HOUSE COMMITTEE ON

RULES, ELECTIONS AND PUBLIC AFFIARS

July 21, 1999 Hearing Room D

3:00 p.m. Tape 163

MEMBERS PRESENT: Rep. Mark Simmons, Chair

Rep. Richard Devlin, Vice-Chair Rep. Bruce Starr, Vice-Chair Rep. Roger Beyer Rep. Randall Edwards Rep. Dan Gardner Rep. Kevin Mannix

STAFF PRESENT: Cletus Moore, Jr., Administrator

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD: SB 919-A ñ Work Session

SB 611-B ñ 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 163 , <i>J</i> | A | |
| 004 | Vice Chair Starr | Calls meeting to order at 3:35 p.m. and opens a work session on SB 919-A. |
| <u>SB 919-A ñ</u> | WORK SESSION | |
| 015 | Rep. Edwards | MOTION: Moves SB 919-A to the floor with a DO PASS recommendation. |
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| 020 | | VOTE: 4-0-3 EXCUSED: 3 - Reps. Gardner, Mannix, Simmons |
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| | Vice Chair Starr | Hearing no objection, declares the motion CARRIED. |
| | | REP. EDWARDS will lead discussion on the floor. |
| 021 | Vice Chair Starr | Closes the work session on SB 919-A and opens a work session on SB 611-B. |
| <u>SB 611-B</u> | ñ WORK SESSION | |
| 028 | Cletus Moore, Jr. | Reviews SB 611-B. |
| 030 | Rep. Beyer | States he will vote yes to move the bill to the House floor. Comments he is not interested in creating any new health boards and reducing the number of health boards would provide a more efficient operation. Adds that he will vote against the bill on the floor. |
| 046 | Sen. Bill Fisher | District 23. Explains that SB 611-B does not set up a new board. It tries to continue the licensure for the midwives so they can receive remuneration for their services under state programs. Does not believe they would be adverse to being included in a larger board but they have not been provided that opportunity. Explains financial situation of the board. The bill also provides them opportunity to accept gifts and donations. |
| 084 | Rep. Edwards | MOTION: Moves SB 611-B to the floor with a DO PASS recommendation. |
| 086 | Vice Chair Starr | Comments there are 36 midwives in the state and they all agree to increase their fees to support the board. |
| 091 | | VOTE: 4-1-2 AYE: 4 - Devlin, Edwards, Starr, Simmons NAY: 1 - Beyer EXCUSED: 2 - Gardner, Mannix |
| | Vice Chair Starr | The motion CARRIES. |

| | | REP. STARR will lead discussion on the floor. |
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| 113 | Vice Chair Starr | Adjourns meeting at 3:44 p.m. |

Submitted By, Reviewed By,

Annetta Mullins, Cletus Moore, Jr.,

Administrative Support Administrator

EXHIBIT SUMMARY

A - NONE

HOUSE COMMITTEE ON

RULES, ELECTIONS AND PUBLIC AFFAIRS

July 21, 1999 Hearing Room D

5:00 p.m. Tapes 164 - 165

MEMBERS PRESENT: Rep. Mark Simmons, Chair

Rep. Richard Devlin, Vice-Chair Rep. Bruce Starr, Vice-Chair Rep. Roger Beyer Rep. Randall Edwards Rep. Dan Gardner Rep. Kevin Mannix

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

Ray Kelly, Policy Analyst

Janet Adkins, Policy Analyst

Annetta Mullins, Administrative Support

MEASURE/ISSUES HEARD: SB 1181-A ñ Work Session

SB 194 - Work Session

SJR 11-A ñ Work Session

SB 1331-A ñ 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 |
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| TAPE 164, | A | |
| 004 | Chair Simmons | Calls meeting to order at 6:53 p.m. and opens a work session on SB 1181-A. |
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SB 1181-A ñ WORK SESSION

| 006 | Sen. Neil Bryant | District 27. Explains that the SB 1181-A19 amendments (EXHIBIT A) are substantial changes to the original bill and a compromise that has been negotiated with the governoris office. |
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| 015 | Sen. Bryant | Explains purpose of the original SB 1181 and explains the process and timelines the Department of Administrative Services would use to calculate the allowable growth factor and timelines for notification by school districts. Adds that the school districts will use the information to develop their budgets, contracts and agreements. Explains requirements of school district if it enters into contracts or agreements that would result in expenditures that exceed the allowable growth factor. |
| 058 | Sen. Bryant | States he believes this will be a good tool for future legislatures and will help school districts because there will be more information on the projected growth and revenues and will help in their planning and budgeting. |
| 061 | Sen. Derfler | Comments he believes this will help solve the problem of school boards are determining what the legislature will give them for schools. Adds that the fact the information will help the school boards and unions have a target to work toward. The fact that the information will be public will give the school districts some cause to do more work on proposing their budgets. |
| 082 | Chair Simmons | Comments that the proposal gets at one of the major problems in school funding, i. e. the inability of school boards to hold the line. |
| 087 | Sen. Derfler | Comments that one of the most common complaints by school boards is they do not have books. This breaks it down and makes sure resources get into the area that is needed. |
| 092 | Rep. Beyer | Comments he thinks this is getting close to truth in budgeting. Comments on the components listed in the original SB 1181 that would have to be included. Asks if those items will be included. |
| 103 | Sen. Bryant | Responds affirmatively. |
| 115 | Rep. Devlin | Asks if we are talking about anything relative to state agencies. |
| 120 | Sen. Bryant | States he thinks the legislature does a good job in the Ways and Means process in analyzing the agency budgets and in determining how they spend almost every dollar they receive. Comments on controls of agency budgets by the legislature. |
| 128 | Rep. Devlin | Comments it seems the legislature is more willing to accept increases in costs for state programs than for increasing cost of education. |
| 134 | Sen. Bryant | Comments on budgeted raises for state employees. |
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| 143 | Rep. Edwards | Asks if the growth factor would include costs that would include costs to meet some of the standards. |
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| 151 | Sen. Derfler | Responds he would think those items would be considered in the growth factor. |
| 154 | Rep. Edwards | States that no one knows on a statewide basis what the capital needs are at the local level. Asks if that would be contemplated. |
| 166 | Sen. Derfler | Responds this will give better information so the legislature can make better decisions. If school districts should need to spend more money on capital and have to exceed the increase recommended, they can explain that. |
| 172 | Sen. Bryant | States that most capital outlay is still a local function. By filing the information, the legislature will get more information about what the needs are. |
| 180 | Rep. Edwards | Asks how the reporting process would work, whether the legislature is to respond. |
| 186 | Sen. Derfler | Responds that there really are no teeth in this. It is informational and helps give the school districts a guide to what they should be doing and it will help the legislature understand what the legislature should take a look at next session. |
| 191 | Sen. Bryant | Comments he would anticipate, in the Senate, that the interim committee on Education would review the reports as they receive them. Adds that he would expect that the President of the Senate would send a response if something were way out of line. |
| 193 | Rep. Edwards | Asks if someone familiar with the local needs would be involved. |
| 200 | Sen. Bryant | Responds that neither the school boards nor the people who contract with school boards are included because the sponsors thought this was more of a state function. |
| 205 | Jean Thorn | Education Workforce Policy Adviser for Governor Kitzhaber. Comments she agrees with the statements by Sens. Bryant and Derfler. Thinks this is a good first step in better connecting local expenditures and the state revenues. Believes it provides information locally and provides accountability. It will provide future information for budgeting. |
| 223 | Rep. Gardner | Asks why the governor would not get a copy of the report. |
| 229 | Thorn | Responds that the governoris office would be able to access the report from the Department of Education. |
| 236 | Rep. Edwards | Comments his fear is that the next reiteration of this will have a lot of teeth. |

| | | Concern is that one figure does not fit all districts. |
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| 254 | Thorn | Responds that an increase factor is applied. The report will supply the information at the front end but also give information about why the school district cannot live within the budget. |
| 273 | Rep. Edwards | States he would argue that the state factor is way out of line with what is happening in reality. It seems empty and is creating a factor that does not fit all districts. Asks what the legislature would get out of the report, other than information. |
| 288 | Thorn | Comments she thinks it will force everyone to be a little more honest about how much we are spending. It forces the state level to be more honest about budgeting for schools. |
| 325 | Rep. Edwards | Asks if the governor is committed to putting in the appropriate amount of funding. |
| 332 | Thorn | Responds that if this moves forward and there is not enough money, the Governor will have to be explicit in explaining that when he is putting together his budget. |
| 342 | Rep. Edwards | Asks if this factor will reflect what should be funded but not necessarily what will be funded. |
| 343 | Thorn | Responds affirmatively. |
| 345 | Chair Simmons | Recesses work session on SB 1181-A and opens a work session on SB 194. |

SB 194 ñ WORK SESSION

| 352 | Rep. Devlin | MOTION: Moves to ADOPT SB 194-9 amendments dated 07/21/99 (EXHIBIT B). |
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| | | VOTE: 5-0-2 EXCUSED: 2 - Reps. Mannix, Starr |
| | Chair Simmons | Hearing no objection, declares the motion CARRIED. |
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| 355 | Rep. Devlin | MOTION: Moves SB 194 to the floor with a DO PASS AS AMENDED recommendation. |
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| 357 | | VOTE: 5-0-2 EXCUSED: 2 - Reps. Mannix, Starr |
| | Chair Simmons | Hearing no objection, declares the motion CARRIED. |
| | | REP. DEVLIN will lead discussion on the floor. |
| 358 | Chair Simmons | Closes the work session on SB 194. |
| 373 | Chair Simmons | Recesses meeting at 7:18 p.m. |
| 388 | Chair Simmons | Reconvenes meeting at 8:30 p.m. and reopens the work session on SB 1181-A. |
| SB 1181- | A ñ WORK SESSION | |
| 397 | Chair Simmons | Advises members that the SB 1181-A20 amendments are before the committee (EXHIBIT C). |
| 388 | Ray Kelly | Policy Analyst. Explains differences between A19 (EXHIBIT A) and A20 amendments (EXHIBIT C). |
| 415 | Rep. Starr | MOTION: Moves to ADOPT SB 1181-A20 amendments dated 07/21/99. |
| | | VOTE: 6-1-0 |
| | | AYE: 6 - Beyer, Devlin, Edwards, Mannix, Starr, Simmons |
| | | NAY: 1 - Gardner |
| | Chair Simmons | The motion CARRIES. |

| 425 | Rep. Starr | MOTION: Moves SB 1181-A to the floor with a DO PASS AS AMENDED recommendation. |
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| | | VOTE: 4-3 AYE: 4 - Beyer, Mannix, Starr, Simmons NAY: 3 - Devlin, Edwards, Gardner |
| | Chair Simmons | The motion CARRIES. |
| | | REP. BEYER will lead discussion on the floor. |
| | | Reps. Devlin and Edwards serve notices of possible minority reports. |
| 455 | Chair Simmons | Closes the work session on SB 1181-A. |
| TAPE 16 | 55, A | |
| 029 | Rep. Devlin | MOTION: Moves SB 1331-A to the floor with a DO PASS recommendation. |
| 033 | Rep. Beyer | Comments the committee has received the SB 1331-8 amendments (EXHIBIT D) and believes the amendments should be considered. |
| 037 | Rep. Beyer | MOTION: Moves to AMEND the motion by inserting the SB 1331-A8 amendments |
| 040 | Chair Simmons | Comments he believes the ñA8 amendments change the Task Force on Mental Health Parity to Task Force on Mental Health Chemical Dependency treatment. |
| 043 | Rep. Devlin | Comments he was anticipating other amendments and sees no objection to the ñA8 amendments. |
| 055 | Chair Simmons | Recesses the work session on SB 1331-A and opens a work session on SJR 11- A. |
| SJR 11-A | A ñ WORK SESSION | <u> </u> |
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| 056 | Rep. Starr | MOTION: Moves to SUSPEND the rules for the purpose of reconsidering the vote on passage of SJR 11-A. |
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| | | VOTE: 6-1-0 |
| | | OBJECTION: 1 |
| | Chair Simmons | Recognizing objection by Rep. Edwards, declares the motion CARRIED. |
| 064 | Rep. Starr | MOTION: Moves to RECONSIDER the vote by which SJR 11-A was passed. |
| 069 | | VOTE: 7-0-0 |
| | Chair Simmons | Hearing no objection, declares the motion CARRIED. |
| 069 | Rep. Starr | MOTION: Moves to RECONSIDER the vote by which the committee adopted conceptual amendments to SJR 11. |
| 077 | | VOTE: 6-1-0 OBJECTION: 1 |
| | Chair Simmons | Acknowledging objection by Rep. Edwards, declares the motion CARRIED. |
| 080 | Rep. STARR: | MOTION: Moves SJR 11-A be sent to the floor with a BE ADOPTED recommendation. |
| 084 | Rep. Edwards | Comments that the voters previously defeated something similar. Adds that money needed for roads may be used for other purposes. |
| 105 | Rep. Mannix | Comments that the voters may make a wiser decision this time. |
| | | VOTE: 5-2-0 |
| | | AYE: 5 - Beyer, Devlin, Gardner, Mannix, Starr |
| | | NAY: 2 - Edwards, Simmons |

| | Chair Simmons | The motion CARRIES. |
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| | | REP. GIANELLA will lead discussion on the floor. |
| 109 | Rep. Beyer | Comments he will probably change his vote when the measure gets to the floor. |
| 112 | Chair Simmons | Closes the work session on SJR 11-A and reopens the work session on SB 1331- A. |
| <u>SB 1331-</u> | -A ñ WORK SESSION | |
| 114 | Rep. Devlin | Withdraws his motion to send SB 1331-A to the floor |
| | | By consensus, Rep. Beyer withdraws his motion to amend Rep. Devlinís motion. |
| 116 | Rep. Beyer | MOTION: Moves to ADOPT SB 1131-A8 amendments dated 07/20/99. |
| 119 | Rep. Starr | Asks for an explanation of the SB 1131-A8 amendments (EXHIBIT D). |
| 123 | Kevin Earls | Associated Oregon Industries (AOI). Explains that the ñA8 amendments modify the language relating to the study of current mental health benefits to determine more broadly the sufficiency of those benefits being provided in the public and private sectors. |
| 137 | Rep. Starr | Asks if the bill eliminates the funding of mental health. |
| 138 | Earls | Responds that the bill in its current form provides for a 25 percent increase over the current statutory benefit levels. The amendments do not eliminate that. |
| 142 | Gallant | Oregon Medical Association (OMA). States the OMA will support the -A8 amendments and believes they will be concurred in on by the Senate. |
| 154 | Rep. Edwards | Asks if broadening the scope of the review would preclude looking at mental health parity. |
| 156 | Earls | Responds negatively. |

| 158 | Gallant | States they agree with Earls. |
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| 160 | | VOTE: 7-0-0 |
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| | Chair Simmons | Hearing no objection, declares the motion CARRIED. |
| 161 | Rep. Devlin | MOTION: Moves SB 1331-A to the floor with a DO PASS AS AMENDED recommendation. |
| 168 | | VOTE: 6-0-1 |
| | | EXCUSED: 1 - Rep. Beyer |
| | Chair Simmons | Hearing no objection, declares the motion CARRIED. |
| | | REP. EDWARDS will lead discussion on the floor. |
| 173 | Chair Simmons | Closes the work session on SB 1331-A and adjourns meeting at 8:47 p.m. |

Submitted By, Reviewed By, Reviewed By, Reviewed By,

Annetta Mullins, Ray Kelly Janet Adkins Cletus B. Moore, Jr.

Administrative Support Policy Analyst Policy Analyst Administrator

EXHIBIT SUMMARY

A ñ SB 1181, SB 1181-A19 amendments, Sens. Bryant and Derfler, 3 pp

B ñ SB 194, SB 194-9 amendments, Rep. Simmons, 4 pp

C ñ SB 1181, SB 1181-A20 amendments, Sen. Bryant and Derfler, 3 pp

D ñ SB 1331, SB 1331-A8 amendments, unknown, 1 p