

HOUSE COMMITTEE ON RULES AND ELECTIONS

June 20, 1997 Hearing Room D

8:00 AM Tapes 101- 106

MEMBERS PRESENT:

Rep. Lynn Snodgrass, Chair

Rep. Peter Courtney, Vice-Chair

Rep. Lee Beyer

Rep. Bill Markham

Rep. Ken Messerle

Rep. Jim Welsh

Rep. Kitty Piercy

STAFF PRESENT:

Janet Adkins, Policy Analyst

Erik Deitz, Administrative Support

Kellie Shoemaker, Committee Clerk

Bryan Boehringer, Committee Administrator

Cara Filsinger, Committee Administrator

MEASURE/ISSUES HEARD:

SB 847 Public Hearing and Work Session

SB 391 Public Hearing

SB 1226 Public Hearing and Work Session

SB 1179 Work Session

SB 1205 Public Hearing and Work Session

SB 500 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 101, A		
005	Chair Snodgrass	Calls the meeting to order at 8:15 a.m., opens a public hearing on SB 847.
<u>SB 847</u> <u>PUBLIC</u> <u>HEARING</u>		
010	Janet Adkins	Policy Analyst, summarizes the bill.
023	Brian Boe	Boe Associates, submits and presents written testimony in support of SB 847 (EXHIBIT A). * There is a very diverse coalition of supporters for SB 847.
073	Boe	Continues presentation.
095	Sen. Neil Bryant	Senate District 27, testifies in favor of SB 847. * Secretary of State must use discretion when imposing penalties. * Once the ground work is laid out and new rules are implemented the Secretary of State's office shouldn't have to take additional time with the civil penalty process.
119	Rep. Beyer	Asks for Sen. Bryant's comments regarding the criticism that the \$1,000 penalty for "unintentional" violations is too low. Asks if the definition "unintentional" will be used to describe most violations as it is a very broad term.
132	Sen. Bryant	* There is risk that politicians will withhold information with the hopes that if they are exposed they can plead "unintentional" and pay the reduced fine. * If the Secretary of State's office feels that there was intent to deceive higher and stiffer penalties will be imposed. * Most candidates will decide that the risk isn't worth the loss of reputation. * Intent should always be considered during the penalty phase of a case. * Human error is a reasonable cause of many violations and it is the Secretary of State's duty to weigh all evidence fairly. * This bill is about balancing the current system, it can always be

		amended once it is put into practice if problems arise.
175	Rep. Beyer	Asks about the burden of proof and the appeals process.
181	Sen. Bryant	<p>* The Secretary of State would look at all submitted evidence and make a ruling as to the intent.</p> <p>* The Secretary of State would adopt rules dealing with what mitigation might be.</p> <p>* An appeal is made to the Court of Appeals.</p> <p>* There is great weight given to the hearing officer.</p>
186	Rep. Piercy	<p>Asks if discussion occurred regarding the intentional or unintentional acts of staff and employees vs. the responsibility a legislator or employer has over the acts of his subordinates.</p> <p>Asks how the responsibility of a supervisor plays into the decision regarding intent.</p>
195	Sen. Bryant	<p>This issue was discussed in the Rules and the Ways and Means committees.</p> <p>* The main testimony had to do with employers having no knowledge that wrong doing was occurring since their staff had been very thorough in covering their tracks.</p> <p>* The Secretary of States office testified that the current practice is easier for them because it's very black and white, and because of its rigidity it is also not always fair.</p> <p>* There was discussion concerning the weighing of evidence and the risks of appearing biased in one case over another, or for one person or political party over another.</p> <p>* These concerns can be addressed in the rule making process.</p>
250	Rep. Beyer	Asks why changes in application are being made to ORS 260.174 which deals with campaign contributions during the legislative session.
260	Sen. Bryant	The change is stylistic and not meant to alter statute.
260	Phil Keisling	<p>Secretary of State, testifies in regard to SB 847.</p> <p>* This bill creates a very big change for his office.</p> <p>* 1,000 entities will file in a given cycle and 4,000-5,000 reports will need to be submitted in a given cycle</p> <p>* time lines are strict, guidelines are narrow, consequences are clear</p>

		<p>* proving intent is very complicated and will become an administrative rules process</p> <p>* the fiscal impact of \$50,000 to be used by January, 1998 is not going to allow his office to investigate intent in every case</p>
354	Rep. Messerle	Asks about the percentage of reports that are in noncompliance.
361	Colleen Sealock	<p>Elections Director, Secretary of State's Office, testifies in regard to SB 847.</p> <p>* In a two year election period her office examines approximately 4,600 reports.</p> <p>* About 700 reports were late or insufficient, 200 of those resulted in fines, 30 of those were contested, and 1 or 2 of those were found to be unintentional, resembling the examples put forth in EXHIBIT A.</p>
388	Rep. Messerle	Asks if the time frame the Secretary of State's office must currently function under is too rigid for the implementation of a new system proposed in this bill
400	Sealock	<p>Discusses the bottom of page two of the bill.</p> <p>* The assumption will be that every late/insufficient report is unintentional.</p> <p>* The maximum penalty to be imposed is \$1,000 unless the case involves multiple violations and then the fine is a maximum of \$5,000.</p> <p>* To look at intent the Secretary of State's office must have evidence submitted to them, they do not go after it.</p> <p>* Submitted evidence will take staff time to review and determine.</p> <p>* reductions in penalties go down from \$1,000 and depend on mitigating circumstances prescribed by statute to cover two factors:</p>

1. degree of knowledge the candidate or treasurer had of violation
2. degree of intent to commit or hide violation

TAPE 102, A

035	Sealock	<p>* In the 1993 session she worked with a special task force and House General Government looking at the issue of writing more broad and mitigating circumstances.</p> <p>* The problems the task force dealt with repeatedly were the issues of intent and knowledge.</p>
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- * The task force couldn't resolve these issues and made no further determinations regarding the Secretary of State's office.
- 074 Rep. Messerle * discusses the limitations the fiscal amount places on her office
Asks Sealock to walk the committee through the process that a simple noncompliance report goes through as compared with a very complicated, intricate report process.
* At the end of the day for a filing deadline her office can ascertain what reports are late and send notices out first thing on the next day.
* Reports that are filed on time go through a brief review that has a 10 day window.
* Letters are sent to candidates regarding the errors found and 15 days are allotted to make reports sufficient and complete.
- 076 Sealock * If additional transactions are discovered after the 25 day process the report has gone through, the candidate must file an amended report and penalties will then be imposed.
* Reports are considered a full day late one minute after 5:00 p.m. of the filing day deadline.
* late penalties are based on the percentage of contributions or expenditure amounts times the number of days late and the number of times this violation has occurred
* This bill will cap the penalty amount regardless of how many days a report is late.
- 105 Rep. Piercy Asks about the current process for adding more mitigating circumstances.
Responds that the circumstance of embezzlement can be added.
- 110 Keisling Determining mitigating circumstances is on a case to case basis.
- 142 Rep. Beyer Asks if Sealock's concerns with the penalty caps could be solved if language was added to the penalty portion of the bill regarding a percentage of expenditures or \$1,000 "which ever is greater."
* Affirms that she is not supportive of a penalty cap that doesn't take into account if a committee is a \$1,000 committee or a \$1,000,000 committee.
- 149 Sealock
- * For some committees a \$1,000 fine is nothing to worry about.
- 155 Rep. Beyer Asks if changing language on page 2, lines 28 - 30, by deleting "based on evidence received" would give the Secretary of State's office more leeway to write administrative rules.
On page 2, lines 28 - 30 deal with intentional violations not with mitigating circumstances.

		States that the original bill asked for the Secretary of States Office to determine if the error was intentional or unintentional.
165	Sealock	Having to make this determination will greatly increase the staffing impact in the office. The engrossed bill will have her office assume each violation is unintentional thereby taking the Secretary of State out of the investigation phase of determining intent.
200	Rep. Beyer	Asks how the process could be changed to a presumption of "intentional violation," placing the burden of proof on the candidate or committee to prove "unintentional." * This issue requires greater thought and discussions involving managers, coordinators, and legal counsel in her office.
210	Sealock	* The initial reaction of Fred Neal, Elections Division Manager, is to delete lines 27 - 40 on page two of the B engrossed bill, leave in the \$10,000 penalty, and focus on Section 1 (10). If the legislature directs his office to adopt rules that directly address the issues of knowledge and intent, they will involve broader mitigating circumstances than are currently used.
223	Keisling	This issue becomes more complex when 2 or more parties are involved. Comments that the Secretary of State's system is too narrow and restricting.
230	Rep. Beyer	He doesn't have a problem with the assumption of "intentional" putting the responsibility of proving "unintentional" on the candidate or committee.
257	Chair Snodgrass	Asks if the term "multiple violations" means the same violation repeated many times.
265	Fred Neal	Campaign Finance Manager, Elections Division, states that there can be multiple violations and insufficiencies of different natures in a single report.
278	Chair Snodgrass	Asks if a person makes a mistake in one report that goes undetected and they makes the mistake again and get caught is that considered to be multiple violations.
		Responds negatively.
284	Neil	* The first time a problem is discovered by an officer is the first time it is considered a violation. * If a discrepancy is discovered by a candidate or committee after the 10 day window period the Secretary of State's office cannot impose penalties.

* The administrative rule process will have to further define "multiple violations."

* Discusses how different the fine details of each case can be even though they seem similar.

319 Sealock

* Fines don't get incorporated into her office's budget, they go to the general fund.

368 Chair
Snodgrass

Closes the public hearing on SB 847, recesses the meeting at 9:03 a.m.

390 Chair
Snodgrass

Reconvenes the meeting at 11:43 a.m. Opens a public hearing on SB 391.

SB 391
PUBLIC
HEARING

Committee Administrator, summarizes the bill.

410 Bryan
Boehringer

* this is the minority report of the bill that was adopted on the Senate side

* the majority report included a provision that would have prevented conversion of federal charters to state charters

TAPE 101, B

020 Steve
Rodeman

Vice President and General Counsel, Oregon Credit Union League, submits and presents written testimony in favor of SB 391 (**EXHIBIT B**).

* issues with the scope of field of membership

Continues presentation.

070 Rodeman

* submits additional written testimony in rebuttal to misrepresentations and objections regarding SB 391 (**EXHIBIT C**).

Volunteer Director, Portland Teachers Credit Union, Member, Mt. Hood Broadcasting Federal Credit Union, President, News Media Dynamics, testifies in favor of SB 391.

* Discusses the misconception that credit unions have a negative effect on Oregon's small community banks.

090 Rick
Metzger

* Explains current data from the Oregon Department of Business and Consumer Services as of March, 1997.

* The Oregonian called the arguments in opposition "bogus."

* All major newspapers in Oregon have editorialized in support of SB 391.

Explains the many differences between banks and credit unions.

		* loan regulations
140	Metzger	* credit cards
		* trust accounts
		* savings accounts
145	Frank Brawner	President, Oregon Bankers Association, Executive Vice President, Independent Community Banks of Oregon, submits and presents written testimony in opposition to SB 391(EXHIBIT D).
		* SB 391 will tilt the playing field toward credit unions
		Explains that this piece of legislation will go against a Supreme Court order.
205	Brawner	* Submits and presents additional written testimony regarding the US District Court decision clarifying the Credit Union Common Bond (EXHIBIT E).
255	Brawner	Continues presentation.
305	Brawner	Continues presentation.
335	Brawner	* Notes for the committee proposed amendments in EXHIBIT E that address the issue of conversion to state charter and making Oregon credit unions subject to the Housing and Community Development Act (1977).
390	Chair Snodgrass	Recesses meeting at 12:10 p.m. Reconvenes meeting at 12:19 p.m.
410	Brawner	Continues presentation.
TAPE 102, B		
001	Brawner	Continues presentation.
		President, Oregon League of Financial Institutions, testifies in opposition to SB 391.
		* Concurs with the testimony of Frank Brawner.
		* Explains that credit unions are owned by their members, where banks are owned by stock holders.
070	David Barrows	* Credit unions don't pay corporate taxes.
		* No one will lose ground if this bill is not enacted.
		* Credit unions gain an "escape route" if SB 391 is passed.
		* Savings and Loan institutions are limited to residential lending.
		* Credit unions are taking money away from residential lending, and

they are taking money away from community banks

* There is no need to move this bill forward before the Supreme Court has made a decision.

- 140 Chair Snodgrass Asks proponents to address the statement that no one will be harmed if this bill is not passed.
- 146 Rodeman Individuals are harmed everyday because they are denied the choice of credit unions.
- 151 Chair Snodgrass Asks if community jurisdiction is a qualification of credit union membership.
Responds affirmatively.
- 155 Rodeman
* community charter credit unions
- 156 Chair Snodgrass Asks if this is a disadvantage for local banks.
Responds negatively.
- 158 Rodeman
* a community bank has the ability to move outside of the local area
Comments that isolated counties do not have large enough employers who qualify for credit unions.
- 163 Metzger
Residents of rural areas are placed at a disadvantage.
- 170 Rodeman Explains the geographic limitations of credit unions.
- 185 Chair Snodgrass Closes the public hearing on SB 391, re-opens a public hearing on SB 847.

SB 847
PUBLIC
HEARING

- 200 Mary Botkin American Federation State, County, Municipal Employees (AFSCME), testifies in support of SB 847.

* this bill is the answer to a lot of problems affecting a lot of people
* Relates the experience of an individual that made a mistake, caught it himself, reported it to the Secretary of State's office, and was levied with a \$15,000 personal fine for catching his own mistake.
- 250 Botkin * The problems are not going to be fixed without action from the legislature

* Is concerned with the late date in the session regarding the passage of this bill.
- 330 Rep. Markham Asks for clarity about who paid the \$15,000 fine.
- 340 Botkin Administrative rules in the Secretary of State's office were changed during the time this individual was dealing with the appeals process after discovering his mistake.

The new rules allowed the political action committee to pay the fine.

TAPE 103, A

- 001 Chair Snodgrass Comments that she is appalled by the fact that the penalty is what ever the dollar amount is and not based on the type of error.
This is probably the reason the proponents have chosen the \$1,000 figure.
* The Chair is correct that the amount of penalty is based on the amount of the contribution or expenditure.
- 018 Sealock * Speaks to the philosophical belief that the value of a mistake is similar to the value of the transaction in error.
* If the committee wants to change the penalty matrix by looking at the "type" of error then her office will need to make a big adjustment.
Speaks to the incident of the union individual who had been fined \$15,000:
* money was being transferred back and forth between numerous PACs within the union and the treasurers became confused
- 045 Sealock * the mistake would not have been detected by her office because they do not conduct cross examination
* there has never been an administrative rule regarding who could pay a fine, her office has always allowed anyone to pay a fine
* if no person comes forward to pay a fine it becomes the responsibility of the treasurer
- 080 Chair Snodgrass Asks if Sealock has looked into the issue of individuals that self report errors.
* This issue was the very first thing she was asked to review when she took her position in the Secretary of State's office.
- 082 Sealock
- 085 Rep. Beyer * The outcome produced no clear answer for addressing this dilemma.
Since this bill will go to a work session on Monday it would behoove the Secretary of State's office to find consensus with the proponents and possibly submit some amendments.
* Her office has met and had discussion with the proponents.
- 095 Sealock * The difference in policy is the sticking point with respect to the "degree of knowledge" as a mitigating factor.
* The maximum fine is another matter of contention.
* Since January 1997, numerous meetings have occurred between Sen. Bryant, the Secretary of State's office, his office's legal counsel and

other proponents.

- 113 Boe * At no time has the Secretary of State indicated he was willing to modify the language in SB 847.
- 129 Rep. Welsh Asks about the discussions with the Secretary of State's Office and where the disagreements came up.
* The Secretary of State does not want to be in the business of having to assess intent.
- 132 Boe * Discusses the administrative rule adopted by the previous Secretary of State, Barbara Roberts, limiting and restricting mitigating circumstances.

* This bill restores the original intent of rules regarding mitigating circumstances.
- 154 Rep. Welsh Comments on the diversity of support for this bill.
- 160 Chair Snodgrass Closes the public hearing on SB 847, opens a work session on SB 847.

SB 847 WORK SESSION

- 162 Rep. Welsh **MOTION: Moves SB 847B to the floor with a DO PASS recommendation.**
VOTE: 5-1

AYE : 5 - Welsh, Messerle, Markham, Beyer, Snodgrass

NAY: 1 - Piercy

EXCUSED: 1 - Courtney
The motion CARRIES.
- 173 Chair Snodgrass **Rep. Markham will lead discussion on the floor.**
- 179 Chair Snodgrass Closes the work session on SB 847, opens a public hearing on SB 1226.

SB 1226 PUBLIC HEARING

- 190 Adkins Summarizes the bill.
Oregon Council American Electronics Association (AEA), testifies in favor SB 1226.
- 210 Jim Craven

Speaks to 2 issues this bill covers:

1. provides relief to businesses in Eugene who are currently faced with an expensive task of a charter ordinance dealing with chemical data reporting

2. raises public policy that Oregon needs strong state wide environmental regulations

* The charter ordinance passed last November in Eugene is virtually impossible to comply with.

Continues discussion regarding the requirements of the Eugene charter ordinance.

- 270 Craven * targets a small class of manufacturers
- * exempts the University of Oregon and other larger corporations
- * There is little confidence that the Toxics Board in Eugene has the ability to make the charter more reasonable.
- 310 Craven * There has been no emergency or irregular situation that has spurred the need for the Eugene charter.
- * Believes that the arrival of the Hyundai semi-conductor factory in west Eugene is the reason for the charter.
- * Discusses the need for uniform state wide, level based, environmental standards.
- 360 Craven * Would like a forum that allows experts from state agencies as well as advocates from all sides of the issue to discuss uniform environmental standards in Oregon.
- 394 John Ledger Associated Oregon Industries, testifies in favor of SB 1226.
- * Concurs with the testimony of Jim Craven.
- 424 Rep. Piercy Comments that the current state wide "right to know" law deals more with storage than with emissions and the local law in Eugene deals more with emissions.
- Asks if Craven is familiar with the minority report.
- TAPE 104, A**
- * Responds that the bulk of the information collected in the state wide program deals with the "possession" of chemicals.
- * This came from the emergency response services.
- 005 Craven * The Eugene charter goes beyond to talk about use, releases, tracking hazardous waste, etc.
- * There are broad guidelines in place that make the new charter redundant and obsolete.
- * Responds that he has seen the minority report for HB 3281 but has not been given anything regarding a minority report or amendments to SB 1226.
- * Discusses the federal "right to know program."
- 035 Ledger * Eugene now has 3 levels of regulation:

1. Federal

2. State

3. Local

* The Environmental Protection Agency is an avenue that local people have when concerns arise.

050 Rep. Piercy The people of Eugene used the initiative process to decide as a community that a pilot program looking at emissions was necessary.
This is a pilot program that generated a great deal of community discussion.
Eugene City Council, submits and presents written testimony in opposition to SB 1226 (**EXHIBIT G**).

060 Bobby Lee * Asks the committee to respect the local law and local control of Eugene
* States that he has seen and supports the minority report.

110 Chair Snodgrass Asks if the city is equipped to handle the requirements of the Eugene charter.
Responds affirmatively.

118 Lee * there is a toxic board with members from the industry side and the environmental side

130 Randy Tucker Oregon State Public Interest Research Group (OSPIRG), submits and presents written testimony in opposition to SB 1226 (**EXHIBIT F**).

170 Rep. Welsh Asks why these environmental issues in Eugene weren't brought before the state legislature and addressed as a state wide concern.
* Has not been privy to the reasons why decisions were made in Eugene.

180 Tucker * Assumes the community group was concerned with issues in their own area and wished to create a pilot program.
* Local government is an easier process than the state legislature.

185 Rep. Welsh Comments that the Eugene charter is a direct preemption of state law.
Does not concur with the remarks of Rep. Welsh.

190 Tucker * He has submitted a written compromise to the proponents and has not heard back.

200 Rep. Piercy Comment on the fact that Eugene was being respectful of the rest of the state by creating a pilot program within its own jurisdiction and not going after a state mandate.

Chair Asks Rep. Piercy how the University of Oregon was excluded from the

215 Snodgrass charter since many potentially dangerous emissions are released from the campus.

225 Rep. Piercy Federal jurisdiction regulating the university prevented the university's inclusion.

240 Chair Snodgrass Comments that if the university refuses federal funds they would then be eligible to participate in the charter.

255 Tucker Reads an editorial from the Eugene Register Guard dated 06/20/97.

276 Rep. Messerle Asks about the -MR7 amendments.

278 Tucker Responds that he has not seen them.

281 Chair Snodgrass The -MR7 amendments came from Rep. Piercy's office.

284 Rep. Welsh Understands that the review board is looking at many issues but language in the charter allows a citizen to bring action against any company for alleged failure to follow set policy.

303 Joni Low The review board can do anything it wants, but, if a citizen ends up in court the board is out of the picture.
League of Oregon Cities, submits and presents written testimony in opposition to SB 1226 (**EXHIBIT H**).
* has seen and supports the minority report to HB 3281 and would support a similar minority report to SB 1226
Senate District 20, testifies in opposition to SB 1226.

350 Sen. Susan Castillo her concerns are around local control
the program is being implemented in a collaborative fashion
the state needs to let the city handle its governmental decisions

384 Rep. Welsh Comments that the fifty six percent of Eugene voters that voted in favor of the charter does not represent his district in SW Eugene.

390 Sen. Castillo What counts in the democratic process is the final tally.
Toxics Right to Know Committee of Eugene (TRKC), testifies in opposition to SB 1226.
* "reporting" is what is being required by the charter

398 Chuck Johnson * discusses how TRKC is working
* the Eugene Fire Marshall is supportive of the charter
* the citizens of Eugene will change or amend the charter if they find it isn't working

TAPE 103, B

Comments that the charter was passed before the committee was

formed.

020 Rep. Markham Believes this situation has put the cart before the horse as far as the proponents of SB 1226 are concerned.

025 Johnson Understands that the proponents of SB 1226 are working to protect themselves.
States that he does not understand why Low, representing the League of Oregon Cities, is here testifying, except in regard to the local control issue.

Comments that this charter will have a state wide impact that hasn't been felt yet.

040 Rep. Welsh Explains that Oregon cannot afford to lose its industry as well as future prospects.

If Hyundai leaves it will take 2200 jobs away from the Eugene area.

Believes Low is in a point of contradiction because industry helps pay for county, city and state services.
* Responds that she understands Rep. Welsh's concern and that Hyundai should not move out of the state.

* The concerns she is addressing are issues involving the control that local governments must retain in order to function.

060 Low

* States that the League of Oregon Cities protects local control and home rule.

* Explains that she does not think companies need to leave an area because the reporting requirements become tighter.

075 Rep. Welsh Comments that it sounds like "home rule" is more important than a local city economy and jobs for its citizens.
Does not see the issues being raised by Rep. Welsh as conflicting.

082 Low Does not see economic development being compromised by this charter.

090 Rep. Messerle Asks how the League came to the decision to oppose SB 1226.

The policy of the League has been adopted by its members consisting of 238 cities.

095 Low The league has always stood for and supported local control and home rule.

107 Rep. Messerle Asks if this specific bill was voted on during a meeting representing a majority of members.

Responds negatively.

110	Low	<p>* Guidelines and policies adopted during annual meetings are the deciding factors regarding which legislation will be acted on by the League.</p> <p>* Local control is a major policy of the League and is to be protected.</p> <p>Explains that SB 1226 and the minority report create interim committees that:</p>
115	Johnson	<p>* study conflicts in state and local law</p> <p>* find consensus between these laws</p>
132	Rep. Messerle	<p>Is concerned because he has heard no opposition from his district on SB 1226 and believes he would have if there was an issue regarding local control.</p>
143	Low	<p>SB 1226 was just introduced this last week and the League has not had the time to inform local governments in a way that usually generates the kind of response that Rep. Messerle is alluding to.</p>
153	Chair Snodgrass	<p>Asks about Low's opening statement that "SB 1226 would prohibit any local government from adopting any ordinance, rule, or regulation requiring the collection ...etc."</p>
160	Low	<p>Her opening statement is based on page 2, Section 3 (7), line 13, regarding the definition of local right to know regulatory programs. Executive Director, Oregonians for Food and Shelter, testifies in support of SB 1226.</p>
170	Terry Witt	<p>* The Eugene charter is an issue of local over-control by activists who are out of control.</p> <p>* discusses an initiative to ban ozone depleting chemicals in Eugene in the spring of 1994 that was rejected by the voters</p> <p>* the same initiative was brought before the committee in 1995 and force fed to the city council and ultimately the public</p> <p>Distributes a newspaper article regarding the ozone initiative (EXHIBIT I).</p> <p>Continues remarks regarding the Eugene Charter Amendment.</p>
220	Witt	<p>* only one out of 10 businesses currently reporting to the city would report under this law</p> <p>* reporting exempts explosives and flammables</p> <p>* any person may file suit against a business - this opens the arena to people out of state</p>

* penalties paid by businesses that violate the charter go to the city for implementing the charter - this appears to be a situation of self fulfilling prophecy

Oregon State Building and Construction Trades, testifies in favor of SB 1226.

* Explains that there are issues and circumstances that local jurisdictions are not suited to handle (i.e. creating their own OSHA programs).

315

Bob Shiprack

* The equipment and machinery that is used in the high tech industry is very complicated, using hazardous chemicals that only specialized professionals understand and operate.

* Local governments don't have the capabilities to regulate this industry that can change monthly - it must be state and federally regulated by educated professionals.

* Explains that Oregon has lost some high-tech industry to other states because of its overzealous environmental regulations.

Oregon Pipe Fitters Union 290, testifies in favor of SB 1226.

* his union installs the pipes that transport hazardous production materials

364

Gary Wright

* local 290 has created continuing education and seminars addressing procedures, changes, and new innovations in the high tech industry

* these seminars are very well attended by industry professionals, union workers, city and state government representatives

TAPE 104, B

008

Chair
Snodgrass

Closes the public hearing on SB 1226, opens a work session on SB 1179.

SB 1179
WORK
SESSION

Summarizes the bill.

010

Adkins

Notes that on 06/13/97 the committee adopted the -1 amendments dated 06/12/97 (**EXHIBIT P**).

020

Rep. Welsh

MOTION: Moves SB 1179 to the floor with a DO PASS AS AMENDED recommendation.

030

Chair
Snodgrass

EXCUSED: 1 - Courtney

Hearing no objection, declares the motion CARRIED.

REP. MESSERLE will lead discussion on the floor.

040 Chair
Snodgrass Closes the work session on SB 1179, recesses the meeting at 2:11 p.m.
Reconvenes the meeting at 3:00 p.m., opens a public hearing on SB
068 Chair
Snodgrass 1205.

SB 1205
PUBLIC
HEARING

070 Cara Filsinger Committee Administrator, summarizes the bill.

090 Don Schellenburg Oregon Farm Bureau, submits and presents written testimony in support of SB 1205 (**EXHIBIT K**).
Oregon Farm Bureau, testifies in favor of SB 1205.

135 Tim Bernasek * responds to a letter submitted by Jack Roberts, Commissioner, Bureau of Labor and Industries in opposition to SB 1205
* this bill is about keeping courts out of the legislative process not adding or subtracting protections for at-will employees
* the legislature is the place where discussion about labor laws should occur

175 Amy Klare Oregon, AFL -CIO, notes for the committee a letter submitted by the AFL-CIO in opposition to SB 1205 (**EXHIBIT J**).

160 David Nebel Oregon Law Center, submits and presents written testimony in opposition to SB 1205 (**EXHIBIT L, M**).

210 Nebel Gives an example of a court case regarding similar circumstances that SB 1205 addresses.

230 Nebel Continues
Continues presentation.
Oregon State Industrial Union Council, testifies in opposition to SB 1205.

270 Diane Rosenbaum * refers to the court case noted by Nebel and discusses the experience of a nine year employee that was caught in the middle of the dispute and was fired along with the group of workers that had been let go for "acting like a union."
* the workers never refused to work and did not create unsatisfactory products
* this bill will make public policy
* at a minimum, the emergency clause should be removed
Associate Director, Ecumenical Ministries, testifies against SB 1205.

* Farm workers and domestic workers need protection the most as they have no protection by the National Labor Relations Act.

* Suggests that it may be necessary for farm workers to come together collectively, with an interpreter, to express concerns, especially when there is a language barrier.

347

Ellen Lowe

* This bill will raise an element of fear and hostility that should not exist.

* The poorest of the poor will be affected by this bill.

* Denying workers the right to collectively express concerns is to deny them worth.

TAPE 105, A

Senate District 20, testifies in opposition to SB 1205.

010

Sen. Susan
Castillo

* Is concerned with misinformation that has been circulated on the effects of the bill.

President, Northwest Treeplanters and Farmworkers United, submits and presents written testimony in opposition to SB 1205 (**EXHIBIT N**).

035

Ramon
Ramirez

* Comments on the message the bill will send to workers, if they complain about their working or living conditions they will be fired.

* Oregon lawmakers and agriculture needs to understand that it is in competition with other states for workers.

* The State of Washington is looking into migrant housing.

095

Chair
Snodgrass

Comments that there are healthy work environments in Oregon where workers are respected and valued.

105

Paul Tiffany

Inter-governmental Relations Manager, Bureau of Labor and Industries (BOLI), submits and presents written testimony in opposition to SB 1205 on behalf of Jack Roberts, Commissioner, BOLI, (**EXHIBIT O**).

155

Tiffany

Continues testimony.

National Federation of Independent Business (NFIB), testifies in favor of SB 1205.

200

Joe Gilliam

* Explains that this bill does not create rights for workers and does not take anything away.

* workers are still protected from discrimination.

* this bill directs the court to stay within its bounds

Oregon Litigation Reform Committee, Oregon Small Business Coalition, testifies in favor SB 1205.

* Concurs with the testimony of Joe Gilliam.

* this is not a labor issue

240 John Dilorenzo * the question before the committee is "Should the court interpret the law, or make the law ?"

* discusses ORS Chapter 663

* explains the need for the emergency clause

335 Gilliam Comments on a flyer that was distributed by the NFIB.

Corrections will be made and sent to all house members.

Oregon School Employees Association, testifies against SB 1205.

363 Tricia Smith * Reads the court summary from the *Oregon Roses* case.

* Testifies that all Oregon employees have the right to interact with their employers.

412 Smith * This bill will eliminate, for agricultural workers, the only remedy they currently have for being treated unfairly.

TAPE 106, A

009 Rep. Markham Asks why the Oregon School Employees Union is speaking on this bill.

011 Smith * Oregon School Employers Union has taken a long stand in favor of the ability of workers to interact with their employers in a positive way.

* This bill makes a statement regarding that issue.

020 Rosenbaum Clarifies earlier testimony regarding the bill's emergency clause. Responds to Rosenbaum's remarks.

045 Dilorenzo

* without an emergency clause there may be a rush to the courthouse

058 Chair Snodgrass Closes the public hearing on SB 1205, opens a work session on SB 1205.

SB 1205 **WORK** **SESSION**

060 Rep. Beyer Asks if this is the bill that overturns a court decision regarding the roses nursery case.

Responds negatively.

066 Dilorenzo

* it will not over turn the decision, but will have effects on future cases

078 Rep. Piercy Asks what future remedies will be available to workers.

In the future people will not have the remedy that is prescribed by this case.

080 Dilerenzo If this becomes a labor issue and individuals want to enact change then it is appropriate to introduce a bill in the legislature and go through the legislative process.

100 Rep. Beyer **MOTION: Moves SB 1205A to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Judiciary.**

VOTE: 2-4

AYE: 2 - Beyer, Piercy

NAY: 4 - Markham, Messerle, Welsh, Snodgrass

EXCUSED: 1 - Courtney

135 Chair Snodgrass **The motion FAILS.**

137 Rep. Messerle **MOTION: Moves SB 1205A to the floor with a DO PASS recommendation.**

VOTE: 4-2

AYE: 4 - Markham, Messerle, Welsh, Snodgrass

NAY: 2 - Beyer, Piercy

EXCUSED: 1 - Courtney

The motion CARRIES.

156 Chair Snodgrass **Rep. Snodgrass will lead discussion on the floor.**

162 Chair Snodgrass Closes the work session on SB 1205, opens a work session on SB 500.

SB 500 WORK SESSION

165 Filsinger Summarizes the bill and explains the amendments.

190 Rep. Beyer **MOTION: Moves to ADOPT SB 500-A7 amendments dated 6/20/97 (EXHIBIT R).**

195 Chair Snodgrass **VOTE: Hearing no objection, declares the motion CARRIED.**

197 Rep. Beyer **MOTION: Moves SB 500 to the floor with a DO PASS AS AS AMENDED recommendation.**

196 Chair Snodgrass Asks if the -A6 amendments have any comments from the committee.

213 Rep. Messerle Asks if the -A6 amendments have been previously adopted by the committee

Explains that the -A6 amendments refer to the building code issues and

have not been adopted.

* Comments that she still has concerns about the time line issue that the bill proposes.

203

Chair
Snodgrass

* Is disappointed that the county and city people could not provide the committee with a better time line when they testified on the bill.

* A builder or developer has no way of knowing how long they might be held up or why they are being held up.

225

Rep. Beyer

Believes that under SB 35 (1995) the building codes agency is charged to work with county and city agencies to develop a plan that specifies turn-around time lines.

This bill represents conflicts that the committee doesn't have time to deal with.

Is concerned that smaller cities will have trouble implementing this legislation.

251

Rep. Messerle

The bill should be modified to fit the areas that most benefit from its intention.

289

Rep. Beyer

Withdraws his motion to send the bill to the floor with a do pass as amended recommendation.

290

Rep. Welsh

MOTION: Moves to ADOPT SB 500-A6 amendments dated 6/20/97 (EXHIBIT Q).

VOTE: 4-1

AYE: 4 - Markham, Messerle, Welsh, Snodgrass

NAY: 1 - Beyer

EXCUSED: 2 - Courtney, Piercy

324

Chair
Snodgrass

The motion CARRIES.

335

Rep. Welsh

MOTION: Moves SB 500 to the floor with a DO PASS AS AMENDED recommendation.

VOTE: 4-1

AYE: 4 - Markham, Messerle, Welsh, Snodgrass

NAY: 1 - Beyer

EXCUSED: 2 - Courtney, Piercy

345

Chair
Snodgrass

The motion CARRIES.

Chair

350	Snodgrass	Closes the work session on SB 500, recesses meeting at 3:45 p.m.
358	Chair Snodgrass	Reconvenes meeting at 5:27 p.m. Opens a work session on SB 1226.
<u>SB 1226</u>		
<u>WORK</u>		
<u>SESSION</u>		
370	Rep. Welsh	MOTION: Moves SB 1226 to the floor with a DO PASS recommendation. VOTE: 4-2
	Chair Snodgrass	AYE: 4 - Markham, Messerle, Welsh, Snodgrass NAY: 2 - Beyer, Piercy EXCUSED: 1 - Courtney The motion CARRIES.
382	Chair Snodgrass	REP. Welsh will lead discussion on the floor.
385	Chair Snodgrass	Closes the work session on SB 1226. Adjourns the meeting at 5:45 p.m.

Transcribed By, Reviewed By,

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Committee Administrator Committee Administrator

EXHIBIT SUMMARY

A - SB 391, written testimony, Brian Boe, 2 pp.

B - SB 391, written testimony, Steve Rodeman, 10 pp.

C - SB 391, written testimony, Steve Rodeman, 1 p.

D- SB 391, written testimony, Frank Brawner, 3 pp.

E - SB 391, written testimony, Frank Brawner, 39 pp.

F - SB 1226, written testimony, Randy Tucker, 2 pp.

G - SB 1226, written testimony, Bobby Lee, 5 pp.

H - SB 1226, written testimony, Joni Low, 1 p.

J - SB 1205, written testimony, Amy Klare, 2 pp.

K - SB 1205, written testimony, Don Schellenberg, 3 pp.

L - SB 1205, written testimony, David Nebel, 2 pp.

M - SB 1205, written testimony, David Nebel, 2 pp.

N - SB 1205, written testimony, Ramon Ramirez, 1 p.

O - SB 1205, written testimony, Paul Tiffany, 3 pp.

P - SB 1179 -1 amendments dated 06/12/97, Staff, 1 p.

Q - SB 500 -A6 amendments dated 06/17/97, Staff, 2 pp.

R - SB 500 -A7 amendments dated 06/17/97, Staff, 2 pp.