

## SENATE COMMITTEE ON GENERAL GOVERNMENT

March 30, 1999 Hearing Room C

3:00 p.m. Tapes 47 - 48

**MEMBERS PRESENT:** Sen. Verne Chair Duncan, Chair

Sen. John Sen. Lim

Sen. Frank Sen. Shields

**MEMBER EXCUSED:** Sen. Marylin Shannon

Sen. Cliff Trow, Vice-Chair

**STAFF PRESENT:** Marjorie Taylor, Administrator

Patrick Brennan, Administrative Support

**MEASURE/ISSUES HEARD:** SB 856 Public Hearing and Work Session

SB 857 Public Hearing and Work Session

SB 571 Public Hearing and Work Session

SB 616 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.

TAPE/#	Speaker	Comments
TAPE 47, A		
003	Chair Duncan	Calls the meeting to order at 3:07 p.m. Opens a public hearing on SB 856 and SB 857.
<u>SB 856 AND SB 857 PUBLIC HEARING</u>		
012	Sen. Shields	States that there are a number of counties whose Area Agencies on Aging and

		Disabilities (AAAD) are not getting the kind of equity that they should for the work that they do. Mentions that most of the co-sponsors of the bill reside in districts which are adversely affected.
025	Gary Weeks	Director, Department of Human Resources (DHR). Testifies in support of SB 856 and SB 857. States that a problem has evolved which began in 1982, with the negotiations between counties and the state regarding seniors and the disabled. Indicates that the state was to fund the county programs equivalent to that which existed at the state level. States that, over time, a decision was made to provide the money from the services and supplies budget, rather than the personal services budget. Argues that the problem is that the services and supplies budget does not keep pace with the necessary increase and that there has been an increasing shortfall. Concludes that the two bills are designed to reinstate the original agreement in order to provide the necessary funding.
080	Weeks	States that the money to remedy the situation is not in the Governor's budget. Asserts that passage of the SB 856 will therefore require new resources. Mentions that the redistribution made by DHR was a short-term fix but does not remedy the situation.
101	Chair Duncan	Inquires what would happen if the counties were to refuse to accept the responsibility of maintaining their programs.
104	Weeks	Replies that DHR and the state would need to resume the responsibility, most likely at a higher cost than is currently assessed. Asserts that the responsibility must be undertaken by some level of government in order to provide necessary services to the elderly and the disabled. Mentions that a dollar-for-dollar match with counties may not be necessary, as counties may have achieved efficiencies that the state is not capable of achieving.
123	Jim McConnell	Director, Aging and Disability Services, Multnomah County. Testifies in support of SB 856 ( <b>EXHIBIT A</b> ). States that SB 857 has an effect similar to SB 856 but that it does not contain an allocation of funds for the next biennium. Says that SB 856 corrects the method for the allocation of funds to the AAADs and makes up for the shortfall in funding which has existed since 1983. Indicates that the shortfall has reached \$3.1 million in general funds, \$8.1 million if federal Medicaid funds are included. Asserts that the inequity has become unbearable for local governments and that some counties being impacted more than others. Indicates that even Multnomah County will be unable to meet its current service level in the upcoming fiscal year. States that the shortfall increases processing time, error rates, and morale problems, with the elimination of 17 case workers in Multnomah County alone. Argues that unless action is taken, the state will lose the services and funds that the county AAADs provide.
175	John Mullin	Director, Clackamas County Social Services ( <b>EXHIBIT B</b> ). States that unsuccessful attempts to address the issue have been made in the past through legislation. Indicates that the crisis has worsened since those efforts took place. Says that despite the efforts of the AAADs the program was not included in the Governor's budget. Argues that the change in the system, which SB 856 is designed to rectify, has resulted in a situation where the elderly and disabled are no longer adequately served at the county level.

225	Mullin	States that SB 856 is the bill which he supports, both in methodology and in funding. Adds that SB 857 is insurance that the methodology problem will be corrected if SB 856 fails to pass. Indicates that SB 857 was not intended to have a fiscal impact, since it was designed to achieve the change in methodology without requiring the approval of the Committee on Ways and Means. Asks the committee to pass both bills. States that without the added equity funding provided in SB 856 there is the possibility that the county AAADs will have to transfer the programs back to the state.
250	Sen. Shields	Indicates that both he and Sen. Lim represent people in Multnomah county. Requests an explanation from Mr. McConnell of the effect that the shortfall is having on the residents in their districts.
272	McConnell	Replies that the primary impacts have been a reduction of staff and an increase in processing time for claims. Adds that the budget for special needs transportation in Multnomah County has dropped from \$400,000 to less than \$170,000. States that funds have been moved from other community programs to support the Medicaid program. Indicates that there are nine senior centers which are receiving no county funds at all. Says that subsidizing the program with funds that would otherwise go to prevention programs is "taking its toll."
304	Sen. Lim	Requests clarification in regard to the \$410,000 shortfall.
310	McConnell	Replies that the shortfall exists as of 7-1-99, after matching Medicaid with county general funds. Indicates that the \$410,000 could be spent on community services such as transportation for those who are not eligible for Medicaid. States that the program is beginning to erode.
323	Sen. Lim	Requests further information on the difference between SB 857 and SB 856 with regards to state funding.
327	McConnell	Replies that if SB 857 passes but SB 856 does not, the state will be covered only for the next biennium.
329	Sen. Lim	Asserts that SB 856 is not likely to make it out of the Ways and Means Committee.
332	Sen. Shields	States that a strong case would need to be made in order for SB 856 to receive approval from Ways and Means. Indicates that the strongest case would be to point out the increase in cost to the State Senior and Disabled Services Division (SDSD) if it were to have to assume responsibility for those currently under AAAD supervision. Argues that the program has lasted as long as it has only because the AAADs have had their goodwill taken advantage of. Inquires whether SB 857 has any effect other than correcting the formula.
357	Mullin	Replies that the sole intent of SB 857 is to correct the methodology in order to prevent the existing gap from widening in the future.
367	McConnell	Clarifies that SB 856 would correct the method and also make up the existing

		shortfall, while SB 857 merely corrects the method.
376	Mullin	Asserts that the intent is for SB 856 to be sent to the Ways and Means Committee and that SB 857 be sent to the floor of the Senate. Indicates that doing so would increase the likelihood that the methodology problem will be addressed.
390	Sen. Shields	Inquires as to why SB 857 has been designated as having a fiscal impact if it is merely correcting a formula.
400	Dan Kaplan	Deputy Administrator, SDSD. Says that the SDSD staff recommended a fiscal impact due to an "ambiguity" in the wording of SB 857. Indicates that the testimonies of Mr. McConnell and Mr. Mullin have clarified the issue in a way which may eliminate the need for the impact statement. States that SB 857 would create parity in funding between AAADs and state operations, without allocating the funding necessary to do so. Argues that the fiscal impact could be eliminated by clarifying the intent of the bill as establishing a binding methodology.
<b>TAPE 48, A</b>		
012	Sen. Shields	Asks Mr. Kaplan how the bill should be clarified.
017	Kaplan	Replies that the language of the bill which seems to call for SDSD to "rectify the inequity" in 1999-2001 could be changed to indicate that only the methodology would change during that period.
026	Mullin	Offers to work with SDSD on amendments to clarify the language as Mr. Kaplan suggests.
032	Chair Duncan	Mentions that the fiscal impact on SB 857 was estimated at \$2.8 million, as opposed to an impact of \$11 million with SB 856.
038	Mullin	Says that the numbers are surprising, since SB 857 was intended to have no fiscal impact and SB 856 calls for an estimated impact of \$3.9 million.
044	Chair Duncan	Asks the panel of witnesses if both bills should be amended.
050	Mullin	Replies that SB 856 could be moved on to the Ways and Means Committee to be amended there, while SB 857 could remain in the General Government Committee for amending.
054	Sen. Lim	Inquires as to the amount of funding received from the federal government for the programs discussed in SB 856.
056	Mullin	Answers that the total federal funds is estimated at \$4.2 million.

059	Sen. Lim	Requests the percentage of the matching funds.
064	Kaplan	States that the general match is 50-50 for staffing expenses. Adds that there are a few areas where "enhanced matches" can allow for a 75-25 federal-to-state share. Indicates that the match provided for in SB 856 is approximately 53-47.
073	Weeks	Acknowledges that counties do a good job at managing the programs and that he has no desire to resume the services on the state level. Adds that the state would be hard pressed to match the record of counties in regards to running the program.
085	Sen. Shields	Wonders if SDSD could match the services provided at the county level. Asks Mr. Weeks if the Governor is aware that the state will likely have to assume responsibility for the program in the event that relief is not made available to counties.
095	Weeks	Replies that the Governor understands that counties have the option of returning the program to the state and says the realization made the budgetary decision very difficult. Indicates that the Governor wishes for counties to realize the value of providing services at the local level and that they endeavor to continue to provide them for a while longer.
101	Mullin	Acknowledges that there are many other counties which face situations similar to those faced by counties represented at the hearing. Says that moving 600 county employees to the state level would cause significant disruption in both services and the lives of the affected workers. Implores the committee to move SB 856 to Ways and Means and offers to work with the committee on SB 857.
133	Weeks	Reiterates that SDSD would struggle to maintain services at the level that counties can provide them.
150	Chair Duncan	Closes the public hearings on SB 856 and SB 857. Asks the members of the committee if SB 856 should be sent to the Ways and Means Committee.
153	Sen. Lim	Explains that SB 857 will act as a reserve, in the event that SB 856 fails to make it out of Ways and Means.
155	Chair Duncan	Opens a work session on SB 856.
<b><u>SB 856 WORK SESSION</u></b>		
160	Sen. Shields	<b>MOTION: Moves SB 856 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b>
163		<b>VOTE: 3-0-2</b>

		<p><b>AYE: In a roll call vote, all members present vote Aye.</b></p> <p><b>EXCUSED: 2 - Shannon, Trow</b></p>
	<b>Chair Duncan</b>	<b>The motion CARRIES.</b>
168	Chair Duncan	Closes the work session on SB 856 and opens a work session on SB 857.
<b><u>SB 857 WORK SESSION</u></b>		
177	Jacqueline Zimmer	Representative, Oregon Association of Area Agencies on Aging and Disabilities (O4AD). Requests that the bill be sent to the floor with the understanding that there is no intent for fiscal impact.
186	Chair Duncan	Replies that the committee has been advised that there is a fiscal impact and that the matter must be clarified before the bill is carried on the floor.
190	Dan Kaplan	Deputy Director, SDSD. Proposes that the bill be amended to contain language establishing that the method is to be implemented in the 2001-2003 biennium.
195	Sen. Shields	Asks Mr. Kaplan if he would be willing to work on such an amendment.
197	Kaplan	Replies that SDSD would be happy to work with the AAADs to draft such an amendment.
202	Chair Duncan	Closes the work session on SB 857 and opens public hearings on SB 571 and SB 616.
<b><u>SB 571 AND SB 616 PUBLIC HEARING</u></b>		
212	Brian DeLashmutt	Representative, Federation of Oregon Parole and Probation Officers (FOPPO). Indicates that Sen. Tarno is the chief sponsor of the bill and is interested in testifying.
225	Lucinda Carroll	Chair, FOPPO. Testifies in support of SB 616. States that parole and probation (P&P) officers were barred from striking between 1974 and 1991, after which the Employment Relations Board ruled that P&P officers were eligible to strike. Explains that 28 P&P officers supervise over 4,000 adult offenders in Washington County, a situation which creates very large caseloads. Says that P&P officers are the "last line of defense" for protecting the public from potentially dangerous individuals. Describes the difficult task of tracking and overseeing large numbers of parolees. Indicates that police agencies and victims rights groups also support SB 616.

265	Carrie Hanson	Parole Officer, Sex Offender Team, Washington County. Testifies in support of SB 616. Explains that each member of her team has 90 sex offenders on their respective caseloads.
286	Chair Duncan	Inquires as to the number of sex offenders in Washington County.
287	Hanson	Replies that there are about 300 sex offenders in the county. Emphasizes that the offenders she supervises are "malevolent" and pose a danger to women and children. Explains that the only way to monitor such individuals is to be "in the field," making home visits and performing constant preventative checks. Indicates that she has seen instances where pedophiles had children living with them. Says that her job requires her to work alone, at night, and with no safety equipment. States that she has no desire to be put into a position where a strike is necessary and says, "I don't want to take my eyes off these people for a minute."
324	Carroll	Argues that , should P&P officers choose to strike, the police would not be an effective replacement.
330	DeLashmutt	Concludes that bill addresses the issue of public safety, as a strike would disrupt the protection of the general public. Adds that P&P officers serve in a capacity similar to that of correctional, mental health hospital, or police employees, none of whom are allowed to strike due to the potential for disruption of public safety measures.
373	Sen. Lim	Asks why P&P officers wish to limit their ability to strike.
377	Hanson	Replies that she would not like to be put into the situation where a strike would be necessary. Expresses a desire for the public to acknowledge that P&P officers need to be on the job.
400	DeLashmutt	Indicates that the State of Oregon has a separate negotiation process for strike-barred employees. Describes the arbitration process by which disputes between employers and employees are resolved without disruption of protective services.
<b>TAPE 47, B</b>		
013	Sen. Lim	Concludes that the intent of the legislation is to include P&P officers in the arbitration process for dispute resolution.
017	DeLashmutt	Concurs with Sen. Lim.
021	Chair Duncan	Expresses a desire for public school teachers to be barred from striking.
038	Floy Jones	Representative, FOPPO. Testifies in support of SB 616. Outlines the difficulties faced by P&P officers. Compares the contact that P&P officers have with offenders to that of police officers. Recounts a past occasion when word of a potential strike reached parolees. Describes the potential effects of a cessation in

		the monitoring of parolees. Indicates that hundreds of citizens wrote letters of support for P&P officers during the potential strike situation. Implores the committee to pass SB 616, to guarantee that P&P officers will remain on the job.
090	Launie Hitchcock-Boruck	Representative, FOPPO. Testifies in support of SB 616. Indicates that her caseload consists of 570 drunk drivers. Recounts a past occurrence of "informational picketing" by P&P officers in her area and emphasizes that such disputes can lead to a reduction in teamwork. Asserts that law enforcement personnel should not be put into a position where in-fighting is likely to occur, since rebuilding trust is a difficult process. Acknowledges that arbitration most often does not end favorably for public employees.
128	Chair Duncan	Wonders how many people in his community are on probation. States that he has heard that every city block in Portland is likely to have someone on probation.
135	Sen. Shields	Asks if there are P&P officers on duty at all times.
140	Hitchcock-Boruck	Replies that every P&P officer is on call at all times.
147	Jones	Says that P&P officers end up working irregular hours.
153	Sen. Shields	Asks if there is enough coverage on Sundays to prevent offenders from having the opportunity to break the rules of their probation.
159	Jones	Answers that drug use is detectable the day after ingestion.
175	David Cadd	Probation and Parole Officer, Washington County. Testifies in support of SB 571 and SB 616 ( <b>EXHIBIT C</b> ). Explains that if he were to miss work this week while on strike, four offenders would go free for lack of his testimony in court. Indicates that missed days of work can lead to falling hopelessly behind on caseloads. Says that a key to monitoring parolees is to keep a particular officer on each case. Asserts that being put in the position of needing to choose between job and family is a serious problem.
275	Al Smith	Representative, Washington County Community Corrections. Indicates that he supervises mentally ill parolees. States that neither he nor any of his co-workers wish to go on strike. Outlines some of the functions that P&P officers perform which cannot be performed by other law enforcement officers.
330	Sen. Lim	Asks Mr. Cadd for an explanation of the lack of "checks or balances" at the county level.
340	Cadd	Replies that P&P officers in Washington County are not allowed to carry guns, mace, or protective equipment, whereas those in Clackamas County are allowed to use such equipment. Says that such issues are also relevant to labor disputes.
365	Sen. Lim	States that the disparity between counties seems "odd."



376	Chair Duncan	Clarifies that SB 571 applies to officers that supervise adult or youth offenders, while SB 616 applies only to officers who supervise adult offenders.
388	DeLashmutt	Indicates that the intention of FOPPO was to change the status of only those officers supervising adult offenders.
401	Cadd	Says that he has worked in both the juvenile and adult fields. Explains that, while a strike involving juvenile P&P officers would be serious, the fact that most are not union members reduces the likelihood that they would organize or participate in a strike.
412	Chair Duncan	Explains that his concern was whether P&P officers who deal with youth offenders would feel neglected were they to be left out of the bill.
<b>TAPE 48, B</b>		
010	Maria Keltner	Representative, Association of Oregon Counties (AOC). Testifies in opposition to SB 571 and SB 616. States that counties have historically expressed strong opposition to legislation which increase the number of employees whose disputes are resolved through arbitration. Indicates that the arbitrator in a dispute is required to choose the entire package offered by one side or the other. Argues that passage of either bill would disrupt the existing bargaining units, by labeling some of their members strike-prohibited while others maintained the right to strike. Says that the appointment of a third-party arbitrator leads to negotiations aimed at the arbitrator, rather than at the other side in the dispute. Explains that the parties can already agree to submit disputes to interest arbitration and adds that the counties would prefer to maintain the option of doing so, rather than mandating arbitration through passage of SB 571 or SB 616. Adds that counties can request an injunction to prevent strikes that present a public safety problem.
071	Keltner	Indicates that P&P officers are not considered in the same class as police for fire officers by the Public Employees Retirement System (PERS), unless the particular county chooses to consider them as such. Argues that the decision to allow arbitration of labor disputes should also be a decision made at the county level.
090	Chair Duncan	Asks Ms. Keltner how counties would deal with the problems stemming from a strike by P&P officers.
094	Keltner	Replies that the counties could agree to interest arbitration if they anticipated any adverse effects. Adds that counties could also prevent a strike by filing a court injunction.
102	Chair Duncan	Mentions that such an injunction is "no protection for the worker," as it takes away the leverage by which employees can motivate a settlement.
108	Keltner	Responds that filing a court injunction to prevent a strike automatically sends the dispute to arbitration.

113	Sen. Lim	Asks why facilitation of arbitration by passage of either bill would create problems for bargaining.
122	Keltner	Replies that if employees who are prohibited from striking are included in a bargaining team with strike-permitted employees, the entire bargaining unit would have its contract submitted to the arbitration process. Adds that what normally occurs in such a case is that the bargaining team is split, into strike-eligible and strike-barred groups.
140	Sen. Lim	Inquires as to the number of bargaining units and members within those units.
143	Keltner	Replies that she does not know. Offers to provide the information to the committee in the future.
146	Sen. Lim	Asks if parole officers are members of PERS at the same level as other peace officers.
162	Keltner	Replies that some P&P officers receive police and fire benefits from PERS. Indicates that the passage of either bill could be used in the future to change the PERS status of P&P officers.
167	DeLashmutt	States that the members of FOPPO present at the hearing are unaware of any P&P officers in the state who are not under the Police and Fire category of PERS.
186	Chair Duncan	Clarifies that the P&P officers under the Police and Fire category of PERS are those who supervise adult offenders. Closes the public hearings on SB 571 and SB 616 and opens a work session on SB 616.
<b><u>SB 616 WORK SESSION</u></b>		
190	Sen. Shields	<b>MOTION: Moves SB 616 to the floor with a DO PASS recommendation.</b>
197		<b>VOTE: 3-0-2</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 2 - Shannon, Trow</b>
	Chair Duncan	<b>The motion CARRIES.</b>  <b>SEN. SHIELDS will lead discussion on the floor.</b>

204	Chair Duncan	Closes the work session on SB 616 and opens a work session on SB 571.
<b><u>SB 571 WORK SESSION</u></b>		
<b>220</b>	<b>Sen. Lim</b>	<b>MOTION: Moves to TABLE SB 571.</b>
<b>222</b>		<b>VOTE: 3-0-2</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 2 - Shannon, Trow</b>
	<b>Chair Duncan</b>	<b>The motion CARRIES.</b>
220	Chair Duncan	Adjourns the meeting at 4:45 p.m.

Submitted By, Reviewed By,

Patrick Brennan, Marjorie Taylor,  
Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ SB 856, testimony, Jim McConnell, 2 pp.**

**B ñ SB 856, published materials, John Mullin, 4 pp.**

**C ñ SB 571 & SB 616, testimony, David Cadd, 1 p.**