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

**April 29, 1997 Hearing Room A**

**1:00pm Tapes 195 - 196**

**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 J. Amesbury, Administrator**

**Andrea Terry, Administrative Support**

**MEASURE/ISSUES HEARD: SB 160**

**SB 1107**

HB 2028

HB 2239

HB 2256

HB 2260

HB 2468

**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.**

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>Tape 195, A</b>		
004	Chair Bryant	opens meeting at 1:20pm
005	Bryant	open public hearing on HB 2028
012	Jack Roberts	Labor Commissioner, State of Oregon
014	Roberts	explains HB 2028
026	Joe Gilliam	National Federation of Independent Business
028	Gilliam	EXHIBIT A EXHIBIT B
061	Gilliam	still explaining EXHIBITS A and B
064	Bryant	my health care provider in my business requires that every employee take the offered health care
068	Gilliam	that may be the case in some circumstances
075	Sen. Miller	I would think young people would the money rather than the insurance coverage
080	Gilliam	that may be the case; many young people feel they are invincible that nothing is going to happen to them and so they don't need insurance
100	Bryant	how would you monitor whether or not an employee was being paid minimum wage part of which was paying for insurance coverage
110	Roberts	we would ask employers for verification that the employee was being paid appropriately whether through monetary compensation exclusively or through monetary compensation

		and insurance coverage
121	Bryant	if the insurance had a 30-day waiting plan, during that 30 day period the employee would be entitled to their entire compensation in money
125	Gilliam	that would be true the only exception I can see is if the employer had an MSA under the Federal MSA
134	Bryant	in the bill it says "repeatedly", what does "repeatedly" mean
140	Roberts	in the current version of the bill from the house the word "repeatedly" has been pulled out
148	Bryant	how many employers and employees would take advantage of the -A2 amendments
166	Gilliam	it is hard to estimate how many would take advantage of this the -A2 amendments encourages employers to get health care policies
176	Roberts	explanation of employers offering health insurance to their minimum wage employees
190	Gilliam	if the employer chooses not to offer health care then the full wage must be paid
196	Sen. Leonard	I believe your organization has taken a position on the "kicker"
198	Gilliam	yes, we believe the "kicker" should go back to the voters
200	Leonard	because the voters voted that way, correct? why are you trying to change the minimum wage law when it was defeated in the house
206	Gilliam	what we are trying to do is to keep the wage levels and/or benefits at the level where they are today this is a positive way to stay within Measure 36
215	Leonard	how is that different than the tip credit argument
227	Gilliam	tip credit is tips are used against the hourly wage
235	Leonard	this is just another version to go after poor working people you are now trying to sneak it into a bill in the Senate
240	Sen. Derfler	this is a win-win for both sides
248	Leonard	but the \$1.00 infraction in wage is not voluntary, at least not according to the proposed amendment
257	Bryant	what Sen. Derfler is referring to is section B
		the reason that the business community does not want to give up

266	Leonard	the "kicker" is because the voters voted on it, but then they turn around and try to change the minimum wage law which we just voted on
268	Bryant	I think each business owner would have different rationale as to why or why not the "kicker" should be returned to the voters I don't think it is fair for you to ask Mr. Gilliam this question
277	Leonard	Mr. Chair it is not your place to determine if my questions are fair
283	Bryant	the business owners have many opinions about the "kicker"
287	Leonard	my point is when discussing the "kicker" the reason those in favor give is that the voters voted for it, yet the minimum wage bill which the voters also voted for is allowed to be brought up again and again by the "kicker" supporters
292	Bryant	just because the house votes differently then we do doesn't mean we don't have the right to take it up
297	Sen. Miller	do you support returning the "kicker" because the voters voted on it as the only reason to support it
310	Gilliam	no that is not the only reason, we poll our members as to their opinions on issues discusses the options their members gave on the kicker
330	Gilliam	our opposition to keeping the "kicker" is that our members are in favor of returning the "kicker" to the voters
338	Miller	you are probably comforted by a recent poll in the Oregonian where voters said they were in favor of returning the "kicker"
342	Gilliam	I am not surprised
346	Sen. Brown	how many members do you have in your organization
350	Gilliam	approximately 16,000 businesses
352	Brown	how many provide health care insurance
357	Gilliam	presently 73% of our members there is an estimated 8 - 10% increase in insurance premiums coming
373	Brown	how would you feel if the choice to take the insurance benefits were at the discretion of the employee
375	Gilliam	this is addressed in the last three lines of the amendment
Tape 196, A		
002	Sen. Nelson	your concerns about minimum wage are
006	Gilliam	it will be a 22% increase in our businesses payout
012	Nelson	didn't the Federal Government give the small businesses benefits that go along with the increase in minimum wage

016	Gilliam	I don't believe there is a huge credit for businesses
037	Derfler	since health care costs are going up isn't it fair to say that employers will have to reduce costs somehow and health care is one place the employers can cut
040	Gilliam	it could be a combination of areas that are cut this encourages the employer to pay for all of the health care for the employee
049	Bryant	your amendment proposes a change to a relating clause , but this is a HB with a house relating clause I have never attempted to change a HB relating clause, doesn't that require a consent of the house to do that
071	Gilliam	there is no rule or law that that prohibits amending the relating clause on the Senate side as a matter of practice it is a good idea to have the House "consent" to amending the relating clause
085	Leonard	I apologize I thought you were doing this to cut minimum wage, not to benefit the employee with benefits I'm not on board with this idea yet; I need to read this amendment and bill in detail why did you not have this drafted and printed as a bill if it is such a good idea
095	Gilliam	this amendment was included in the original house bill and was taken out with some objection
097	Leonard	you purposely brought this amendment in today and did not let anyone know, how are others who are interested in this issue to know that you were going to propose this
100	Bryant	there was a bill that had this amendment included in it we are not going to vote on this bill today
110	Diane Rosenbaum	representing Minimum Wage Coalition
115	Rosenbaum	this amendment comes as a shock to me I don't want to be the only witness that you hear from; I would like you to hear from others who are involved
135	Sen. Brown	could you discuss how the minimum wage compares with the inflation rate and cost of living
145	Rosenbaum	if the minimum wage had kept pace with the cost of living then it would be close to \$6.50/hour

152	Tricia Smith	Oregon School Employees Association
155	Smith	I would like to appeal to you the opportunity to bring to this committee all the information regarding minimum wage
167	Bryant	close public hearing on HB 2028
<b><u>HB 2256--PUBLIC HEARING AND WORK SESSION</u></b>		
169	Bryant	open public hearing on HB 2256
180	Shannon Johnson	Attorney
182	Johnson	EXHIBIT C
259	Derfler	If I knew there was a judgment against me and I owned property free and clear why wouldn't I go and get a mortgage/loan on that piece of property to pay off the judgment
265	Johnson	in that hypothetical, the judgment would become a lien against your property superior to the new loan explains judgments on property and loans against property this protects innocent buyers, not stupid buyers
312	Bryant	close public hearing on HB 2256
314	Bryant	open work session on HB 2256
<b>318</b>	<b>Sen. Bryant</b>	<b>MOTION: Moves HB 2256 to the floor with a DO PASS recommendation.</b>
320	Bryant	no discussion; no objection Bryant will carry
<b><u>SB 160--WORK SESSION</u></b>		
333	Bryant	open work session on SB 160
340	Donna Silverberg	Acting Director of Dispute Resolution
345	Silverberg	EXHIBIT D EXHIBIT E
Tape 195, B		
001	Silverberg	still discussing EXHIBIT E
049	Bryant	please explain the limit of \$1000 in workplace interpersonal disputes
051	Mike Niemeier	Attorney General's office
053	Niemeier	explains limit of up to \$1000 in workplace interpersonal disputes

087	Bryant	parties may not the agreement in writing unless it is confidential
096	Niemeier	correct
109	Bryant	close work session on SB 160
<b><u>SB 1107--WORK SESSION</u></b>		
112	Bryant	open work session on SB 1107
124	David Amesbury	explains SB 1107
127	Amesbury	EXHIBIT F
139	Jody Fisher	Smith Kline Beachum
141	Fisher	explains EXHIBIT F
151	Bryant	where would the funding for this committee come from
167	Poppivich	Director of DNA Diagnostic Lab at OHSU
169	Brad Poppivich	the ad hoc committee is working very well
184	Sen. Brown	I feel that when ever we can't solve a problem we create a task force, can this group continue to meet without being an "official" task force
187	Poppivich	it can go on without being "official"
202	Scott Gallant	Oregon Medical Association
211	Gallant	there are two issues that are not addressed in the amendments 1. the patient must know that by signing the agreement he/she gives up his/her ownership of the DNA 2. potential tort issue
255	Gallant	we agree with the amendments proposed, but we would like the opportunity to bring forth our own amendments
290	Brown	how is this different from sperm banks in terms of anonymous donors
293	Gallant	I am not addressing the anonymous portion of the bill, if some unique characteristic is found then the researchers will trace the DNA back to the donor
298	Brown	so people are not truly anonymous
301	Gallant	no, they are anonymous if there are unique characteristics in specific DNA, then that will go back through the chain to identify the donor for the use of their DNA
326	Poppivich	it is not truly anonymous
340	Brown	<b>motion to delete section 4 of the -1 amendments</b>

343	Bryant	no discussion; no objection
<b>346</b>	<b>Sen. Brown</b>	<b>MOTION: Moves to ADOPT SB 1107-1 amendments dated 4/28/97.</b>
348	Bryant	no discussion; no objection
<b>350</b>	<b>Sen. Brown</b>	<b>MOTION: Moves SB 1107 to the floor with a DO PASS AS AMENDED recommendation.</b>
352	Bryant	no discussion; no objection Sen. Brown will carry
<b><u>HB 2239--PUBLIC HEARING</u></b>		
368	Frank Brawner	President; Oregon Bankers Association
370	Brawner	EXHIBIT G
Tape 196, B		
002	Brawner	still discussing EXHIBIT G
022	Brawner	discusses possible amendments
038	Bryant	close public hearing on HB 2239
<b><u>HB 2260 --PUBLIC HEARING AND WORK SESSION</u></b>		
040	Bryant	open public hearing on HB 2260
041	Jim Nass	Legal Counsel to the Oregon Court of Appeals and Supreme Court
043	Nass	EXHIBIT H
075	Bryant	close public hearing on HB 2260
<b>078</b>	<b>Sen. Miller</b>	<b>MOTION: Moves HB 2260 to the floor with a DO PASS recommendation.</b>
080	Bryant	no discussion; no objection Sen. Miller will carry
083	Bryant	close work session on HB 2260
<b><u>HB 2468--PUBLIC HEARING</u></b>		
085	Bryant	open public hearing on HB 2468
090	Frank Brawner	President; Oregon Bankers Association
093	Brawner	EXHIBIT I
133	Jim Markee	Oregon Collector's Association
136	Markee	in support of HB 2468



**Submitted By, Reviewed By,**

**Andrea Terry, David J. Amesbury,**

**Administrative Support Administrator**

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**EXHIBIT SUMMARY**

**A - Memo from Oregon NFIB - introduced by Joe Gilliam - 1 page**

**B - -A2 amendments to HB 2028 - introduced by Joe Gilliam - 2 pages**

**C - Testimony on HB 2258 - introduced by Shannon Johnson - 1 page**

**D - -6 amendments to SB 160 - introduced by Donna Silverberg - 10 pages**

**E - Chart explaining SB 160 - introduced by Donna Silverberg 1 page**

**F - -1 amendments to SB 1107 - introduced by Legislative Counsel - 3 pages**

**G - Testimony on HB 2239 - introduced by Frank Brawner - 8 pages**

**H - Testimony of James Nass - introduced by James Nass - 2 pages**

**I - Testimony on HB 2468 - introduced by Frank Brawner - 2 pages**

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