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**SENATE COMMITTEE ON BUSINESS, LAW, AND GOVERNMENT**

**April 21, 1997 Hearing Room A**

**1:00 PM Tapes 176 - 178**

**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: David Amesbury, Committee Counsel**

**Jan Nordlund, Administrator**

**Donna Arens, Administrative Support**

**MEASURES HEARD:**

**SB 1115 Public Hearing**

**SB 1085 Public Hearing and Work Session**

## SB 1191 Public Hearing and Work Session

## SB 161 Work Session

## SB 1124 Public Hearing

## SB 233 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
<b>TAPE 176, A</b>		
006	Vice-Chair Miller	Opens the meeting at 1:04 p.m. and opens public hearing on SB 1115.
<b><u>SB 1115</u></b> <b><u>PUBLIC</u></b> <b><u>HEARING</u></b>		
010	David Kenagy	Associate Dean, Willamette University College of Law. Supports SB 1115. Explains the issues of SB 1115. States this would be good government through good law and program design, discusses term limits and sees SB 1115 as a good opportunity for public and private partnership.
050	Sen. Derfler	Comments that this does not appear to be a big expense.
064	Dominick Vetri	University of Oregon Law School. Supports SB 1115. States SB 1115 would allow more consideration of serious issues and the commission could work on problem areas.
097	Sen. Brown	Asks why Oregon would not simply rely on the Oregon State Bar to do the law improvement work.
104	Vetri	States the commission could be more objective and fair.
117	Sen. Brown	Comments on the differences between the bar and the commission.
124	Vetri	States the commission could research intensively.
126	Vice-Chair Miller	Asks about membership.
140	Vetri	States the intention is not for policy changes.
147	Linda Ziskin	Law school student, University of Oregon. Presents testimony in support of SB 1115 ( <b>EXHIBIT A</b> ). Explains the proposed-1 amendments. States the expenses should be nominal.
167	Sen. Derfler	Asks what the incentive would be for people to be on the committee.
		States it would bring prestige to the people who are on the commission and

178	Ziskin	they could catch finer points which are missed by initial draftings.
200	Vetri	Comments that service to the community should be a part of every lawyer's lifestyle. Comments on separation of power.
228	Chair Bryant	Closes public hearing on SB 1115 and opens public hearing on SB 1085.
<b><u>SB 1085</u></b> <b><u>PUBLIC</u></b> <b><u>HEARING</u></b>		
245	Chair Bryant	Discusses some of the history of SB 1085.
255	John Gervais	Municipal Judges Association of Oregon. Supports SB 1085. Discusses incentives.
292	Chair Bryant	Comments on a previous bill which dealt with collecting debts.
301	Sen. Brown	Comments on the previous bill.
304	Sen. Leonard	Asks about municipal courts.
306	Gervais	States there are quite a few in smaller communities.
313	Sen. Derfler	Asks about collection agencies.
315	Gervais	States other courts are allowed to use collection agencies.
341	Chair Bryant	Asks about authority to make collections.
343	Gervais	States courts need the authority and the money for the costs of making collections.
349	Sen. Derfler	Asks if there is a limitation on the amount they could collect.
354	Gervais	Comments on kickers which could increase as the debt becomes older.
365	Sen. Derfler	Comments on lower fines.
371	Gervais	States there has been discussion of putting a ceiling on collection of fines.
374	Chair Bryant	Asks about wording of "limitation."
377	Gervais	Makes a suggestion.
390		Discussion of costs.
424		Staff presents public written testimony submitted prior to the meeting ( <b>EXHIBIT B</b> ).
425	Chair Bryant	Closes public hearing on SB 1085 and opens work session on SB 1085.
<b><u>SB 1085</u></b>		

<b><u>WORK SESSION</u></b>		
427	Chair Bryant	Suggests conceptual amendments.
<b><u>TAPE 177, A</u></b>		
010	Sen. Derfler	Suggests the wording of "municipal may enter into contracts."
017		Discussion of "agreements" versus "contracts."
024	Sen. Derfler:	<b>MOTION: Moves SB 1085 be sent to the floor with a DO PASS recommendation.</b>
	Chair Bryant	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. FERRIOLI will lead discussion on the floor.</b>
029	Chair Bryant	Closes work session on SB 1085 and opens public hearing on SB 1191.
<b><u>SB 1191 PUBLIC HEARING</u></b>		
030	Paul Romain	Attorney, Northwest Hospitality Group, Portland, Oregon. Presents testimony in support of SB 1191 ( <b>EXHIBIT C</b> ). Explains SB 1191.
054	Chair Bryant	Closes public hearing on SB 1191 and opens work session on SB 1191.
<b><u>SB 1191 WORK SESSION</u></b>		
055	Sen. Leonard	<b>MOTION: Moves SB 1191 to the floor with a DO PASS recommendation.</b>
	Chair Bryant	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>SEN. LEONARD will lead discussion on the floor.</b>
064	Chair Bryant	Closes work session on SB 1191 and opens work session on SB 161.
<b><u>SB 161 WORK SESSION</u></b>		
081		Staff presents proposed-2, -5, -6 amendments to SB 161 ( <b>EXHIBIT D</b> ).
082	Jan Nordlund	Committee Administrator. Discusses the -2, -5, and -6 amendments to SB 161.
	Chair	

099	Bryant	Asks about petitions to the Employment Relations Board.
103	Nordlund	Comments on state bargaining units.
105	Sen. Derfler	Asks which counties are affected.
106	Nordlund	States any county is included, yet only by petition.
112	Chair Bryant	Comments SB 161 is from the Department of Corrections (DOC) and comments on bargaining units.
116	Nordlund	Comments on petitioning and strikes.
131	Sen. Derfler	Asks for a clarification of counties.
133	Nordlund	Explains the DOC's goals for SB 161.
145	Sen. Leonard	Comments on bargaining units.
153		Discussion of the bargaining units and strike-permitted and strike-prohibited units.
<b>198</b>	<b>Chair Bryant</b>	<b>MOTION: Moves to ADOPT SB 161 -2 amendments dated 3/3/97.</b>
209	Sen. Leonard	Asks about the status of Oregon Health Sciences University (OHSU) concerning bargaining.
206	David Blair	Director of Labor Relations, OHSU. Discusses -2 amendments and states it is a practical house keeping measure.
<b>228</b>	<b>Chair Bryant</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>230</b>	<b>Chair Bryant</b>	<b>MOTION: Moves to ADOPT SB 161 -5 amendments dated 4/21/97.</b>
	<b>Chair Bryant</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>233</b>	<b>Chair Bryant</b>	<b>MOTION: Moves to ADOPT SB 161 -6 amendments dated 4/21/97.</b>
	<b>Chair Bryant</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>236</b>	<b>Sen. Bryant</b>	<b>MOTION: Moves SB 161 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-2</b>  <b>AYE: 4 - Brown, Derfler, Nelson, Bryant</b>  <b>NAY: 1 - Leonard</b>  <b>EXCUSED: 1 - Miller</b>
		<b>The motion CARRIES.</b>

	<b>Chair Bryant</b>	<b>SEN. BRYANT will lead discussion on the floor.</b>
247	Chair Bryant	Closes work session on SB 161 and opens public hearing on SB 1124.
<b><u>SB 1124 PUBLIC HEARING</u></b>		
244		Staff presents proposed-1 amendments to SB 1124 ( <b>EXHIBIT E</b> ).
245	Joan Demerest	Law student at University of Oregon from Sen. Hamby's office. Presents amendments to SB 161 ( <b>EXHIBIT F</b> ) in support of SB 1124. Discusses raising juror fees to keep an appropriate representation of jurors, across all income brackets.
295	Demerest	Explains child care problems arise for parents who would or should serve on juries. Explains amendments which would allow jurors to take notes statewide. States it is more unusual in some areas. States there are studies that link note-taking and memory.
350	Demerest	States more jurors will show up for duty if it is less arduous on their time.
370	Chair Bryant	Asks what systems are used to call in jurors presently.
378		Discussion of methods to call in jurors.
412	Chair Bryant	Asks which item of the amendments is the most important, since money in the state must be budgeted.
414	Demerest	States it would be the one she has not yet discussed.
<b>TAPE 176, B</b>		
011	Demerest	Discusses -4 amendments concerning jury pool lists which use Department of Motor Vehicles' lists. States jury pool lists must be updated much more often. Explains the link between income levels and undeliverable mail areas.  Suggests using other methods to make jury lists reflective of the variety of income levels in society, such as unemployment lists, utility lists, and tax returns.
044	Sen. Brown	Discusses SB 936.
059	Demerest	Comments that her proposal is consistent with SB 936.
074	Demerest	Comments that some places offset the cost of paying jurors more by making the employer pay for the first day of jury duty.
080	Chair Bryant	States other amendments for SB 1124 are necessary in order to analyze costs. Closes public hearing on SB 1124 and opens public hearing on SB 233.
<b><u>SB 233 PUBLIC</u></b>		

<b>HEARING</b>		
095	Shawn Miller	Associated Builders and Contractors, Inc. (ABC). Presents testimony in support of SB 233 ( <b>EXHIBIT G</b> ). Comments on state and construction projects.
131	Sen. Derfler	Asks about prevailing wage versus market wage.
135	Shawn Miller	Explains paperwork would be needed from the employer.
157	Sen. Derfler	Asks if SB 719 passed why we would need SB 233.
160	Shawn Miller	States a contractor could start a job more quickly.
169	Sen. Leonard	Asks for an example of a contractor which refused a public improvement project due to bureaucracy.
172	Shawn Miller	States he cannot.
179	Sen. Leonard	Asks Miller if ABC would oppose keeping the "kicker."
189	Shawn Miller	States they would oppose keeping the "kicker."
200		Discussion of Measure 12.
234	Jack Roberts	Commissioner, Oregon Bureau of Labor and Industries (BOLI). Presents testimony that is neutral on SB 233 ( <b>EXHIBIT H</b> ). Offers information on contracts and exemption levels.
265	Sen. Brown	Asks about Roberts' neutral position on SB 233.
267	Roberts	States the bureau takes positions based on what will work from an administrative standpoint.
279	Sen. Leonard	Asks Roberts if he has a personal opinion on SB 233.
282	Roberts	States he personally probably would not make the changes.
305	Bob Shiprack	Executive Secretary, Oregon State Building & Construction Trades Council. Presents testimony in opposition to SB 233 ( <b>EXHIBIT I</b> ). Discusses the prevailing wage law.
370	Shiprack	States SB 233 would exempt about two-thirds of public works projects from the prevailing wage law. Takes the committee through the exhibit.
420	Shiprack	Reads from the exhibit concerning the effects of repealing prevailing wage laws.
<b>TAPE 177, B</b>		
040	Shiprack	Comments on construction labor costs.
090	Shiprack	Explains effects of labor costs. Discusses inflation in bids.

140	Shiprack	Continues explaining the exhibit.
190	Shiprack	Restates the many problems which occurred due to repealing the wage law in Utah. Discusses a survey concerning private versus public construction in both states which have and those which do not have prevailing wage laws.
241	Liz Schuler	Legislative Director, International Brotherhood of Electrical Workers, Local 125. Presents testimony in opposition to SB 233 ( <b>EXHIBIT J</b> ). States SB 233 would threaten family wage laws. States contractors will be more likely to cut labor costs without a prevailing wage standard.
296	Kim McCoy	Pacific Northwest District Council of Carpenters and United Brotherhood of Carpenters. Opposes SB 233. Comments that Ballot Measure 12 was defeated in 1996 with a 63% margin.
349	Robert Blake	Executive Director, Sheet Metal and Air Conditioning Contractors National Association. Opposes SB 233. Expresses concern about the workforce and the training of the work force.
367	Bill Sikora	Director, Plumbing and Piping Industry Councils. Opposes SB 233.
370	James Watts	Attorney. Opposes SB 233.
375	Sen. Leonard	Comments on contractors who refuse to bid on contracts due to the prevailing wage.
395	Chair Bryant	Asks if the prevailing wage on small jobs has an effect on whether contractors bid or not.
402	Watts	States it does not.
<b>TAPE 178, A</b>		
019	Carl Coffman	Coffman Excavation. Presents and reads testimony in opposition to SB 233 ( <b>EXHIBIT K</b> ). Explains SB 233 is too wide-sweeping of a change.
066	Jeanne Arana	Associated General Oregon-Columbia. Presents and reads testimony in opposition to SB 233 ( <b>EXHIBIT L</b> ). States that reforms need a period of testing.
101	John Snyder	Sheet Metal Workers, Local 16, Portland, Oregon. Opposes SB 233.
110	Sen. Leonard	Asks about differences between ABC and Associated General Contractors (AGC).
115	Arana	States AGC membership includes union and open shop contractors and there may be a difference between the number and size of work projects.
123	Sen. Leonard	Asks about membership size.
125	Arana	States she could obtain that information.
128	Sen. Nelson	Asks about trends which may be appearing.
130	Arana	States at this point it is too soon to tell.
		Executive Director, ABC. Presents testimony in support of SB 233



133	Steve Telfer	(EXHIBIT M). Addresses Sen. Leonard's previous questions. States that most contractors are general or sub-contractors. States the majority tend to do private work. Explains some contractors say they will not do public sector work due to the bureaucracy and paperwork. Explains his exhibit and reads the conclusion of that study.
180	Telfer	Comments on a misquote which was given concerning schools.
188	Sen. Leonard	Asks about the state keeping the kicker.
198	Telfer	Comments that the bulk of the businesses are small businesses.
210		Discussion of bureaucracy and small projects.
230	Sen. Brown	Asks about the cost threshold and timing in SB 233.
235	Telfer	Responds there does not appear to be logic in waiting.
247		Discussion of the cost adjustments.
260	Vice-Chair Miller	Closes public hearing on SB 233 and adjourns the meeting.

**Submitted By, Reviewed By,**

**Donna Arens, Jan Nordlund,**

**Administrative Support Administrator**

**Transcribed By,**

**Jennifer Peck,**

**Administrative Support**

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**EXHIBIT SUMMARY**

- A - SB 1115, written testimony, statutes, and proposed-1 amendments, Linda Ziskin, 5 pp**
- B - SB 1085, public letter submitted prior to meeting, staff, 1 p**
- C - SB 1191, written testimony, Paul Romain, 1 p**
- D - SB 161, proposed-2, -5, and -6 amendments, staff, 5 pp**
- E - SB 1124, proposed-1 amendments, staff, 1 p**
- F - SB 1124, proposed amendments, Joan Demerest, 4 pp**
- G - SB 233, written testimony, Shawn Miller, 1 p**
- H - SB 233, data and letter, Jack Roberts, 7 pp**
- I - SB 233, data and a study, Bob Shiprack, 34 pp**
- J - SB 233, written testimony, Liz Shuler, 1 p**
- K - SB 233, written testimony, Carl Coffman, 2 pp**
- L - SB 233, written testimony, Jeanne Arana, 3 pp**
- M - SB 233, quarterly journal, Steve Telfer, 29 pp**
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