

HOUSE COMMITTEE ON RULES, ELECTIONS, AND PUBLIC AFFAIRS

June 7, 1999 Hearing Room D

3:30 P.M. Tapes 78 - 79

MEMBERS PRESENT: Rep. Mark Simmons, Chair

Rep. Richard Devlin, Vice-Chair

Rep. Bruce Starr, Vice-Chair

Rep. Jason Atkinson

Rep. Chris Beck

Rep. Roger Beyer

Rep. Randall Edwards

Rep. Dan Gardner

Rep. Kevin Mannix

Rep. Kitty Piercy

Rep. Jim Welsh

Rep. Max Williams

MEMBER EXCUSED:

STAFF PRESENT: Cletus B. Moore, Jr., Administrator

Kevin E. Wells, Administrative Support

MEASURES HEARD: SB 115A Public Hearing

SB 1282 Public Hearing and Work Session

HB 3629 Public Hearing and Work Session

SB 606 Work Session

SB 950 Work Session

HB 2989 Public Hearing

TAPE/#	Speaker	Comments
TAPE 78, A		
003	Chair Simmons	Calls the meeting to order at 3:30 p.m. Opens public hearing on SB 115A.
<u>SB 115A PUBLIC HEARING</u>		
005	Barbara Hutchison	Public Affairs Director, Oregon Liquor Control Commission. Reviews SB 115A (EXHIBIT A) .
027	Cara Filsinger	Policy Analyst. Explains SB 115A. Reviews the ñA7, -A8, -A10 and ñA11 amendments (EXHIBIT B) .
037	Hutchison	Explains standards for using minors as decoys in liquor control efforts.
052	Mike McCallum	Oregon Restaurant Association. Supports SB 115A and the ñA7 amendments. Explains that SB 115-A7 modifies delivery of liquor to licenses.
065	Hutchison	States that the commission is not opposed to this provision.
074	Steve McCoid	Oregon Grocery Industry Association. Supports the ñA11 amendments. Explains the ñA11 amendments. States that they bring statute in line with current practice. Explains that state licensed liquor stores cannot sell malt beverages and wine.
130	McCoid	States that stores that sell beer and wine cannot compete with a store that sells liquor, beer, and wine.
149	Rep. Piercy	Asks if there is support for selling beer and wine in liquor stores.
151	McCoid	Discusses proposals to allow selling beer and wine in liquor stores.
160	Chair Simmons	Asks Hutchison to comment on McCoid's testimony.
161	Hutchison	States that the commission is hesitant to put the ñA11 amendments into statute.
170	Brian Boe	ORCA. Opposes the ñA11 amendments. Explains that selling beer and wine is intended to bolster the agency's budget. Neutral on the ñA7 amendments.

234	Rep. Piercy	Asks if there has been any discussion with the grocery industry.
241	Boe	Replies that he has not had opportunity for such discussions.
248	Senator John Lim	District 11. Testifies in support of SB 115A (EXHIBIT C). Explains that SB 115A addresses the enforcement of the prohibition on selling alcohol to minors by establishing standards for using minor decoys.
287	Hutchison	Explains that the ñA10 amendment makes a minor technical change to SB 115A.
302	Sen. Lim	Supports both the ñA10 and ñA11 amendments. States that liquor should not be sold with beer and wine.
325	Hutchison	Adds that the commission is going to study the issues raised in this legislation.
334	Chair Simmons	Asks Hutchison to comment on the ñA11 amendments.
335	Hutchison	Discusses changes the commission is considering.
355	Chair Simmons	Asks if the amendment is an impediment.
358	Hutchison	Replies that it does restrict the commission's flexibility.
366	Chair Simmons	Close Public Hearing SB 115A. Opens Public Hearing SB 1282A.
<u>SB 1282A PUBLIC HEARING</u>		
380	Janet Adkins	Policy Analyst. Explains SB 1282A.
405	Michael Kelly	Contract Administrator, K.T. Contracting. Supports SB 1282. States that Oregon Department of Administration does not administer their contracts efficiently.
TAPE 79, A		
005	Kelly	Relates examples of Oregon Department of Transportation (ODOT) inefficiencies.
060	Kelly	States the previous examples are not unique.
072	Karl Thatcher	K.T. Contracting. Supports SB 1282A. Explains that SB 1282A brings ODOT's policy in-line with the spirit of existing law.

100	Kim Thatcher	K.T. Contracting. Supports SB 1282A. States that ODOT should respond to legitimate claims in a timely manner.
108	Vice-Chair Devlin	Asks if K.T. Contracting's problems with ODOT occurred when they were as sub-contractors or as primary contractors.
115	Kelly	Responds that they are usually sub-contractors with ODOT. Stresses that the problem is ODOT, not who is the primary contractor or sub-contractor.
134	Rep. Piercy	Asks for an explanation of how claims against ODOT are pursued.
138	Kelly	Explains that claims are pursued informally first, then a formal, administrative claim is filed.
155	Rep. Piercy	Asks if the problem is with ODOT's consistency; does SB 1282A give contractors a tool deal with ODOT.
172	Kim Thatcher	States that she has approached the Transportation Commission to seek redress for problems with ODOT.
190	Gary Conkling	Associated General Contractors (AGC). Opposes SB 1282A. Discusses ODOT's dispute resolution process. Explains concerns with SB 1282A (EXHIBIT D).
225	Chair Simmons	Asks if AGC testified on SB 1282A in the Senate.
226	Conkling	Replies that AGC did not testify on SB 1282A in the Senate.
230	Chair Simmons	States that people have the right to be paid for services rendered.
237	Conkling	Replies that while many people have had problems with the agency, the appropriate response is to work out problems with the process rather than seeking statutory redress.
260	Doug Tindall	ODOT. Opposes SB 1282A. Explains that it subverts the claims process that ODOT has worked with contractors to put in place. Expresses other concerns with the bill (EXHIBIT E).
306	Chair Simmons	Asks why the maintenance division handles contracts well and the new construction division does not.
309	Tindall	Replies that the assertion is not universally true. Discusses differences between the two departments.

322	Rep. Piercy	Asks what a contractor is supposed to do if they perceive a pattern of problems with ODOT's processes.
333	Conkling	States they should go to the construction engineer with any concerns.
361	Vice-Chair Starr	Asks how much ODOT spends on Attorney General fees biennially.
365	Conkling	Answers \$2.5 million annually.
370	Vice-Chair Starr	Asks if the additional costs incurred from SB 1282A would be paid out of ODOT's existing budget.
378	Conkling	Answers that Vice-Chair Starr is correct.
388	Rep. Piercy	Asks why SB 1282A was brought forward.
395	Chair Simmons	Closes Public Hearing SB 1282A. Opens Work Session SB 1282A.
<u>SB 1282 A WORK SESSION</u>		
398	Chair Simmons	Explains that SB 1282A is the result of an on-going pattern of problems at ODOT.
TAPE 78, B		
011	Rep. Edwards	Asks why the amendments are focused on ODOT.
016	Adkins	Offers to get that information.
019	Chair Simmons	Suggests that ODOT has the worst problem in settling claims. Asks the parties to work out a compromise. Closes SB 1282A. Opens Public Hearing HB 3629.
<u>HB 3629 PUBLIC HEARING</u>		
043	Chair Simmons	Closes Public Hearing HB 3629. Reopens Public Hearing SB 1282A.
<u>SB 1282A PUBLIC HEARING</u>		
045	Senator Shannon	District 15. Testifies in support of SB 1282A. States that ODOT should pay legal fees when they do not prevail as it would make them more willing to deal with contractors.

080	Rep. Edwards	Asks why the bill was amended to focus on ODOT.
083	Sen. Shannon	Replies that it is because that is where the problems exist.
089	Chair Simmons	Closes Public Hearing SB 1282. Opens Work Session HB 3629.
<u>HB 3629 WORK SESSION</u>		
096	Cletus Moore	Committee Administrator. Reviews HB 3629's amendments (EXHIBIT F).
112	Chair Simmons	Asks who worked on the amendments.
120	Rep. Beyer	Comments on the amendments.
131	Bob Livingston	Oregon State Fire Fighters Council. Explains that the amendments address the committee's concern with a presumption of "clear and convincing evidence" by changing it to "a preponderance of evidence."
164	Rep. Beyer	Asks if there is a fiscal impact for HB 3629-2.
166	Moore	States there is only a minimal fiscal impact.
168	Rep. Beyer	Expresses doubt that the fiscal impact will be minimal, as HB 3629 has wide ranging impacts.
185	Chair Simmons	Closes Work Session HB 3629. Opens Work Session SB 606A.
<u>SB 606A WORK SESSION</u>		
195	Adkins	Recaps previous testimony and work on SB 606A (EXHIBIT G).
204	Rep. Beyer	Asks if there are any amendments to SB 606A.
209	Chair Simmons	States he is not aware of any amendments.
210	Rep. Williams	Explains that a compromise on amendments could not be reached.
218	Chair Simmons	Agrees with Rep. Williams.
224	Tom Barrows	Oregon Podiatric Medical Association (OPMA). Explains that the parties tried to

		craft a compromise on amendments.
232	Rep. Beyer	Asks if there was discussion on the previously discussed amendments.
237	Barrows	Explains the orthopedists would not agree to the proposed amendments.
245	Rep. Beyer	Reviews the previously proposed amendment.
254	Barrows	States that without agreement on compromise amendments, OPMA does not want to water down the bill any further.
268	Rep. Gardner	MOTION: Moves SB 606A to the floor with a DO PASS recommendation.
274	Rep. Beyer	States that SB 606A could have been refined more. Explains he does not support SB 606A.
280	Peterson	Explains the Medical Examiner Board's position on SB 606A.
300		VOTE: 4-1 AYE: 7 - Edwards, Gardner, Piercy, Starr, Simmons, Welsh, Williams NAY: 2 - Beck, Beyer EXCUSED: 3 - Atkinson, Devlin, Mannix
	Chair Simmons	The motion CARRIES. REP. GARDNER will lead discussion on the floor.
340	Chair Simmons	Closes Work Session SB 606A. Opens Work Session SB 950A.
<u>SB 950A WORK SESSION</u>		
350		Staff submit (EXHIBIT H).
351	Sen. Lim	Testifies in support of SB 950A with the 3 amendments.

370	Rep. Starr	MOTION: Moves to ADOPT SB 950A-3 amendments dated 6/2/99.
375	Rep. Beyer	Opposes SB 950A.
		VOTE: 9-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Atkinson, Devlin, Mannix
	Chair Simmons	The motion CARRIES.
395	Rep. Starr	MOTION: Moves SB 950A to the floor with a DO PASS AS AMENDED recommendation.
401	Rep. Beyer	Opposes SB 950.
410		VOTE: 8-1 AYE: 8 ñ Beck, Edwards, Gardner, Piercy, Starr, Simmons, Welsh, Williams NAY: 1 - Beyer EXCUSED: 3 - Devlin, Mannix
	Chair Simmons	The motion CARRIES. REP. PIERCY will lead discussion on the floor.
TAPE 79, B		
012	Chair Simmons	Closes Work Session SB 950A. Opens Public Hearing HB 2989.
<u>HB 2989 PUBLIC HEARING</u>		
023	Keith Putman	Policy Analyst. Reviews the ñ2 amendments (EXHIBIT I). Explains the bill establishes a board to oversee the development of workforce investment areas and other services.

055	Cam Preus-Braly	Workforce Policy Coordinator, Governor's Office. Relates Governor's concerns about HB 2989.
095	Rep. Beyer	Asks if HB 2989 does limit flexibility of local boards.
100	Preus-Braly	Explains the Governor's Office's interpretation on that point.
112	Rep. Beyer	States he does not understand that interpretation.
115	Putman	Points out that Preus-Braly was referring to the wrong section.
122	Preus-Braly	Continues to convey the Governor's Office's interpretation of HB 2989.
132	Rep. Beyer	Asks for clarification, noting that HB 2989 is not a mandate.
137	Preus-Braly	Discusses the possible mandates included within HB 2989.
150	Rep. Beyer	Clarifies Preus-Braly's interpretation of HB 2989.
160	Preus-Braly	States that she and Rep. Beyer differ in interpretation.
165	Rep. Mannix	Agrees with Rep. Beyer's reading of HB 2989.
172	Rep. Piercy	States that HB 2989-2 can be read as a directive.
180	Rep. Mannix	Disagrees with Rep. Piercy.
191	Rep. Beyer	Explains that the Workforce Implementation Board is not granted the authority to create a state agency and carry out any directives.
200	Preus-Braly	States that the Governor's Office was unaware of that point of clarification.
206	Rep. Mannix	Suggests an amendment to clarify the situation.
213	Rep. Gardner	Asks if any of HB 2989-2 is necessary to implement the federal Workforce Investment Act.
215	Preus-Braly	Answers that it is not necessary.
219	Virlena Crosely	Director, Employment Department. Refers to letters submitted to the committee

		members (EXHIBIT J).
239	Putman	Asks where in the ñ2 is job attachment referred to as a policy.
242	Crosely	Replies that the ñ2 has no reference to job attachment. Comments on the job attachment and related policy issues.
272	Irv Fletcher	Oregon AFL-CIO, Oregon Employment Department Council. Opposes HB 2989-2 as unnecessary. Outlines concerns about the legislation.
324	Chair Simmons	Closes Public Hearing HB 2989. Adjourns meeting at 5:20 p.m.

Submitted By, Reviewed By,

Kevin E. Wells, Jim Stenbridge,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 115, written testimony, Barbara Hutchison, 2 pp

B ñ SB 115, -A7, -A8, -A10, and ñA11 amendments, 6 pp

C ñ SB 115, written testimony, Senator Lim, 2 pp

D ñ SB 1282, written testimony, Gary Conkling, 1 p

E ñ SB 1282, written testimony, Doug Tindall, 1 p

F ñ HB 3629, -2 amendments, staff, 1 p

G ñ SB 606, letter, staff, 1 p

H ñ SB 950, -A3 amendments, staff, 1 p

I ñ HB 2989, -2 amendments and letters, staff, 8 pp

J ñ HB 2989, letters and written testimony, Virlena Crosley, 8 pp