. Harper

Expresses that the pooling would stabilize the situation.

248 Chair Beyer

Explains that SB 134 –4 amendments eliminate the third tier.

250 Putman and Members Notes that the -1 and -16 are concerned with reserves. Reviews the funding of contingency funds and the uses of such funds having been established. Addresses the maximum of 7½ % added to a contingency fund. Stresses the deletion of the word “unforeseen”. Discusses the gain/loss reserve and contingency fund and the necessity of creating absolute uses for the contingency fund.

490 Chair Beyer Notes that with the eventual demise of Tier I, a gain/loss fund will no longer be needed and stresses the need for a positive balance at the end of Tier I.

TAPE 79, B

068 Voytko Explains that employee contingency and employer contingency are not currently defined.

101 Chair Beyer Expresses the need for direction and uses for contingency funds as policy.

140 Robert Muir Department of Justice. States that the reserve can be used for any contingencies that are allowed and one of the objectives is for the reserve fund to be used. Stresses that a purpose needs to be established.

227 Dave Heynderickx Senior Deputy, Legislative Counsel. Stresses that with a fixed amount going into fund, there needs to be an obvious use for said funds. Guarantees an amount up to a level for the contingency or gain/loss funds.

300 Voytko Clarifies that the key to any reserve is the definition of its uses and described by parallel treatments.

349 Muir Asserts that the use of a contingency fund or any reserve fund to pay an unfunded employer liability is not available.

478 Chair Beyer Closes work session on SB 134 and opens public hearing on HB 3358.

HB 3358 – PUBLIC HEARING

490 Putman Explains HB 3358.

001 Sen. Bill Fisher Senate District 33. Testifies in support of HB 3358 (**EXHIBIT C**).

010 Rep. Patridge House District 50. Expresses the purpose of HB 3358.

061 Jeff Tryens Oregon Progress Board. Explains fiscal impact of HB 3358.

074 Chair Beyer Closes public hearing on HB 3358 and opens work session on HB 3358.

HB 3358 – WORK SESSION

075 Sen. Harper **MOTION: Moves HB 3358 to the floor with a DO PASS recommendation.**

VOTE: 4-0

EXCUSED: 3 - Corcoran, Deckert, Gordly

Hearing no objection, declares the motion CARRIED.

SEN. HARPER will lead discussion on the floor.

094 Chair Beyer Closes work session on HB 3358 and opens public hearing on HB 2588.

HB 2588 – PUBLIC HEARING

095 Putman Explains HB 2588.

100 LuAnn Meyer Certified Public Accountant. Introduces and explains HB 2588 (**EXHIBIT D**).

150 Jayne Martin Employment Department. Testifies in support of HB 2588 (**EXHIBIT E**).

160 Chair Beyer Closes public hearing on HB 2588 and opens work session on HB 2588.

HB 2588 – WORK SESSION
162 Sen. Atkinson **MOTION: Moves HB 2588 to the floor with a DO PASS recommendation.**
VOTE: 4-0
EXCUSED: 3 - Corcoran, Deckert, Gordly
Chair Beyer Hearing no objection, declares the motion CARRIED.
SEN. ATKINSON will lead discussion on the floor.

190 Chair Beyer Closes work session on HB 2588 and adjourns meeting at 4:53 p.m.

Submitted By,

Reviewed By,

Pam Brunell
Committee Assistant

Keith Putman,
Committee Administrator

EXHIBIT SUMMARY

- A – SB 383, written testimony, City of Portland, City of Eugene, League of OR Cities, 4 pp.**
- B – SB 134, written material, Steve Delaney, 8 pp.**
- C - HB 3358, written material, Sen. Bill Fisher, 1 p.**
- D – HB 2588, written material, LuAnn Meyer, 3 pp.**
- E – HB 2588, written material, Jayne Martin, 1 p.**