

HOUSE COMMITTEE ON HUMAN RESOURCES

May 16, 1997 Hearing Room H-170

1:00 P.M. Tapes 104 -106

MEMBERS PRESENT:

Rep. Patricia Milne, Chair

Rep. Jackie Taylor, Vice-Chair

Rep. Richard Devlin

Rep. Jeff Kruse

Rep. Jane Lokan

Rep. Kitty Piercy

MEMBER EXCUSED: Rep. Steve Harper

STAFF PRESENT:

Lori A. Long, Administrator

Diane M. Quinones, Administrative Support

MEASURE/ISSUES HEARD:

SB 21 Public Hearing

HB 3254 Public Hearing

SB 701 Public Hearing

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 104, A		
001	Chair Milne	Calls the meeting to order at 1:20 p.m.
005	Chair Milne	Opens a public hearing on SB 21 A.
<u>SB 21 PUBLIC HEARING</u>		
		National Federation of Independent Business (NFIB), submits and presents written testimony in support of SB 21 A and SB 21 A14

015	Joe Gilliam	<p>dated 05/14/97 (EXHIBIT A).</p> <ul style="list-style-type: none"> * majority of business the NFIB represents have less than 10 employees * amendments create a health care credit against the impending minimum wage increase * in 1991 only 48 percent of NFIB members provided health care coverage to employees * a 73 percent coverage rate now represents the number of members providing coverage * in the next twenty months an increase of 22 percent in labor costs is expected * an 8 to 10 percent increase is expected in health care costs * amendment allows an opt out provision as long as it doesn't disrupt coverage for co-workers * discusses the fact that measure 36 (1996) does not allow for adjustments in wage and benefit compensation levels * amendment provides flexibility for employers to absorb the rise in labor costs * employer will be encouraged to pay the entire health care costs up to one dollar through the increase in 1999 * if the employer pays for the health coverage it's pre tax dollars * if the employee pays for the coverage, first the employer pays for the wage and 20 - 30 percent in payroll taxes, then the employee pays for the health coverage out of their gross income
090	Rep. Taylor	Asks if employees are favoring this amendment.
091	Gilliam	<p>The organized labor unions are opposing this amendment.</p> <p>They have stated it is a roll back in wages.</p> <p>Employees want to enter the work force with health care benefits.</p>
095	Rep. Taylor	Asks if the A14 amendment is like the minimum wage exemption bill heard on the house floor recently.
096	Gilliam	<p>No it is not.</p> <ul style="list-style-type: none"> * This amendment includes an opt-out clause.

105	Chair Milne	Asks for more clarity about the opt-out clause.
110	Gilliam	<ul style="list-style-type: none"> * The employer must inform the employee of the specifics concerning coverage enrollment before the pay period. * The employee has to say they don't want to participate up front. * The employer may not take the dollar an hour credit and pay only 75 cents thus making a quarter an hour on the margin. * The employer must pay total minimum wage compensation.
128	Rep. Devlin	Asks how this type of coverage is affected if the majority of employees decide to take their full minimum wage and reject the option to enroll in this plan.
134	Gilliam	<p>If the employer is not able to provide health care coverage above the cost of minimum wage, no employee can opt-out if it disrupts the coverage of other employees.</p> <p>The incentive to buy health care now exist with the impending wage increases.</p>
159	Rep. Devlin	Asks if the NFIB legal counsel has found the relating clause adequate.
158	Gilliam	Responds affirmatively.
168	Rep. Devlin	Asks Gilliam if he wants the potential battle of this proposal.
171	Gilliam	Responds affirmatively.
180	Rep. Devlin	Notes HB 2416 (1995) regarding minimum wage and asks why this concept hasn't been proposed before now.
180	Gilliam	<p>He is not sure as he was not here in the 1995 session.</p> <ul style="list-style-type: none"> * This health care credit affects the broadest scope of small businesses in Oregon.
200	Rep. Devlin	<p>Comments that although Gilliam wasn't here in 1995 the issue of this amendment could have been addressed then.</p> <p>Believes the public made their decision with Measure 36 (1996).</p>
215	Gilliam	<ul style="list-style-type: none"> * NFIB hasn't had a health care credit before the voters. * Although the voters approved increasing minimum wage, there was no consideration for tip credits, trading wage credits, or health care credits.
225	Rep. Lokan	Asks who will be most affected by this amendment.
		<p>SB 21-A14 will mostly affect individuals new in the work force.</p> <ul style="list-style-type: none"> * entry level positions

230	Gilliam	<ul style="list-style-type: none"> * late teens and early twenties * unskilled * young businesses in their first five years will be the ones to make use of this program
271	Rep. Piercy	Asks if coverage for existing employees is disrupted if a group of employees opt out.
276	Gilliam	<ul style="list-style-type: none"> * The majority of policies have a percentage of membership requirements. * What NFIB wants to prevent is employees losing benefits because participants want to opt out.
293	Rep. Piercy	Asks if Gilliam is asking employees to make a decision between health care or wages.
295	Gilliam	<ul style="list-style-type: none"> * Because of Measure 36 (1996) and the rising costs to businesses the decision between health care and wages is being asked of employees. * Employees are going to pay more out of their wage, regardless. * Paid sick leave and vacation time will be affected.
315	Rep. Devlin	Asks if the amendment permits an employer to reduce the wage of an employee making around \$6.50 hr. to help pay health benefits.
326	Gilliam	If an employee is making above minimum wage an employer can reduce wages today to help make up the cost of the health care.
340	Chair Milne	Asks about the small percent of people this proposal would affect
	Gilliam	<ul style="list-style-type: none"> * Two thirds of NFIB members have ten employees or less. * Seventy three percent of members are providing a health care benefit. * discusses helping 23 percent of businesses members to offer coverage that currently don't * helping businesses maintain coverage for their employees
365	Chair Milne	Asks if people will end up on the Oregon Health Plan without these kinds of programs offered to small businesses.
370	Gilliam	<p>Responds affirmatively.</p> <ul style="list-style-type: none"> * This proposal is a shift from state coverage.
385	Rep. Piercy	Asks how the governor's proposal to subsidize health care will fit in with this proposal.
		<ul style="list-style-type: none"> * The Governor's proposal may fit in with this proposal.

400	Gilliam	* The two proposals don't fight each other, however, it's unclear how they mesh.
417	Chair Milne	The Ways and Means Co-Chairs are working on these issues.
TAPE 105 A		
001	Jeff Heatherington	Family Care submits and presents written testimony in support of the -15 amendments dated 05/15/97 (EXHIBIT B). * Discusses proposed language changes, deletions, and additions that affect the emergency room portion of the bill.
060	Diane Rosenbaum	Oregon State Industrial Union Council, Minimum Wage Defense Coalition, testifies in opposition to the -14 amendments dated 05/14/97. * The -A14 amendments don't belong in SB 21. * This proposal was originally brought before the legislature in HB 2691. * Commissioner Jack Roberts referred to this concept as broad language that would need to be "filled in" before a workable position could be attained, "The devil is in the details." * There is no other state that has reduced employee minimum wages to offer health care. * This proposal affects large businesses also.
116	Rep. Kruse	Asks what percent of the AFL-CIO membership is minimum wage.
122	Amy Klare	Director, Research and Education, Oregon AFL- CIO, Co-Author of Measure 36 (1996). * Fewer than five percent of the AFL-CIO membership is minimum wage.
140	Klare	Submits and presents written testimony in opposition to the -14 amendments (EXHIBIT C).
206	Rep. Lokan	Asks if this amendment would not allow minimum wage to be paid.
210	Klare	Responds affirmatively. * It states that an employer can pay up to \$1 less than the minimum wage if the health care credit is invoked.
211	Rep. Lokan	Comments that the current minimum wage is \$5.50 so there wouldn't be a loss in wages at this point.
214	Klare	The minimum wage is going up in 1998 to \$6.00 and in 1999 to \$6.50.
		Comments on the loose interpretation of this amendment by the

218	Chair Milne	opponents.
228	Rosenbaum	<p>* This amendment would be active next year when the minimum wage goes to \$6 per. hr.</p> <p>* The word "may" is at the discretion of the employer.</p> <p>* Employees "may" find their wage cut in order to provide more financial assistance to their health coverage.</p>
249	Tricia Smith	<p>Oregon School Employees Association, testifies in opposition to SB 21-A14.</p> <p>* Most health plans will not allow employees to opt out if they work in a business with 10 employees or less.</p> <p>* Minimum wage is considered the minimum amount of pay a person should earn in a 40 hour work week to support a family.</p> <p>* These families can't afford to loose any income.</p> <p>* Discusses the wages of the people who will be most affected by the -14 amendment.</p> <p>* SB 21 A is a good bill and should be passed as it stands</p>
332	Klare	<p>* The AFL-CIO has been grappling with private sector coverage for the last decade.</p> <p>* Asks the committee to look at what the health council has created regarding subsidy programs.</p>
347	Rep. Lokan	Asks if the AFL-CIO is organized in businesses with ten employees or less.
353	Klare	The AFL-CIO membership is very broad with 320 local unions.
370	Rosenbaum	Unions are the best way for employees to have a voice.
412	David Yandell	Operations Manager for 911 Emergency Response, submits and presents written testimony in response to SB 21 A (EXHIBIT D).
TAPE 104 B		
001	Yandell	Continues presentation.
005	Chair Milne	Asks if Yandell is in support of the -A10 amendments.
007	Yandell	<p>Responds affirmatively.</p> <p>* Understands that the -A10 amendments came from the work group after much deliberation.</p>
		Private Citizen of Oregon, testifies in opposition to the -A14 amendments.

020	Rosalie Pedroza	<ul style="list-style-type: none"> * A person making \$5.50 hr will gross \$880 a month. * losing one dollar an hour would mean about \$160 less income per month * discusses her situation 10 years ago, raising two small children, with a minimum wage position at the YWCA * Asks the committee not to support the -A14 amendments
055	Ellen Lowe	<p>Associate Director, Ecumenical Ministries of Oregon</p> <p>Co-Chair, Human Services Coalition of Oregon</p> <p>One of the 3 Chief Petitioners of Measure 36 (1996), Measure 44 (1996)</p> <p>Member, Board of Insurance Pool Governing Board (IPGB)</p> <p>Testifies in opposition to the -A14 amendments .</p> <ul style="list-style-type: none"> * This amendment is a "taking" from people who can't afford to pay more - the working poor. * Asks the committee to look to tax credits for employers and subsidies through the Oregon Health Plan for expanding health coverage in the private sector.
125	Brad Higbee	<p>Oregon College of Emergency Physicians (OCEP), testifies in opposition to the -A15 amendments and responds to the testimony of Jeff Heatherington.</p> <ul style="list-style-type: none"> * The OCEP supports SB 21A and the -A10 amendments. * Discusses insurance companies looking at the circumstances that an individual is experiencing at the time they request emergency care and not simply the outcome of the "emergency." * Explains the importance of an individual's need and right to asses their own emergency condition without concern that their insurance won't cover their care.
208	Chair Milne	Closes the public hearing on SB 21A.
209	Chair Milne	Opens a public hearing on HB 3254.
<u>HB 3254</u>		
<u>PUBLIC</u>		
<u>HEARING</u>		
		Oregon Legislator, House District 45, testifies in support of HB 3254-1 amendments dated 05/13/97 (EXHIBIT E).

215	Rep. Jeff Kruse	<ul style="list-style-type: none"> * problems with private sector agencies and those that issue licenses * this should have minimal fiscal and revenue impacts * This bill has a connection with another bill in the House Committee of Children and Families that will be creating a task force to look at the procedures for adoption in Oregon. * looking at other states that that have some private sector adoption as role models * getting those in the field together to create a higher level of visibility and greater level of accountability
340	Rep. Taylor	Asks what's being licensed.
345	Rep. Kruse	Adoption agencies and Foster Care Homes are being licensed.
352	Rep. Piercy	Asks what language "all inclusive" relates to.
354	Rep. Kruse	This language just relates to "adoption."
353	Rep. Lokan	Asks if the bill relates to Adoption and Foster care.
356	Rep. Kruse	Responds affirmatively.
370	Rep. Lokan	Asks if the original purpose of the bill was to create a licensing office for adoption and foster care bill.
375	Rep. Kruse	<p>Responds affirmatively.</p> <ul style="list-style-type: none"> * The amendments before the committee replace the original bill.
407	Kay Toran	Director, State Office for Services to Children and Families (OSCF), submits and presents written testimony in opposition to HB 3254 (EXHIBIT F).
TAPE 105, B		
001	Toran	Continues presentation.
046	Rep. Lokan	Asks if Toran is willing to look at any part of the bill.
052	Toran	<ul style="list-style-type: none"> * OSCF is willing to look at the state's adoption function, looking for ways to streamline and improve. * OSCF is willing to be involved in discussions within a task force.
065	Doug Wilson	<p>Director, Programs and Finance, Department of Human Resources, testifies in opposition to HB 3254.</p> <ul style="list-style-type: none"> * Concurs with the testimony of Kay Toran. * Has concerns about the cost effectiveness of the bill. * The agency is always supportive of helping the legislature look into this issue.

102	Jeanne Arana	Holt International Children's Services, submits and presents written testimony in opposition to HB 3254 (EXHIBIT G).
133	Vice-Chair Taylor	Closes the public hearing on HB 3254.
134	Vice-Chair Taylor	Opens a public hearing on SB 701.
<u>SB 701 PUBLIC HEARING</u>		
138	Paul Ketchum	Private Citizen of Oregon, in the interest of time defers his testimony in support of SB 701 to University of Oregon professors in attendance
157	Robert L. Weiss Ph.D.	Professor of Psychology, University of Oregon, submits and presents written testimony in support of SB 701 (EXHIBIT H). * current oral exams do not follow accepted rules to determine reliability * objective records of the exam * re-testing of previously passed areas of the exam not necessary
215	Richard Zinbarg,	Assistant Professor, Psychology, University of Oregon, submits and presents written testimony in support of SB 701 and information on the standards set down by the American Psychological Association (APA) (EXHIBIT I). * The board's rationale for re-testing is flawed. * Individual candidates sitting for licensure are expected to demonstrate minimal competency in knowledge and application of ethical and psychological principles including the principles set down by the APA. * The state board does not demonstrate competency in knowledge and application of several of the ethical standards set down by the APA with regards to testing candidates for licensure. * notes ethical standard 2.02A and 2.04A * The boards first priority should be to evaluate and improve the usefulness, reliability, and validity of their assessment techniques.
296	Rep. Taylor	Comments that it is not the ethics of the Board of Psychology that the committee is evaluating but rather the merits of SB 701.
		Licensed Psychologist, Corinthia Counseling Center, submits and presents written testimony in support of SB 701 (EXHIBIT J).

310	Kali Miller Ph. D.	<p>* "validity" asks are we measuring what we want to measure?</p> <p>* the board has been stating for two years it's intent to reinstate taping procedures during examinations, however, there are no minutes from board meetings that support this claim</p> <p>* creating requirements for taping procedures during examination must be set down by the legislature</p>
385	Rep. Lokan	Asks how the board handles the oral exams.
400	Miller	<p>* Participants are given a vignette of a patient and then orally present to the board how they would address the patient and the treatment plan.</p> <p>* The different "domains" of the practice of psychology are addressed with specific questions.</p> <p>* 3 - 4 examiners conduct the oral exam</p>
418	Rep. Lokan	Asks if this is a standardized exam.
421	Miller	Some parts of the exam are standardized and some are not.
423	Rep. Lokan	Asks if Miller would like candidates to be provided with copies of the tapes from their exam.
430	Miller	* What would be reasonable would be to hold the tapes at the place of examination in case a review of an examination procedure is necessary.
435	Rep. Lokan	Asks if tapes are made of exams could future candidates use them to prepare for examination.
TAPE 106, A		
001	Miller	<p>* The only pieces to the exam that change are the vignettes.</p> <p>* Candidates often share their experience of examination with other students.</p>
010	Rep. Lokan	Asks if a person had questions about an oral exam would they have to listen to the tape at the place where the tapes are stored.
012	Miller	<p>Responds Affirmatively.</p> <p>* Individuals would not be supplied with transcripts.</p>
013	Rep. Lokan	Asks if written exams are also conducted.
015	Miller	<p>* The written exam is the national exam taken by all psychologists and is conducted prior to the oral exam.</p> <p>* The oral portion of examination is done very differently from state to state.</p>
		* Doesn't want the committee to think the proponents are questioning the ethics of the Board of Psychology.

022	Weiss	* The issues discussed today are simply the procedures that must be followed by all psychologists in order to be in compliance with the APA ethics standards.
030	Ketchum	Submits written testimony in support of SB 701A (EXHIBIT K).
035	Vice Chair Taylor	Closes the Public hearing on SB 701.
036	Vice Chair Taylor	Adjourns the meeting at 3:17 p.m.

Submitted By, Reviewed By,

Diane M. Quinones, Lori A. Long,

Administrative Support Administrator

EXHIBIT SUMMARY

A - SB 21, written testimony and -A14 amendments dated 05/14/97, Joe Gilliam, 5 pp.

B - SB 21, written testimony and -A15 amendments dated 05/15/97, Heatherington, 2 pp.

C - SB 21, information packet, Amy Klare, 13 pp.

D - SB 21, written testimony, David Yandell, 1 p.

E - HB 3254 -1 amendments dated 05/13/97, Rep. Jeff Kruse, 29 pp.

F - HB 3254, written testimony, Kay Toran, 2 pp.

G - HB 3254, written testimony, Jeanne Arana, 1 p.

H - SB 701, written testimony, Bob Weiss, 2 pp.

I - SB 701, written testimony, Richard Zinbarg, 22 pp.

J - SB 701, written testimony, Kali Miller, 1 pp.

K - SB 701, packet of letters in support, Paul Ketchum, 65 pp.