

## HOUSE COMMITTEE ON BUSINESS AND CONSUMER AFFAIRS

January 18, 1999 Hearing Room E

8:30 a.m. Tapes 2 ñ 5

**MEMBERS PRESENT:** Rep. Roger Beyer, Chair

Rep. Dan Gardner, Vice-Chair

Rep. Tim Knopp, Vice-Chair

Rep. Jason Atkinson

Rep. Bill Morrisette

Rep. Terry Thompson

Rep. Jackie Winters

**MEMBER EXCUSED:**

**STAFF PRESENT:** Keith Putman, Administrator

Frances Thomas, Administrative Support

**MEASURE/ISSUES HEARD:** Informational Meeting

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 2, A <u>INFORMATIONAL MEETING</u>		
001	Chair Beyer	Called meeting to order at 8:30 a.m.
<u>DEPARTMENT OF CONSUMER AND BUSINESS SERVICES TESTIMONY</u>		

011	Mike Greenfield	Director, Department of Consumer and Business Services (DCBS). Introduces Debbie Lincoln, Deputy Director. Explains overview of departmental functions <b>(EXHIBIT A)</b> .
032	Greenfield	Explains evolution of DCBS from 1987 to 1995.
033	Greenfield	Explains overall mission and goals. States mission is to protect and serve Oregon's consumers and workers while promoting a positive business climate in the state.
036	Greenfield	Defines DCBS Initiatives
		<ul style="list-style-type: none"> <li>• Customer service</li> </ul>
		<ul style="list-style-type: none"> <li>• Regulatory reform</li> </ul>
		<ul style="list-style-type: none"> <li>• Public information</li> </ul>
		<ul style="list-style-type: none"> <li>• Workforce</li> </ul>
		<ul style="list-style-type: none"> <li>• Technology</li> </ul>
054	Greenfield	Explains function of Appraiser Certification & Licensure Board (ACLB), <b>(EXHIBIT A, page 8)</b> . Identifies program priorities and services.
074	Rep. Winters	Asks if the federal government pays for the operation since they mandated it.
076	Greenfield	Responds the federal government does not pay for operation. Explains the funding is supplied the citizens who buy the services.
083	Greenfield	Describes the Building Codes Division (BCD), <b>(EXHIBIT A, page 9)</b> . References statutory DCBS boards, councils, and committees which lists standard for state wide codes <b>(EXHIBIT B)</b> .
098	Rep. Morrisette	Asks if DCBS is on the leading edge of earthquake worthiness?
107	Greenfield	References Joe Brewer, Division Director, who has proposed offering legislation which would fund measuring earthquake worthiness of various structures in Oregon. There are still discussions about funding.
121	Keith Putman	Administrator. Asks for clarification of statement regarding Joe Brewer and legislation.

127	Greenfield	Offers overview of Central Support Services ( <b>EXHIBIT A, page 10</b> ). Explains dependency on internal service areas:
		<ul style="list-style-type: none"> <li>• Director's Office</li> </ul>
		<ul style="list-style-type: none"> <li>• Information Management Division</li> </ul>
		<ul style="list-style-type: none"> <li>• Business Administration Division</li> </ul>
148	Rep. Winters	Asks if DCBS is year 2000 compliant today. Asks whether DCBS will be 100% compliant by year 2000.
153	Greenfield	DCBS believes all of the fixes and checks that can be done have been done. Explains in compliance now. Clarifies that a 100% guarantee compliance by 2000 is not possible.
169	Greenfield	Explains program overview of Division of Finance & Corporate Securities (DFCS), ( <b>EXHIBIT A, page 11</b> ).
188	Greenfield	Explains purpose of the Office of Energy. Points out that the Capitol Building took advantage of one of the available programs ( <b>EXHIBIT A, page 12</b> ).
213	Rep. Morrisette	Inquires about tax credit for alternative fueled vehicles. Asks for additional information to be provided.
219	Greenfield	Offers to follow up with requested information.
224	Debbie Lincoln	Deputy Director, DCBS. Explains generalities of transportation of radioactive wastes.
235	Greenfield	Defines Insurance Division (INS) components ( <b>EXHIBIT A, page 13</b> ).
257	Greenfield	Explains underlying policy of the Office of Minority, Women, & Emerging Small Business (OMWESB) and how its mission is accomplished ( <b>EXHIBIT A, page 14</b> ).
268	Lincoln	Explains this program is funded through Oregon Department of Transportation (ODOT) because the largest request for funds was for highway construction. Points out that funds originated from the federal government and dispersed through ODOT ( <b>EXHIBIT A, page 14</b> ).
282	Rep. Atkinson	Discussion regarding federal funding of state programs compared to other state programs. Requests for more information for certification for program.

292	Rep. Winters	Requests more information for certification for program.
302	Rep. Atkinson	Inquires if there is anyone on the Governor's staff who oversees any Disadvantage Business Enterprise (DBE) or does it all relate to OMWESB's jurisdiction.
307	Lincoln	States Al Nunez, and Raleigh Lewis manage affirmative action issues and both are on the governor's staff. Explains that Mr. Nunez works closely with OMWESB to coordinate the governor's affirmative action policies with the DBE program.
317	Greenfield	Explains the Oregon Medical Insurance Pool (OMIP) program. States that this program provides health insurance for individuals who are ineligible for benefits through conventional avenues because of "high risk" factors ( <b>EXHIBIT A, page 15</b> ).
336	Chair Beyer	Inquires if OMIP was created before the Oregon Health Plan.
338	Lincoln	Responds that OMIP was created in 1987 and opened for business in 1989.
339	Chair Beyer	Inquires as to how the two organizations relate.
342	Lincoln	Clarifies that customers of OMIP are charged 125% of usual premium. States that people under the Oregon Health Plan are those who cannot afford health insurance premiums. Explains OMIP covers people who can pay the premiums but are disqualified from getting insurance because of pre-existing medical conditions or some other reason.
356	Rep. Winters	Inquires if these programs could be combined even though there are differences in the purpose.
359	Lincoln	Responds that the programs do work very closely together. Explains that the "Health Plan" as a whole, includes these components: Oregon Health Plan, OMIT, Medicaid/Medicare Program, Family Health Assistance Program, and the private insurance market, all of which work closely together.
376	Rep. Morrisette	Reflects understanding that both Oregon Health Plan and OMIP cover disadvantaged groups. Asks for clarification of the 125% statistic cited previously.
386	Lincoln	Agrees that the description is accurate.
392	Rep. Thompson	States that no Health Maintenance Organization (HMO) wants to cover the district he represents and recently lost another HMO. Asks if this Lincoln Country district would qualify for the OMIP program.

396	Lincoln	States that people who live in that district can get into the OMIP program if they can not get any other kind of insurance. Clarifies that it would probably cost them more than through the private insurance market.
412	Rep. Thompson	Inquires if the OMIP program (at a 125% premium) is the only insurance these constituents will be able to acquire.
423	Lincoln	Discussion continues. Explains that it is a balancing act.
<p><b>TAPE 3, A Technical Difficulties. Tape 3, A is duplicate of Tape 2, A.</b></p> <p><b>TAPE 3, B Technical Difficulties. Tape 3, B is blank.</b></p> <p><b>TAPE 4, A</b></p>		
001	Greenfield	Presents Oregon Occupational Safety and Health Division (OR-OSHA) purpose of improvement of workplace safety and health for Oregonians ( <b>EXHIBIT A, page 16</b> ).
004	Greenfield	Discussion and comments from members regarding details of claims, application and coverage of OSHA rules
050	Greenfield	Explains Workers' Compensation Board (WCB) provides impartial resolution of disputes arising under the Workers' Compensation Law and Oregon Safe Employment Act (OSEA). Explains the board is appointed by governor ( <b>EXHIBIT A, page 17</b> ).
062	Greenfield	Discussion regarding specific statistics of services, appointment and funding.
087	Greenfield	Defers presentation of Workers' Compensation Division (WCD) to the end of testimony to be presented by others ( <b>EXHIBIT A, page 18</b> ).
092	Greenfield	Presents Ombudsman for Small Business (SBO) program functions and educational opportunities ( <b>EXHIBIT A, page 19</b> ).
103	Greenfield	Explains Ombudsman for injured workers provision for Oregonis injured workers within the workers' compensation system ( <b>EXHIBIT A, page 20</b> )
113	Rep. Gardner	Discuss Workers Compensation Ombudsman outreach program and its responsibilities.
139	Greenfield	Concludes presentation.
143	Rep. Thompson	Discuss marine insurance claims.

158	Lincoln	Presents overview of Workers Compensation Division (WCD) and its functions, recipients, and funding ( <b>EXHIBIT A, page 18</b> ).
205	Lincoln	Continues explaining regulatory functions and funding of WCD.
230	Lincoln	Continues with funding explanation. Explains who is eligible for funds and who is using the funds.
261	Lincoln	Continues with details of WCD administrative review conducted and related policy issues.
276	Lincoln	Presents Labor Management Advisory Committee (MLAC) Final Report to House Interim Workers' Compensation Task Force, dated September 23, 1998 ( <b>EXHIBIT D</b> ).
306	Lincoln	Explains that report reviews the "Sunset" legislation to be presented by Bob Shiprack, and Lisa Trussell, members of the MLAC.
325	Chair Beyer	Leads discussion of WCD functions regarding rates and reports to the Emergency Board's overseeing rate changes.
366	Bob Shiprack	Secretary of Oregon Building and Construction Trades Council and Labor Co-Chairman of the Management-Labor Advisory Committee. Explains issues involved in "Sunset" legislation resulting from SB 369 of the 1997 Legislative Session ( <b>EXHIBIT D</b> ).
406	Shiprack	Explains process of reviewing portions of SB 369.
<b>TAPE 5,</b>		
001	Shiprack	Continues review of process and effects of SB 369 "Sunset" provision.
025	Shiprack	Comments regarding necessity of "Sunset" legislation.
048	Lisa Trussell	Associated Oregon Industries and Member of Management-Labor Advisory Committee. Explains benefits to injured workers.
058	Trussell	Presents information on performance of Workers' Compensation. Explains the uniqueness of Oregon's program.
077	Trussell	Addresses "Sunset" issues. Clarifies language.
088	Trussell	Explains recommendations from the committee.

111	Gardner	Discuss costs and accident prevention of "Sunset" provision.
125	Winters	Reflects appreciation for efforts put forth by both members of this committee. Comments that it makes the legislators' jobs easier.
139	Shiprack	Suggests use of resource document. <u>Monitoring the Effects of Legislative Reform</u> published annually.
147	Chair Beyer	Requests copies for each member of the committee.
156	Chair Beyer	Adjourns meeting at 9:38 a.m.

Submitted By, Reviewed By,

FRANCES THOMAS, KEITH PUTMAN,

Administrative Support Administrator

### **EXHIBIT SUMMARY**

**A ñ Fact Sheets: Department of Consumer & Business Services, Michael Greenfield 24 pp**

**B ñ Statutory DCBS Boards, Councils, Committees, Michael Greenfield and Deborah Lincoln, 9 pp**

**C ñ ORS 656 Sunset Clauses, Bob Shiprack and Lisa Trussell, 1 p**

**D ñ Management-Labor Advisory Committee, Bob Shiprack and Lisa Trussell, 59 pp**