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SENATE COMMITTEE ON BUSINESS, LAW, & GOVERNMENT

April 18, 1997 Hearing Room A

1:00 PM Tapes 173-175

MEMBERS PRESENT:

Sen. Neil Bryant, Chair

Sen. Randy Miller, Vice-Chair

Sen. Kate Brown

Sen. Gene Derfler

Sen. Randy Leonard

Sen. David Nelson

MEMBER EXCUSED:

STAFF PRESENT:

Brian Krieg, Administrator

Vicki Champ, Administrative Support

MEASURE/ISSUES HEARD:

SB 698 Public Hearing

SB 699 Public Hearing and Work Session

SB 794 Public Hearing and Work Session

SB 1101 Public Hearing and Work Session

SB 781 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 173, A		
	Chair Bryant	Opens the meeting at 1:10 p.m. and opens public hearing on SB 698.
<u>SB 698 PUBLIC HEARING</u>		
017	Cecil Tibbetts	Vice-President, State Accident Insurance Fund (SAIF) Corporation for Human Resources and External Affairs presents and explains his testimony for SB 698 (EXHIBIT A) .
067	Tibbetts	Presents and explains the proposed amendments for SB 698 (EXHIBIT B) .
144	Tibbetts	Continues testimony.
226	Tibbetts	Continues testimony.
231	Sen. Brown	Asks for the error ration on the audits.
240	Tibbetts	States there is \$1.00 of overpay per \$3.00 of underpay.
345	Tibbetts	Continues testimony.
371	Chair Bryant	Asks about the costs versus the errors.
389	Tibbetts	Explains the costs.
TAPE 174, A		
028	John Booten	Ombudsman for Small Business, with the Department of Consumer and Business Services reads and explains his testimony in opposition of SB 698 (EXHIBIT C) .
098	Booten	Continues testimony.
109	Booten	The issue is data quality. It is the responsibility of the insurance carriers and the responsibility of the department to make sure that they do the job effectively and this program is our tool to that. Please don't take our tools out of our hands.
114	Sen. Derfler	Asks if one audits a company three or four years in a row and never found any errors would it be necessary to continue to audit them.
		States there is an ongoing audit advisory committee and that is one of the

143	Booten	issues they are looking at.
168	Lana Butterfield	Representing SAFECO Insurance Company presents testimony from EBI Insurance Company (EXHIBIT D).
179	Tony Gonzalez	Assistant Director of Premium Audit for SAFECO Insurance Companies, based in Seattle, Washington, reads testimony in opposition of SB 698 (EXHIBIT E).
207	Matt Raines	Field Audit Specialist for Wausau Insurance Group, presents and reads testimony in opposition of SB 698 (EXHIBIT F).
230	Sen. Brown	Asks what Wausau's test audit error ratio has been for the last year or two.
234	Raines	The first quarter results for 1997, which indicates the error ratio for the previous six quarters has been 21.74% with 13% of that derived from physical test audit errors and 35% from voluntary test audit errors.
292	Dave Heida	Association for Oregon Loggers gives verbal testimony for SB 698.
380	Daryl Nelson	Senior Vice President, General Counsel, Liberty Northwest Insurance Corporation presents and explains written testimony for SB 698 (EXHIBIT G).
TAPE 173, B		
038	Chair Bryant	States Legislative Counsel will put together the amendments that have been proposed by SAIF.
038	Chair Bryant	Closes public hearing on SB 698 and opens public hearing on SB 699.
<u>SB 699 PUBLIC HEARING</u>		
040	Chris Davie	Representing SAIF Corporation, presents and explains testimony for SB 699 (EXHIBIT H).
126	Davie	Continues testimony.
163	Chair Bryant	Closes the public hearing on SB 699 and opens work session on SB 699.
<u>SB 699 WORK SESSION</u>		
167	Chair Bryant	MOTION: Moves to AMEND SB 699 as in pages 3 and 4 of the EXHIBIT H as offered by Chris Davie.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
167	Chair Bryant	Suggests bringing back the amendments one more time once they are drafted by Legislative Counsel.
	Chair Bryant	Closes work session on SB 699 and opens public hearing on SB 794.

<u>SB 794</u>		
<u>PUBLIC</u>		
<u>HEARING</u>		
187		Staff presents public letter submitted prior to meeting (EXHIBIT M).
188	Maria Keltner	Associated Oregon Counties presents and explains testimony for SB 794 (EXHIBIT I).
	Keltner	Explains SB 794 was brought by one of the counties that ran into a situation where an elected official of the county was injured on the job, filed a Workers' Compensation claim and also received temporary time loss payments. Because he was an elected official, under Oregon law he was also entitled to receive his full salary. This individual ended up with full salary and time loss payment. Other county officials thought that this is not what Workers' Compensation was designed to provide.
219	Keltner	This bill provides the most straight forward way to resolve the problem. If the person doesn't get time loss payment the elected official continues to draw their salary.
228	Sen. Leonard	Asks if this exemption also prohibits the public official from having medical costs covered.
231	Keltner	Explains they were very careful to limit it only to the time lost payment. It would not prohibit medical costs that would be reimbursed under Workers' Compensation or anything other than the time lost.
250	Mary Dora	Department of Consumer and Business Services, Workers' Compensation Division, presents and explains testimony for SB 794 (EXHIBIT J).
317	Dora	Continues testimony.
340	Sen. Ferrioli	Gives testimony for SB 794.
<u>TAPE 174, B</u>		
001	Brad Witt	Oregon AFL-CIO gives verbal testimony for SB 794.
	Chair Bryant	Closes public hearing on SB 794 and opens public hearing on SB 1101.
<u>SB 1101</u>		
<u>PUBLIC</u>		
<u>HEARING</u>		
038	Hardy Meyers	Attorney General, State of Oregon gives testimony for SB 1101.
094	Cindy Chinnock	Administrator, Support and Forcement Division for Department of Justice gives testimony for SB 1101.
160	Sandy Hoback	Administrator, Adult and Family Services Division presents SB 1101-1 (EXHIBIT K).
216	Kasia Quillinan	Attorney, Benton County gives verbal testimony for SB 1101.
283	Quillinan	Continues her testimony.

330	Quillinan	Continues her testimony.
358	Carl Stecker	Deputy District Attorney , Marion County gives testimony for SB 1101.
TAPE 175, A		
013	David Nebel	Oregon Law Center gives verbal testimony in support of SB 1101.
	Nebel	Refers to -1 amendments.
	Chair Bryant	Closes public hearing on SB 1101 and opens work session on SB 1101.
<u>SB 1101</u> <u>WORK</u> <u>SESSION</u>		
		Staff presents proposed -1 amendments to SB 1101 (EXHIBIT K).
	Chair Bryant	Legislative Counsel has a couple technical changes to the bill.
050	Bill Taylor	Legislative Counsel refers to page thirteen, line sixteen of SB 1101.
	Taylor	"Enforcement Division {,} or a district attorney or the Department of Human Resources". I believe that language needs to come out the "or the Department of Human Resources".
056	Chair Bryant	MOTION: Moves to AMEND SB 1101 on page 13, in line 16, delete "or the Department of Human Resources".
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
	Taylor	The second correction is page 8, line 41, the first "and" be changed to "or". It should now read "or for redistribution between the district attorney and the Support Enforcement".
065	Chair Bryant	MOTION: Moves to AMEND SB 1101 on page 8, in line 41, delete the first "and" and replace with "or".
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
067	Chair Bryant	MOTION: Moves SB 1101 to the floor with a DO PASS AS AMENDED recommendation.
	Chair Bryant	Hearing no objection, declares the motion CARRIED. SEN. NELSON will lead discussion on the floor.
072	Chair Bryant	Closes work session on SB 1101 and opens public hearing on SB 781.
<u>SB 781</u> <u>PUBLIC</u>		

HEARING		
086	Hasina Cassim	Representing Joint Fire Services Legislative Committee presents proposed -1 amendments to SB 781 (EXHIBIT L).
131	Jack Carriger	Oregon Volunteer Firefighters Association gives verbal testimony for SB 781.
162	Chair Bryant	Closes public hearing on SB 781 and opens work session on SB 781.
SB 781 WORK SESSION		
163	Chair Bryant	MOTION: Moves SB 781 -1 to the floor with a DO PASS
		recommendation.
		VOTE: 4-0
		EXCUSED: Brown, Derfler
	Chair Bryant	The motion CARRIES.
		SEN. NELSON will lead discussion on the floor.
	Chair Bryant	Closes work session on SB 781 and re-opens work session on SB 794.
TAPE 175, A		
SB 794 WORK SESSION		
175	Chair Bryant	AFL-CIO and Workers' Compensation Division have been working on an amendment change for SB 794 and have brought it back to explain it.
182	Brian Krieg	Committee Administrator. Explains the new language on the Workers' Compensation Divisions amendment. Explains the changes in the language in (c).
191	Mary Dora	Department of Consumer and Business Services, Workers' Compensation Division explains draft language for ORS 656.262 to address SB 794 (EXHIBIT J).
	Chair Bryant	Moves to amend SB 794 by deleting printed text and adopting the new sub section (c) to ORS 656.262 by Workers' Compensation Division, Department of Consumer and Business Services.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
281	Chair Bryant	MOTION: Moves SB 794 to the floor with a DO PASS AS AMENDED recommendation.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.

		SEN. FERRIOLI will lead discussion on the floor.
283	Chair Bryant	Closes work session on SB 794 and adjourns meeting.

Submitted By, Reviewed By,

Vicki Champ, Brian Krieg,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 698, written testimony and survey, Cecil Tibbetts, 15 pp

B - SB 698, proposed amendment by SAIF, Cecil Tibbetts, 1 p

C - SB 698, written testimony, John Booten, 5 pp

D - SB 698, written testimony, Lana Butterfield, 1 p

E - SB 698, written testimony, Tony Gonzalez, 2 pp

F - SB 698, written testimony, Matt Raines, 1 p

G - SB 698, written testimony, Daryl L. Nelson, 1 p

H - SB 698, written testimony, Chris Davie, 4 pp

I - SB 794, written testimony, Maria Keltner, 1 p

J - SB 794, written testimony, Mary Dora, 3 pp

K -SB 1101, proposed -1 amendments, Adult and Family Services, 3 pp

L - SB 781, proposed -1 amendments, Hasina Cassim, 1 p

M - SB 794, public letter submitted prior to meeting, staff, 1 p
