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SENATE COMMITTEE ON BUSINESS, LAW, AND GOVERNMENT

February 3, 1997 Hearing Room A

1:00 P.M. Tapes 34 -35

MEMBERS PRESENT:

Senator Neil Bryant, Chair

Senator Randy Miller, Vice-Chair

Senator Kate Brown Senator Gene Derfler

Senator Randy Leonard

Senator David Nelson

STAFF PRESENT:

Jan Nordlund, Administrator

Donna Arens, Administrative Support

MEASURES HEARD:

**SB 37 - Public Hearing and Work Session SB 45 - Public Hearing and Work Session SB 46 -
Public Hearing and Work Session SB 39 - Public Hearing only**

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
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Tape 34, A		
003	Chair Bryant	Opens meeting at 1:10
<u>SB 37- PUBLIC HEARING</u>		
005	Chair Bryant	Opens public hearing on SB 37
020	Jack Roberts	Commissioner, Oregon Bureau of Labor and Industries (BOLI)
038		Discusses apprenticeship program and recent Supreme Court case
053	Chair Bryant	Asks to discuss SB 37 and SB 45 at the same time
057	Roberts	Discusses "BAT" programs (Bureau of Apprenticeship and Training) and "SAC" programs (State Apprenticeship Councils), government's role in oversight and review liability of apprenticeship programs.
104	Chair Bryant	Reiterates that SB 37 and SB 45 are being discussed, and asks for examples of apprenticeship programs other than plumbers and electricians
108	Roberts	Discusses carpenter and construction apprenticeship programs and incentives
135	Roberts	Comments that there are more non-union than union apprenticeship programs
140	Chair Bryant	Questions how many apprenticeship programs BOLI is involved in
146	Steven Simms	Director of the Apprenticeship and Training Division, addresses that BOLI has 106 active programs in the state
<u>SB 45 - PUBLIC HEARING</u>		
153	Chair Bryant	Opens public hearing on SB 45 (keeping public hearing on SB 37 open as well)
154	Chair Bryant	Question if adoption of SB 45 would change BOLI's function
158	Roberts	States that BOLI's function would not change, and discusses liability
172	Sen. Derfler	Question regarding liability
167	Roberts	Remarks that operating assumption is that BOLI does have liability
183	Chair Bryant	Questions on line 7 of SB 45 and on liability limits
189	Roberts	Remarks that Attorney General's office has been contacted
	Sen.	

199	Leonard	Questions if there are parameters for apprenticeship program
202	Roberts	Explains that there is an Apprenticeship Council that oversees apprenticeship program
218	Sen. Leonard	Questions if more costs would be shifted onto apprenticeship program if it were not a state agency
222	Roberts	Gives examples of BOLI already "pulling back and not providing the support" that had been provided previously
236	Sen. Leonard	Does not view apprenticeship program differently than new educational system or a trade at a community college, views as an extension of that philosophy
246	Roberts	Remarks that most course work of apprenticeship programs is provided through community colleges, and comments that a cooperative relationship is needed to make apprenticeship programs work.
266	Roberts	Comments that a cooperative relationship is needed to make apprenticeship programs work
279	Sen. Leonard	Question regarding fairness to tax payers subsidizing apprenticeship programs at community colleges
283	Roberts	Explains "earning while learning" buy-in
301	Sen. Leonard	Questions who picks up costs for SB 45
308	Roberts	Answers that employers will pay for costs
321	Ken Fry	Training Director for Metro Electrical Training Center in Portland; parent organizations are National Electrical Contractors Association Oregon Columbia Chapter, and the International Brotherhood of Electrical Workers, Local 48. Additionally, Secretary of the Oregon Apprenticeship Coordinators' Association.
332	Bob Kimes	Local 290 Training Center, supports SB 45, states that contested case hearing is unnecessary
355	Sen. Leonard	Question about appeals rights
358	Chair Bryant	Comments on similarities between SB 37 and SB 45
382	Sen. Brown	Question regarding insurance coverage
385	Kimes	Answers that his organization has liability insurance
402	Fry	Discusses involvement of own legal counsel
416	Chair Bryant	Question on affordability or success of non-union apprenticeship programs
426	Roberts	Comments on impacts and risks of apprenticeship program
451	Sen. Leonard	Questions if this could be called "pro-union legislation"

455 Chair Bryant Closes public hearing on SB 37 and SB 45 and opens work session on		
SB 37		
SB 37 AND 45 WORK SESSION		
470	Sen. Derfler	MOTION: Moves SB 37 to the floor with a DO PASS recommendation.
471		VOTE: 6-0
	Chair Bryant	Hearing no objection, declares the motion CARRIED. SEN. DERFLER will lead discussion on the floor.
475	Sen. Derfler	MOTION: Moves SB 45 to the floor with a DO PASS recommendation.
476		VOTE: 6-0
	Chair Bryant	Hearing no objection, declares the motion CARRIED. SEN. DERFLER will lead discussion on the floor.
TAPE 35,A		
SB 43 - PUBLIC HEARING		
056	Chair Bryant	Opens public hearing on SB 43
058	Jack Roberts	Commissioner, Oregon Bureau of Labor and Industries (BOLI), discusses definition of employer in civil rights laws
069	Chair Bryant	Clarifies that SB 43 will bring legislators under civil rights law, and closes public hearing and opens work session on SB 43
SB 43 - WORK SESSION		
	Sen. Leonard	MOTION: Moves SB 43 to the floor with a DO PASS recommendation.
		VOTE: 6-0
	Chair Bryant	Hearing no objection, declares the motion CARRIED. SEN. LEONARD will lead discussion on the floor.

SB 46 - PUBLIC HEARING		
089	Chair Bryant	Opens public hearing on SB 46
091	Jack Roberts	Commissioner, Bureau of Labor and Industries (BOLI), gives testimony on offered amendments (EXHIBIT A)
141		Continues testimony on EXHIBIT A
144	Sen. Derfler	Asks for example of a case that would be heard on workers' compensation issue
146	Roberts	Gives examples and comments on how workers' compensation will be paid for
186	Tom Mattis	Department of Consumer and Business Services (DCBS), Deputy Administrator of Workers' Compensation Division, requests support of SB 46 with amendments to -1 amendments (EXHIBIT B), discusses "cents-per-hour" assessment, jointly paid by both workers and employers, rather than by consumer and business services fund
		Comments that if the bill was amended, it would meet BOLI's immediate needs and provide time to discuss funds
		Makes recommendations to delete Section 1 (1) of -1 amendments, and replace it with language in Exhibit B
214	Chair Bryant	Questions where funding came from last session
215	Mattis	Explains that it came from same source, refers to HB 2664 (1995)
232	Tim Pope	Management Labor Advisory Committee (MLAC), will support SB 46 with suggested provisions. MLAC also feels that workers' compensation system is not appropriate long-term funding source. Further comments that MLAC will work closely with BOLI, DCBS, and Legislative Fiscal.
268	Pope	Remarks that a comprehensive report will be prepared prior to next session
272	Sen. Derfler	Has question on cents-per-hour fund
264	Pope	Comments on cents per hour fund being drawn down
290	Mattis	Comments on balance of cents-per-hour fund (EXHIBIT C)
304	Sen. Derfler	Questions if it is anticipated for the assessment to go up
307	Mattis	Explains that rates are set by legislation based on reports by MLAC
325	Chair Bryant	Questions if there is a risk of increasing assessment
327	Pat West	Comments that he is sitting in for Bob Shiprack, states that this is an interim solution and that the cents-per-hour fund is not a long-

		term source for funding
333	Mattis	Answers that forecast for next biennium will be \$222 million
335 Chair Bryant Closes public hearing and opens work session on SB 46		
<u>SB 46 - WORK SESSION</u>		
337	Chair Bryant	MOTION: Moves to AMEND SB 46-1 by deleting section 1 (1) and inserting new section 1 (1) of EXHIBIT B
		VOTE: 6-0
	Chair Bryant	MOTION: Moves to ADOPT SB 46-1 amendments dated 1/31/97 as amended.
		VOTE: 6-0
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
	Sen. Miller	MOTION: Moves SB 46 to the floor with a DO PASS AS AMENDED recommendation with a prior subsequent referral to Ways and Means
		VOTE 4-2; AYE: 4- Brown, Miller, Nelson, Bryant ; NAY: 2- Derfler, Leonard
Chair Bryant The motion CARRIES.		
Chair Bryant Closes work session on SB 46 and opens public hearing on SB 39		
<u>SB 39 - PUBLIC HEARING</u>		
436	Chair Bryant	Comments on relating clause, will not move on proposed amendment today, will discuss amendments with Jack Roberts after public testimony. Also comments on Bend and Beaverton School Districts' contracts and whether or not public entity would be liable for prevailing wage under current law
TAPE 34, B		
050	Chair Bryant	Discusses what proposed amendments will do (EXHIBIT D)

062	Roberts	Expresses concern for public agencies about expense, prevailing wage schedule
079	Chair Bryant	Alerts committee about other time-consuming bills, adjourns meeting at 2:05

Submitted By, Reviewed By,

Donna Arens, Jan Nordlund,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 46, Proposed amendments, Jack Roberts, Bureau of Labor and Industries, 1 p.

B - SB 46, Proposed amendments, Tom Mattis, Department of Consumer and Business Services, 1 p.

C - SB 46, Written testimony, Tom Mattis, Department of Consumer and Business Services, 1 p.

D - SB 39, Proposed amendments, Staff, 2 p.
