

HOUSE JUDICIARY COMMITTEE ON CIVIL LAW

February 19, 1999 Hearing Room 357

1:00 p.m. Tapes 40 - 41

**MEMBERS PRESENT:** Rep. Lane Shetterly, Chair

Rep. Max Williams, Vice-Chair

Rep. Judy Uherbelau, Vice-Chair

Rep. Vic Backlund

Rep. Randall Edwards

Rep. Kathy Lowe

Rep. Vicki Walker

Rep. Larry Wells

Rep. Bill Witt

**MEMBER EXCUSED:** Rep. Uherbelau

**STAFF PRESENT:** Aaron Felton, Counsel

Nancy Richards, Administrative Support

**MEASURE/ISSUES HEARD:** HB 2558

HB 2631

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 40, A		

004	Chair Shetterly	Call meeting to order at 1:30 p.m..
<b><u>HB 2558 Public Hearing</u></b>		
015	Counsel Felton	HB 2558 deletes statutory cap on amount person may wager at single Monte Carlo event.
025	<b>Rick Walker</b>	<b>President, Wild Billis NW, Inc.</b>  Testifies and submits testimony in support of HB 2558 ( <b>EXHIBIT A</b> ). Describes what a Monte Carlo event is and how this bill effects this event. Gives statistics on amount of money spent on the different games and tells how they control the spending. Discusses changes to the bill.
099	<b>Ross Laybourn</b>	<b>Assistant Attorney General, Department of Justice</b>  Testifies and submits testimony in support of HB 2558 ( <b>EXHIBIT B</b> ). Discusses the methods that the law uses to monitor these games and how they could improve these methods. Expresses the department's stand on the gambling cap. Discusses the two changes to the existing law.
150	Rep. Wells	Asks to have explained the changes to the bill that the Attorney General's office wants made.
156	Laybourn	States that the changes were made by the Legislative Counsel.
161	Rep. Walker	Expresses concern in Section 2, sub-section 4 of the bill that a set limit on the betting amount was not made.
169	Laybourn	Discusses the betting cap deletion from the bill and the monitoring of the betting by the oversight process.
178	Chair Shetterly	States that the legislature could set a betting cap if we became aware of a problem.
186		Closes public hearing.
<b><u>HB 2558 Work Session</u></b>		
188	Rep. Lowe	Declares a conflict with her participation regarding this bill.
197	Chair Shetterly	States that this bill does not benefit any member on this committee.
<b>201</b>	<b>Rep. Backlund</b>	<b>MOTION: Moves HB 2631 to the floor with a DO PASS</b>

		<b>recommendation.</b>
		<p><b>VOTE: 8-0-1</b></p> <p><b>AYE: 8 - Backlund, Edwards, Lowe, Walker, Wells, Williams, Witt, Shetterly</b></p> <p><b>EXCUSED: 1 - Uherbelau</b></p>
	<b>Chair Shetterly</b>	<p><b>The motion CARRIES.</b></p> <p><b>CARRIER: WILLIAMS will lead discussion on the floor.</b></p>
<b><u>HB 2631 Public Hearing</u></b>		
240	Counsel Felton	HB 2631 establishes that payments to individual independent contractor or to other self-employed person are exempt from execution to same extent as wages paid to employee.
248	<b>Vicki Walker</b>	<p><b>Representative, District 41</b></p> <p>Testifies and submits amendment in support of HB 2631 (<b>EXHIBIT C</b>). Discusses the history of this bill and its purpose.</p>
275	<b>Mark Comstock</b>	<p><b>Attorney, Salem, Oregon</b></p> <p>Testifies and submits testimony in support of HB 2631 (<b>EXHIBIT D</b>). Discusses the changes in language needed in this bill.</p>
321	Rep. Walker	Discusses some more changes to the bill.
329	Chair Shetterly	Asks if there are any problems with this bill.
331	Rep. Walker	Explains why the changes to the bill were not ready.
342	<b>Jim Markee</b>	<p><b>Oregon Collectors Association and Credit Association of Oregon</b></p> <p>Testifies in support of HB 2631. Discusses the exemptions to the independent contractor and the four types of garnishments involved in this bill.</p>
399	Rep. Wells	How do you collect a garnishment from a self-employed individual?

408	Markee	Explains the process of garnishing wages and bank accounts.
444	Rep. Wells	How does the limit of \$170.00 work on garnishment of a self-employed person?
449	Markee	Discusses the wage garnishment exemption and the research made in minimum wage differences in various states.
<b>Tape 41, A</b>		
029	Chair Shetterly	Explains the garnishment process and how it relates to the self-employed individual.
041	Markee	Further explains self-employed garnishment and the 90-day limit.
052	Rep. Wells	Requests further explanation.
054	Comstock	Discusses the garnishment process for the self-employed and what this bill proposes to do.
080	Rep. Wells	How much would the exemption of garnishment be according to this bill if there were no weekly earnings?
096	Rep. Witt	Explains that there would be \$170.00 exempt from garnishment, then 25% of the wages over that amount.
100	Rep. Wells	Gives the example of a farmer's wages. How would the garnishment effect the exemption in this case?
105	Chair Shetterly	The bill kicks you into the next statute where the exemptions are calculated, but it does mention the percentages of the earnings for the week.
109	Rep. Witt	Discusses the situation, according to the bill where a contractor would work several places during the week and how the exemption would apply to every place this person worked for the week.
118	Rep. Lowe	Asks if it would help if the language in the bill stated: "provided professional services were rendered or completed in 90 days prior to issuance of the writ"?
120	Rep. Witt	Explains that you could have an independent contractor in the course of a week that works in 20 different jobs, but does not have any single contract that brings in more than \$170.00. This could result in all contracted jobs being exempt.
130	Comstock	This is correct in theory, but not in practice. States that there is a problem with

		the bill regarding the amount of exemption as it applies to various jobs.
139	Chair Shetterly	Discusses the situation where customers won't know how to calculate this type of situation where there are many contracted jobs during the week.
150	Rep. Wells	Refers to this situation and how it does not work with the bill.
159	Rep. Edwards	States that there is a practical problem with garnishing when someone gets paid right after a job is completed and you never see that person again.
164	Comstock	Discusses the situation where someone has three part-time jobs and employed by three different people and how the writs to the employers works.
174	Chair Shetterly	If we are exempting the payment amount from each customer of the contractor, do we need to make it clearer in statute as to the calculations?
187	Rep. Walker	Agrees with the poor definition of how you determine the exemption for several different employers with weekly earnings.
203	Rep. Edwards	States that there is such a variety of jobs and wages that it would be very difficult, according to the bill, to calculate the exemption.
213	Chair Shetterly	States that the garnishment form and the exemptions need to conform with the bill.
220	Markee	States that the one-time garnishment form has a place to calculate this wage exemption.
224	Comstock	States that the garnishment is required to have delivery that would include the way you calculated the wages and that may need to be changed.
232	<b>Carl Stecker</b>	<b>Marion County District Attorney Office, Oregon District Attorneys Association</b>  Testifies in support of HB 2631. Discusses line 17 and the language disparity with other statutes. Discusses the clarity of the execution of the bill and that it would not include those types of child support withholding mechanisms.
263	Rep. Witt	Comments on the public policy to give the same protection to the self-employed that we give to employees and to have a more broad range of policy question regarding this.
270	Chair Shetterly	States that the policy is fine, it is the execution of the policy that needs work.

272	Rep. Williams	States that this bill needs to be balanced and should be rewritten.
280	Chair Shetterly	Closes public hearing.
		<b>MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. WITT to BE RECORDED as voting AYE on HB 2558 Do Pass Recommendation.</b>
290	Chair Shetterly	Closes meeting at 2:20 p.m..

Submitted By, Reviewed By,

Nancy Richards, Aaron Felton,

Administrative Support Counsel

-

-

-

**EXHIBIT SUMMARY**

**A - HB 2558, Written testimony, Rick Walker, p. 2**

**B - HB 2558, Written testimony, Ross Laybourn, p. 1**

**C - HB 2631, Proposed Amendment, Rep. Walker, p. 1**

**D - HB 2631, Written testimony, Mark Comstock, p. 1**