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SENATE COMMITTEE ON BUSINESS, LAW, & GOVERNMENT

May 9, 1997 Hearing Room A

1:00 P.M. Tapes 217 -218

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:

Jan Nordlund, Administrator

Lori Hayhurst, Administrative Support

MEASURE/ISSUES HEARD:

SB 42 - Public Hearing and Work Session

SB 876 - Work Session

SB 892 - Work Session

HB 2614 - Work Session

HB 2695A - 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 217, A		
003	Chair Bryant	Opens meeting at 1:18 p.m. and opens work session on SB 892.
<u>SB 892, HB 2614, HB2695A - WORK SESSION</u>		
023	Chair Bryant	MOTION: Moves SB 892, HB 2614, HB 2695A to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the Committee on Revenue.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
	Chair Bryant	Closes work session on SB 892, HB 2614, HB 2695A and opens public hearing on SB 42.
<u>SB 42 - PUBLIC HEARING</u>		
030	Jack Roberts	Commissioner, Oregon Bureau of Labor and Industries (BOLI) testifies in support of SB 42.
031	Roberts	Discusses conforming language of amendments and clarifys three points: * Change the office of Labor Commissioner from elected to appointed. * Eliminate the Wage and Hour Commission and transfer its responsibilities to the Bureau of Labor and Industries * Establish a work group appointed by Govenor to determine the

		Bureau's future.
038	Sen. Brown	Questions need for a task force.
041	Roberts	Explains not eliminating any functions, but eliminating the position of elected Labor Commissioner, and the Wage and Hour Commission.
048	Sen. Brown	Requests clarification.
050	Roberts	Explains if the bill is passed, these changes will be done. Explains that it is to determine where the responsibilities will go.
054	Chair Bryant	Questions Roberts regarding the number of full time employees under the current budget proposal.
060	Roberts	Responds that the budget is for 130.
066	Roberts	Discusses reasons to merge several agencies with BOLI.
080	Sen. Derfler	Discusses reasons not to break up BOLI. Feels it should be an appointed position.
099	Irv Fletcher	Oregon AFL-CIO, testifies against SB 42 and refers back to his testimony of March 3, 1997.
117	Tricia Smith	Oregon School Employees Association (OSEA), testifies against SB 42 and the -2 amendments.
136	Smith	Discusses benefits of keeping BOLI as is.
142	Smith	Explains reasons why they feel elected officials are better than appointed officials.
159	Smith	Discusses the task force portion of the bill.
166	Robert C.A. Moore	Representative of the Columbia River District Council of the International Longshoreman and Warehouseman's Union, testifies against SB 42.
179	Moore	Explains reasons why Labor Commissioner should be elected and not appointed.
189	Anne Hill	Oregon Public Employees Union (OPEU), testifies against SB 42.
203	Hill	Explains benefits of elected BOLI official. Refers back to March 3, 1997, testimony of Victoria Pratt, OPEU member and BOLI employee in opposition of SB 42.
218	Jeff Anderson	United Food and Commercial Workers Union (UFCW), testifies against SB 42.
224	Anderson	Refers back to April 7, 1997 letter explaining opposition to elimination of the Wage and Hour Commission.
229	Anderson	Discusses the fiscal impact of eliminating Wage and Hour Commission.
236	Anderson	Asks committee to not abolish BOLI.
240	Diane Rosenbaum	Oregon State Industrial Union Council, testifies against SB 42.
260	Rosenbaum	Discusses keeping the position elected not appointed.

279	Rosenbaum	Discusses HB 3499 regarding kids working in agriculture settings and the benefits of having the Wage and Hour Commission involved.
323	Sen. Brown	Comments that SB 46 was voted down and what would the fiscal impact of SB 42 be.
340	Jan Nordlund	Administrator, responds that the fiscal impact would be minimal.
380	Chair Bryant	Closes public hearing and opens work session on SB 42.
<u>SB 42 - WORK SESSION</u>		
381	Sen. Derfler	States he would like to add to the duties of the task force the ability to expand BOLI.
396	Chair Bryant	States that in anticipation of Sen. Derfler's comment, he had looked at page 42, section 42 and if words are added to lines 21, 24 and 27 after the word consolidation add the words "or expansion" in each of those three places, this would give the task force that flexibility.
404	Sen. Derfler	MOTION: Moves to AMEND the -2 amendments on page 42, lines 21, 24, and 27, by inserting "or expansion" after "consolidation".
409	Sen. Derfler	Explains reasons for expansion is due to DCBS already having too much work to do.
422	Sen. Brown	States she would like to see business people, general public people involved with the task force rather than labor and management who were previously involved.
434	Chair Bryant	Explains Governor would prefer the labor management involvement.
447	Chair Bryant	Hearing no objection, declares the motion CARRIED.
452	Sen. Derfler	MOTION: Moves to ADOPT SB 42 -2 amendments as amended, dated 04/29/97.
456	Chair Bryant	Hearing no objection, declares the motion CARRIED.
455	Sen. Derfler	MOTION: Moves SB 42 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 4-2 AYE: 4 - Derfler, Miller, Nelson, Bryant NAY: 2 - Brown, Leonard
	Chair Bryant	The motion CARRIES. SEN. DERFLER will lead discussion on the floor.
464	Sen. Leonard	Serves notice of intent to file Minority Report.
465	Sen. Brown	Advises she will join Sen. Leonard in the filing of a Minority Report.

472	Chair Bryant	Closes work session on SB 42 and opens work session on SB 876.
TAPE 218, A		
<u>SB 876 - WORK SESSION</u>		
038	Chair Bryant	Explains SB 876 and Sen. Brown's suggestion of a two tier approach.
043	Jan Nordlund	Committee Administrator, explains the -1 amendments to SB 876.
050	Nordlund	Advises that in the amendment, PERS is mentioned, however Workers' Comp is not.
057	Chair Bryant	Asks what are the effects of Worker's Comp not being mentioned.
062	Nordlund	Advises she is not sure of the effects.
065	Brian Harrington	Public Employees Retirement System (PERS), discusses -1 amendments. Advises that Worker's Comp was mentioned in the original bill and that Legislative Counsel left the wording out. PERS did not request the deletion.
075	Chair Bryant	Asks what the effects would be of putting the wording back in the amendment.
077	Harrington	Advises he doesn't think there would be any financial effects.
098	Harrington	Comments that there is no cut off date on SB 876 like there was on SB 916, a bill that is similiar to SB 876.
101	Chair Bryant	States he feels it would be good to have a cut off date.
104	Sen. Leonard	Advises that Sen. Yih had used January 1, 1985. Feels that is reasonable.
108	Harrington	States that would be manageable for PERS.
113	Sen. Brown	Explains that this motivates the worker to get back to work as soon as possible. Otherwise the worker is motivated to stay on disability permanently.
119	Chair Bryant	Comments to Fred McDonnell, PERS, that PERS was neutral on the bill other than explaining the effects.
128	Fred McDonnell	PERS, discusses -1 amendments. Explains that the fiscal impact went down because of the amendment. Confirms that PERS is neutral on the bill.
134	McDonnell	Explains that when there is a change in benefit, there is a cost associated with it which is shown on the fiscal.
138	Sen. Derfler	Voices opposition. States he feels we are giving someone else's money away. The money belongs to people that are getting the benefits.
147	Sen. Brown	Explains how we are punishing people now because if they go back to work their retirement is delayed.
160	Marie Keltner	League of Oregon Cities (LOC) and Association of Oregon Counties (AOC) discusses the -1 amendments.

171	Keltner	Clarifies that the cost to the trust is paid by employers. The trust does not have money of its own.
188	Sen. Leonard	MOTION: Moves to AMEND SB 876 by allowing retirement credit for periods of disability occurring on or after January 1, 1985.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
194	Sen. Leonard	MOTION: Moves to ADOPT SB 876-1 amendments dated 05/06/97.
		VOTE: 5-1 AYE: 5 - Brown, Leonard, Miller, Nelson, Bryant NAY: 1 - Derfler
	Chair Bryant	The motion CARRIES.
204	Sen. Bryant	MOTION: Moves to AMEND SB 876 by allowing Workers Comp disability to be treated the same as PERS disability for purposes of this bill.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
208	Chair Bryant	Closes work session on SB 876 and adjourns meeting at 2:00 p.m.

Submitted By, Reviewed By,

Lori Hayhurst, Jan Nordlund,

Administrative Support Administrator