

SENATE COMMITTEE ON BUSINESS & CONSUMER AFFAIRS

May 19, 1999 Hearing Room C

1:00 PM Tapes 120 - 121

MEMBERS PRESENT: Sen. David Nelson, Chair

Sen. Lee Beyer, Vice-Chair

Sen. Rick Metsger

Sen. Randy Miller

Sen. Charles Starr

MEMBER EXCUSED:

STAFF PRESENT: Y. Sherry Sheng, Administrator

Nancy Masee, Administrative Support

MEASURE/ISSUES HEARD:

HB 2965A Public Hearing and Work Session

HB 2020 Public Hearing and Work Session

SB 957 Work Session

HB 2056A Work Session

HB 2057A Public Hearing and Work Session

HB 2891A Public Hearing and Work Session

HB 2574A Public Hearing and Work Session

HB 2320A 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.

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TAPE/#	Speaker	Comments
TAPE 120, A		
003	Chair Nelson	Opens meeting at 1:10 PM. Opens public hearing on HB 2965A.
<u>HB 2965A PUBLIC HEARING</u>		
005	Rep. Carl Wilson	House District 49. Supports HB 2965A. Gives background on HB 2965A regarding homeless people who file for unemployment compensation. This bill is to prevent those persons who volunteer their services to missions and other nonprofit agencies from filing for unemployment benefits.
007	Chair Nelson	Asks for questions. Closes public hearing on HB 2965A and opens work session on HB 2965A.
<u>HB 2965A WORK SESSION</u>		
010	Chair Nelson	MOTION: Moves HB 2965 to the floor with a DO PASS recommendation.
011		VOTE: 5-0
012	Chair Nelson	Hearing no objection, declares the motion CARRIED. SEN. SHIELDS will lead discussion on the floor.
015	Chair Nelson	Closes work session on HB 2965A. Opens public hearing on HB 2020.
<u>HB 2020 PUBLIC HEARING</u>		
086	Scott Barrie	Oregon Building Industry Association (OBIA). Supports HB 2020 which changes construction contractor registration requirements to license requirements. Gives concerns about the bill. Contractors should receive correct information. Changes status of contractors from being registered to being licensed by the Construction Contractors Board (CCB).
123	Ken Keudell	Contractors Construction Board (CCB). Changes term "registered" to "licensed." Becomes effective July 1, 2000. Says a new contractor must pass a test based on 16 hours of class. Presents (EXHIBIT A) .

131	Sen. Beyer	Asks if funding is through fees.
133	Keudell	Answers that funding is by fees.
137	Chair Nelson	Closes public hearing. Opens work session. Asks for questions.
<u>HB 2020 WORK SESSION</u>		
135	Chair Nelson	MOTION: Moves HB 2020 be sent to the floor with a BE ADOPTED recommendation.
138		VOTE: 4-1 AYE: 4 ñ Beyer, Metsger, Starr, Nelson NAY: 1 ñ Miller
139	Chair Nelson	The motion CARRIES. SEN. STARR will lead discussion on the floor.
140	Sen. Miller	Expresses his objection to the bill. Says he questions the many groups requiring certain classes or requirements and thinks it is a way of keeping competition out of the field.
154	Sen. Beyer	Says that is in tradition of the bar association.
156	Sen. Starr	Says the bill gets to the problem of helping the beginning contractors understand the business and have a better chance of success. Most people contracting fail early and sometimes more than once. This bill will help them succeed.
158	Chair Nelson	Closes work session on HB 2020. Opens work session SB 957.
<u>SB 957 WORK SESSION</u>		
180	Sen. Avel Gordly	Senate District 10. Opposes SB 957, as do Sen. Castillo, Sen. Dukes, and Sen. Shannon. Says this bill opens the door to self-serve gasoline which the senators oppose, along with the voters in Oregon.
181	Sen. Susan Castillo	Senate District 20. Supports Sen. Gordly's statement.

185	Sen. Marylin Shannon	Senate District 15. States the female senators do not want to move to self-serve gasoline. Women, the elderly, and handicapped want to preserve the tradition.
200	Sen. Joan Dukes	Senate District 1. Presents reasons why self-service gasoline should be avoided. Explains there is little reason for small businesses to fuel up during the day. The gallonage requirement should be kept for cardlock facilities. This bill will push the citizens to self-service.
274	Sen. Shannon	Emphasizes that women do not want self service gasoline stations.
290	Sen. Kate Brown	Senate District 7. Supports the women senatorsí statements on this issue in opposition to SB 957.
300	Sen. Miller	Asks Sen. Dukes what the danger is to customers in self serving gasoline.
307	Sen. Dukes	Says there is not a need for self-service gasoline stations. The people in Oregon do not want this.
322	Sen. Miller	Asks what it is that compels saying that those who want to serve themselves cannot.
335	Sen. Dukes	Says the people in Oregon do not want this.
395	Chair Nelson	Asks about amendments to SB 957.
398	Sherry Sheng	Committee Administrator. Explains the amendments.
TAPE 121, A		
008	Sheng	Explains the ñ1 amendment repeals the 2,400 gallon limit and the \$5 annual fee is eliminated. Submits (EXHIBIT B) .
010	Chair Nelson	MOTION: Moves to ADOPT SB 957-1 amendments dated 5/19/99.
012		VOTE: 4-1 AYE: 4 - Beyer, Metsger, Starr, Nelson NAY: 1 ñ Miller
	Chair Nelson	The motion CARRIES.

015	Sen. Nelson	MOTION: Moves SB 975 to the floor with a DO PASS AS AMENDED recommendation.
017		VOTE: 3-2 AYE: 3 - Miller, Starr, Nelson NAY: 2 - Beyer, Metsger
018	Chair Nelson	The motion CARRIES. SEN. HANNON will lead discussion on the floor.
019	Sen. Metsger:	Notifies the committee of a possible minority report.
020	Chair Nelson	Closes work session on SB 957. Opens work session on HB 2056A.
<u>HB 2056A WORK SESSION</u>		
060	Sheng	Explains HB 2056A has been heard previously, but has been brought back after considering proposed amendments. Rep. Jensen proposed raising the bond to \$100,000. Currently statute allows \$10,000. Submits (EXHIBIT C) .
080	Sen. Starr	Says that there are a small number of contractors and claims. Suggests leaving the bill unamended.
100	Chair Nelson	MOTION: Moves HB 2056A to the floor with a DO PASS recommendation.
102		VOTE: 4-0 EXCUSED: 1 ñ Miller
103	Chair Nelson	Hearing no objection, declares the motion CARRIED. SEN. STARR will lead discussion on the floor.
104	Chair Nelson	Closes work session on HB 2056A. Opens public hearing on HB 2057A.

HB 2057A PUBLIC HEARING

120	Ken Keudell	Supports HB 2057A. Explains the bill eliminates the requirement for notarized acknowledgment of independent contractor status for persons applying for registration with the Construction Contractors Board (CCB). Section 8 empowers CCB to place contractors on probation if they determine it necessary. Presents (EXHIBIT D) .
180	Scott Barrie	OBA. Supports HB 2057A to bring the statutes up to date.
183	Sen. Metsger	Asks about using registration numbers, if that conflicts with licensure.
187	Keudell	Comments that at the end of the 1999 Session Legislative Counsel will determine a way of conforming the language in HB 2057.
190	Sheng	Discusses how registration is changed to licensing. Says Legislative Counsel will be contacted for clarification.
220	Chair Nelson	Closes public hearing on HB 2057A. Opens work session on HB 2057A.

HB 2057A WORK SESSION

222	Chair Nelson	MOTION: Moves HB 2057A to the floor with a DO PASS recommendation.
223		VOTE: 4-0 EXCUSED: 1 ñ Miller
224	Chair Nelson	Hearing no objection, declares the motion CARRIED. SEN. NELSON will lead discussion on the floor.
225	Chair Nelson	Closes work session on HB 2057A. Opens public hearing on HB 2891.

HB 2891 PUBLIC HEARING

230	Larry Eisenberg	Washington County. Supports HB 2891. Represents the public contract coalition. The coalition is a group of public owners, contractors, and organizations of the construction industry. The coalition meets regularly to discuss public construction issues. Discusses the design build approach. Design build project
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		delivery system provides faster, more efficient service. Presents (EXHIBIT E) .
302	Ken Stoneman	Oregon Department of Transportation (ODOT). HB 2891 clarifies the requirements for contractor performance bonds on public works contracts, using the design build system. Supports HB 2891. ODOT has been using the design build system successfully. Presents (EXHIBIT F) .
333	Doug Hinkle	Employed in the bonding industry. Supports HB 2891. Explains why this bill is necessary. Bonds are based on credit worthiness of a contractor and the ability to cover any claims against a bond. Describes design build contracts which are protected by designers insurance and contractors' bonds. Current statutory language is not clear. Presents (EXHIBIT G) .
387	Jim Hirte	Colamette Construction and the Public Contracting Coalition. Supports HB 2891 that is a consensus bill brought by the coalition. The bill will help smaller construction companies to participate. The bill offers continuing protection to the public. Presents (EXHIBIT H) .
419	Chair Nelson	Asks how many instances will go to the design build system.
TAPE 120, B		
012	Stoneman	Answers a small number of projects are suited for ODOT.
020	Eisenberg	Estimates that alternate delivery systems, including design build, will take up about 20 percent of the projects where speed, innovation, and cost savings are needed.
027	Chair Nelson	Asks for examples.
034	Eisenberg	Described projects needed to replace outdated facilities.
035	Chair Nelson	Asks if the design build process is there for the whole project.
040	Eisenberg	Responds that is correct.
042	Chair Nelson	Closes public hearing on HB 2891. Opens work session on HB 2891.
<u>HB 2891 WORK SESSION</u>		
044	Chair Nelson	MOTION: Moves HB 2891 to the floor with a DO PASS recommendation.

048		VOTE: 4-0 EXCUSED: 1 - Beyer
050	Chair Nelson	Hearing no objection, declares the motion CARRIED. SEN. NELSON will lead discussion on the floor.
052	Chair Nelson	Closes work session on HB 2891. Opens public hearing on HB 2574A.
<u>HB 2574A PUBLIC HEARING</u>		
054	Bob Shiprack	Secretary, Oregon Building Trades Council. Introduces Rep. Dan Gardner.
057	Rep. Dan Gardner	House District 13. Supports HB 2574A. States this bill ensures public improvement projects have a policy of zero tolerance of drugs.
080	Shiprack	Gives history of HB 2574A. Describes drug prevention programs tried historically in the construction industry. Explains the drug problems and safety hazards involved on the job. Points out the enforcement issue stressed in the bill.
155	Sen. Miller	Says the bill does not point out the specifics of the program. Suggests that rules be developed. States this bill alone is not strong. Supports HB 2574A.
160	Chair Nelson	Closes public hearing. Opens work session on HB 2574A.
<u>HB 2574A WORK SESSION</u>		
162	Chair Nelson	MOTION: Moves HB 2574A to the floor with a DO PASS recommendation.
164		VOTE: 4-0 EXCUSED: 1 - Beyer
166	Chair Nelson	Hearing no objection, declares the motion CARRIED. SEN. METSGER will lead discussion on the floor.

180	Chair Nelson	Closes work session. Opens public hearing on HB 2320A.
<u>HB 2320A PUBLIC HEARING</u>		
200	Lisa Trussell	Associated Oregon Industries (AOI). Supports HB 2320A. Explains the bill was proposed for the purpose of protecting privacy of consultation reports for the employer. Presents (EXHIBIT I) .
250	Jennifer Webber	Representing Workers' Compensation attorneys. Opposes HB 2320A. Says the bill may have unintended consequences. Says the exclusions in the bill may carry over to the workers' compensation laws. Under workers' compensation laws, there are criminal penalties for those who make false statements to the board and agencies. There is no reciprocal penalty for untruthful employers. Presents (EXHIBIT J) .
304	Randy Elmer	Workers' Compensation. Explains why workers' compensation opposes the bill. Consultation reports are not clear.
337	Trussell	Says this is to give the same protection as Oregon Occupational Safety and Health Agency (OROSHA) consultants.
344	Sen. Miller	Asks if this was presented before the House.
366	Webber	Says the same information was presented on the House side and the bill was amended. Workers' compensation does not believe the language is sufficient.
360	Sen. Miller	Asks what the views of the Governor are on this bill.
370	Trussell	Does not know the Governor's view. Says OROSHA does not oppose it.
390	Chair Nelson	Asks how this bill affects the consultation programs of OSHA.
379	Trussell	Explains how OROSHA consultations are carried out.
397	Webber	Says the House explained OSHA consultations cannot be used against the employers.
412	Chair Nelson	Asks for comments.
416	Sen. Metsger	Says he is concerned about the scope of the bill.
422	Chair Nelson	Says this will be checked out.

445	Webber	Says they would not object to the HB 2320A, if the bill was true to the intent.
450	Trussell	Wants the same protection, no matter who does the consultation.
TAPE 121, B		
020	Chair Nelson	Says this bill can be heard on Friday, if amendments can be drawn by Legislative Counsel. Closes public hearing on HB 2320A.
040	Chair Nelson	Notifies that HB 3501 will be reconsidered at Friday's meeting.
041	Chair Nelson	Says Friday is the committee's last meeting. Some bills will be moved to other committees. Adjourns meeting at 3:00 PM.

Submitted By, Reviewed By,

Nancy Massee, Y. Sherry Sheng,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ HB 2020, Letter, Ken Keudell, 1 p

B ñ SB 957, -1 Amendments, Staff, 1 p

C ñ HB 2056, -B6 Amendments, Staff, 1 p

D ñ HB 2057, Letter, Ken Keudell, 2 pp

E ñ HB 2891, Letter, Larry Eisenberg, 3 pp

F ñ HB 2891, Letter, Ken Stoneman, 1 p

G ñ HB 2891, Written testimony, Doug Hinkle, 1 p

H ñ HB 2891, Letter, Jim Hirte, 2 pp

I ñ HB 2320, Written testimony, Lisa Trussell, 1 p

J ñ HB 2320, Written testimony, Jennifer Webber, 2 pp