

HOUSE COMMITTEE ON HUMAN RESOURCES

February 14, 1997 Hearing Room H-170

1:00 P.M. Tapes 25 - 26

MEMBERS PRESENT:

Rep. Patricia Milne, Chair

Rep. Jackie Taylor, Vice-Chair

Rep. Richard Devlin

Rep. Jeff Kruse

Rep. Jane Lokan

Rep. Kitty Piercy

Rep. Steve Harper

MEMBER EXCUSED:

STAFF PRESENT:

Lori A. Long, Administrator

Diane M. Quinones, Administrative Support

MEASURE/ISSUES HEARD:

INFORMATIONAL MEETING

Overview of the JOBS Plus Program

HB 2277 PUBLIC HEARING

HB 2408 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 25, A		
001	Chair Milne	Calls the meeting to order at 1:02.

005	Lori Long	Committee Administrator, updates members on materials in committee notebook.
<u>INFORMATIONAL MEETING</u>		
Overview of the JOBS Plus Program		
010	Sandie Hoback	Administrator, Adult and Family Services Division (AFS), submits and presents written overview on the JOBS Plus Program (EXHIBIT A).
075	Virlena Crosley	Director, Oregon Employment Department (OED), submits and presents written testimony of the Employment Department and its partnership with AFS in the JOBS Plus Program (EXHIBIT B)
100	Hoback	Refers to page 4, (EXHIBIT A) and discusses numbers and statistics concerning the JOBS Plus Program since its foundation in November of 1994.
140	Rep. Lokan	Asks about the progression and success of the individual education account fund.
145	Hoback	There has been some utilization of the fund, but the program is new and applications have been few in numbers. * job training with subsidized wages is now being completed for the bulk of current participants, job placement will come next * only after job placement may an individual draw from this fund * less than \$10,000 has been drawn
160	Rep. Lokan	Asks about the intent of the fund.
165	Hoback	Funds are used for: * additional job training * for a child's continued education
170	Rep. Lokan	Asks what the impact of the new minimum wage will be on the JOBS Plus average hourly wage.
173	Crosley	Comments that most employers pay more than the minimum wage. * employers pay wages that compete in today's job market
180	Rep. Kruse	Asks what happens to the dollars in the education fund that are not accessed.

185	Hoback	Dollars revert to a scholarship fund after five years.
188	Rep. Kruse	Asks if there is a back log or waiting list of interested participants.
190	Hoback	The JOBS Plus Program is in the early stages of its development. * employers to trainees is running roughly even
215	Crosley	Explains JOBS Plus Program requirements. * must be a new job, not a replacement position * OED must refer unemployment claimants
260	Chair Milne	Closes the informational meeting , opens a public hearing on HB 2277.
<u>HB 2277 PUBLIC HEARING</u>		
265	Rep. Tony Corcoran	State representative, district 44, Cottage Grove. * begins explanation of HB 2277, what it is designed to do * discusses why this legislation was created by describing the experience of one of his constituents * discusses who will benefit
350	Rep. Corcoran	HB 2277 closes a loophole that may allow an employer to reduce the hours of existing employees in order to hire a JOBS Plus participant.
380	Chair Milne	Asks for clarification of constituent's experience and how it displayed a need for this legislation.
385	Rep. Corcoran	An employer was found to be dishonest in his intention for cutting the hours of 3 employees. * HB 2277 speaks to the possibility of any employer unethically replacing the hours of existing employees with JOBS Plus employees
TAPE 26, A		
001	Rep. Kruse	Asks what happens in a situation where an employer must legitimately cut back the hours of an employee, or an employee chooses to quit a position for economic reasons.
005	Rep. Corcoran	OED would need to make a judgment call. * the language in HB 2277 is clear about the circumstances under which existing employees may be replaced * not intended to go after cyclical season employers

012	Rep. Kruse	Voices his concerned about the word "former."
015	Rep. Corcoran	Can look at an amendment to remove the word "former."
022	Rep. Harper	Asks if the 10 percent placement rate referred to earlier isn't closer to 20 percent based on figures provided by Sandie Hoback and Virlena Crosley.
027	Rep. Corcoran	He is looking at JOBS Plus employers and permanent placements only.
045	Chair Milne	Closes HB 2277 Public Hearing, re-opens the informational meeting.
<u>INFORMATIONAL MEETING</u>		
050	Rep. Devlin	Asks whether the participation of unemployment claimants is voluntary.
055	Crosley	<ul style="list-style-type: none"> * law says referrals must be claimants * participation is based on referral processes of OED including, suitability, affordability, union attachments * participants may want a career change and request a JOBS Plus referral
072	Hoback	<p>Concludes remarks on agency overview.</p> <p>Informs committee that she is ready to respond to HB 2277 in a public hearing forum.</p>
088	Rep. Harper	Asks about the difference of success rates between the agencies.
094	Hoback	AFS clients receive first priority.
163	Rep. Lokan	Asks about the response of participants in terms of satisfaction.
167	Hoback	<ul style="list-style-type: none"> * high customer satisfaction * employers take their mentor responsibilities seriously * excellent partnerships between employer and employee
190	Rep. Kruse	Asks about charts on page 5 (EXHIBIT A).
196	Hoback	Charts indicate the one month totals during the period between 12/96 and 01/97.
200	Rep. Kruse	Asks for month to month breakdown of program's trends.
205	Crosley /	Will provide requested information.

	Hoback	
228	Rep. Taylor	Asks about the child support "pass-through" benefit and how it is working as an incentive.
230	Hoback	Incentive working very well * collecting twice the average percentage of families in the JOBS Plus Program as compared to regular AFS clients
260	Chair Milne	Closes informational meeting, opens HB 2277 public hearing
<u>HB 2277 PUBLIC HEARING</u>		
270	Sandie Hoback	Administrator, Adult and Family Services (AFS), begins testimony indicating her agency's neutral position on the bill. Responds to Rep. Kruse's earlier comments concerning employers who legitimately reduce employee hours. * eliminating "former" may be helpful * AFS discontinues placement with employers that are found to be lacking in ethically sound hiring practices
290	Crosley	Concurs with Sandie Hoback's testimony.
302	Rep. Devlin	Asks how the agency feels about expanding the language of this bill.
310	Hoback	That would be fine. * may give the agency additional legal clarification
330	Ed Edwards	Director, Government Relations with the Oregon School Employees Association (OSEA), submits and presents written testimony (EXHIBIT C) in non-opposition for HB 2277. * explains concerns over previous testimony regarding present employee replacement with JOBS Plus employees * explains concerns with enforcement of this legislation
TAPE 25, B		
015	Rep. Lokan	Comments on the intent of the JOBS Plus Program as a means to get people out of the welfare system, not take employment from tax paying citizens.
028	Edwards	Agrees that the opportunity to get people jobs is a positive goal. * would prefer that the OED be taken out of the JOBS Plus Program
051	Chair	Closes HB 2277 public hearing, opens HB 2408 public

	Milne	hearing.
<u>HB 2408 PUBLIC HEARING</u>		
055	Rep. Mike Lehman	State Representative, district 47, Coos Bay. * explains intent of HB 2408 * refers to recommended amendments, only concern is second amendment regarding full reimbursement of the employees * would recommend a three party contractual agreement between employer, employee, and JOBS Plus Program
085	Rep. Devlin	Asks about temporary agencies that are currently subsidized to hire agency clients and the possibility that the state will appear to be paying twice.
100	Rep. Lehman	The intention of this bill is to resolve this conflict through a three way contract.
112	Rep. Devlin	Comments on the value to employers of hiring through temporary agencies as a recruitment process.
123	Rep. Lehman	Addresses the points that Rep. Devlin has made as being the very intent of the bill.
131	Rep. Kruse	Asks if the testimony from AFS states that the ability of using temporary agencies already exists.
141	Rep. Lehman	Has looked at the rules that JOBS Plus has adopted and understands there is a recognition of placing people in many aspects of the private sector. * AFS has been very cooperative
163	Kevin Aguirre	JOBS Program Manager, Adult and Family Services Division * the authority does exist to work through temporary agencies * AFS supports the amendments this bill is proposing to insure that the subsidy gets to the employer of record
185	Crosley	* OED must know who will be paying the wages, who will be directing the employees work * clarification of whether the program runs by rule or by law will be required
200	Rep. Lehman	Under the law, employers can be terminated from the program for deviating from the terms of the written agreement
227	Chair Milne	Closes the public hearing on HB 2408, adjourns the meeting at 2:15 p.m.

Submitted By, Reviewed By,

Diane M. Quinones, Lori A. Long,

Administrative Support Administrator

EXHIBIT SUMMARY

A - Briefing Materials on JOBS Plus Legislation, Hoback, 9 pp.

B - Report on the Employment Department's involvement in JOBS Plus, Crosley, 5 pp.

C - HB 2277, written testimony, Ed Edwards, 1 p.