

HOUSE COMMITTEE ON  
GENERAL GOVERNMENT AND REGULATORY REFORM

Hearing Room  
Tapes - 20

MEMBERS PRESENT:

Rep. Rep. Bill Markham, Acting Chair  
Rep. Mike Lehman, Vice-Chair  
Rep. Jerry Grisham  
Rep. Cedric Hayden  
Rep. Bryan Johnston  
Rep. Lonnie Roberts  
Rep. Barbara Ross  
Rep. Ken Strobeck  
Rep. Sharon Wylie

MEMBER EXCUSED: Rep. Bob Tiernan, Chair

Rep. Ron Adams  
Rep. Charles Starr

STAFF PRESENT:

Anne Tweedt, Committee Counsel  
Kay Shaw, Committee Assistant

MEASURES HEARD:                    Government Efficiency    Informational Hearing

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE , A

004        REP. MARKHAM, Acting Chair:    Calls meeting to order at 1:30 pm.

013        SEN. FLOYD PROZANSKI (D - Senate District 40):    Presents from a prepared statement about new ideas as to how government efficiency can be increased.

Encourages Committee or Task Force to look into the State providing computers for each member's office. It is essential to be online with each

other, increase efficiency level within the Capitol, and allow the public an additional means of making contact.

REP. ROBERTS:    Are you talking about a system to connect personal computers or that the State provide each legislator with a computer?

REP. PROZANSKI: Says the State should provide each legislator with at least one computer at this time on a financial level. Seems appropriate for the State to provide means/mechanism to be the most effective.

REP. ROBERTS: Does that mean that you could take the computer home and use it from your home or office via, example, a WATS lines?

REP. PROZANSKI: Feels that while in session it is important to be as efficient as possible.

058 REP. ROBERTS: Legislators are only here 5.5-6 months and then go home 18-18.5 months. Raised concern that constituents may perceive they paid \$2,500 so legislator can have another computer at home.

SEN. PROZANSKI: Acknowledged his understanding of such perceptions/concerns. Provides the rationale that due to the continued work that we have that such a system available to make contact through some type of Internet or computer service will be a more efficient means of service to this State.

083 REP. MARKHAM: Remarks about advantages of computers. Recommends submission of a bill, a hearing, and gathering testimony from providers about how inexpensively they could provide on lease/sale basis.

099 REP. MARKHAM: ANNOUNCES AT 1:33 pm THAT FOR THE RECORD THOSE MEMBERS WHO ARE PRESENT SHOULD BE RECORDED AS PRESENT AND ABSENT MEMBERS ARE EXCUSED.

REP. TONY CORCORAN (D - House District 44): Explains the current projects that exist in government efficiency and provides his background in state service.

120 REP. CORCORAN: Continues presentation by explaining that as a result of the Government Efficiency Act there were some pilot projects run in several agencies to look at workload problems. Suggests, especially to newer members, to take advantage of some existing agencies currently doing labor/management committees and employee involvement committees as an important matter of process. Says very good research has been done.

147 REP. CORCORAN: Continues presentation and emphasizes the need to look at morale of current work force (i.e., police, firefighters, nurses, Highway Department workers -- everybody that works for a public employer), because they have been under strong attack over the last several years and that is absolutely no help to efficiency.

164 REP. ROBERTS: Suggests it worthwhile that the Chair perhaps have staff make a request of some larger departments and give information about what they are doing with streamlining, etc.

REP. CORCORAN: Furnishes information surrounding results in Children's Services Division and Adult & Family Services on pilot programs aimed at reducing bureaucracy.

REP. ROBERTS: Points out that if government is cut down and focus is lost on delivering the service to the customers, the accomplishment is not what is intended. Objective should be to streamline government and maintain

service at or above the level at the start.

184 REP. JOHNSTON: Is the Collective Bargaining Act (i.e., employee involvement) a concern in implementing some of the things suggested.

REP. CORCORAN: Clarifies that Collecting Bargaining Act is wages, benefits and working conditions. Indicates there is a willingness by OPEU, AFSCME, AEE, and other public employees' unions to look at cooperative work programs.

232 SEN. PETER SORENSON (D - Senate District 20, Eugene area): Describes the problem while campaigning and while visiting with constituents surrounding the view there is waste, fraud and abuse in government and the difficult problem as elected officials of how to respond. Points out Congress's False Claims Act that provides that a member of the public or a business that has observed fraud on the government has a statutory right to go after, in the court system, the person or company who committed a fraud on government.

274 SEN. SORENSON: Continues providing information about government efficiency and says he has introduced SB 383 which attempts to establish an Oregon False Claims Acts -- a way to allow the public/businesses to come forward and provide protection.

396 REP. BILL FISHER (R - House District 45, Roseburg/Glide area): Announces the drafting of a bill to respond to four problematic situations facing Oregon (i.e., changes to legislative leaders, term limitations, need for leadership experience and agencies that push administrative rules during the interim).

TAPE 19, A

006 REP. BILL FISHER: Continues his presentation and explanation.

VICE CHAIR LEHMAN arrives at 2:00 pm and assumes CHAIR of the hearing from Acting Chair MARKHAM.

REP. HAYDEN arrives at 02:03 pm.

093 REP. FISHER: Continues his presentation.

119 REP. FISHER: Continues his presentation about the problems entering the system as incumbent/non-incumbent.

REP. JOHNSTON: Explains that he, Rep. Jane Lokan and Sen. Bill Kennemer are co-sponsoring a similar bill to move the primary date to September. Based on Rep. Fisher's bill, that first year after the election before the committee assignments are made, I take it we would have to go into session for the swearing in and for some short period of time?

REP. FISHER: Yes, we would come up here as usual, but it would be for the election of the House's officers, appointment of committee members, actual outlining/meetings of the committee for the first couple of meetings so everything could be lined out.

REP. JOHNSTON: You envision it as a 5 to 10-day session?

REP. FISHER: Yes, however, it would require a discussion from both houses to figure out the timelines.

187 REP. FISHER: Continues to identify problems about establishing an office and getting good people on a short-term basis. Would require changing the biennium to even instead of odd years. Points out this is not changing system, just tinkering with times and ways they offer more for the taxpayer.

219 REP. STROBECK: Says term limits are popular with voters; however, a three-term limit for members of the House seems a short period of time. How did you come up with the number there would be 39 freshmen?

263 REP. FISHER: There are 39 out of the 60 (i.e., 29 freshmen). Explains the results if 39 are re-elected and back serving. Suggests a 12-year full limit (i.e., 12 years in the House, 12 years in the Senate or a combination thereof).

314 REP. BRYAN JOHNSTON (D - House District 31): Submits (EXHIBIT A) and explains the suggestion to list all public job offerings exclusively through the State of Oregon Employment Service, including Transit Districts, cities, counties, etc. A job seeker now goes to each of these places. There is a duplication of efforts among all these agencies. Would be good for State government and a means of efficiency to consider as a Committee bill if deemed worthwhile.

353 REP. KEN STROBECK (R - House District 6): Would be an incentive for people to use the Employment Division as a resource if they maintained common job listings or exclusive available job openings in various governmental agencies.

370 REP. SHARON WYLIE (D - House District 22): Provides her background and perspective as a management consultant to cities, counties and small businesses. Believes when resources are not provided adequately (i.e., money, skills, direction, and management of a function), it would help save money to set in place a process of core programs that are the job of state government. Suggests a measurement of key programs against where the dollars are going.

TAPE 18, B

005 REP. WYLIE: Continues providing notions about government efficiency, particularly about service or compliance continuum.

023 REP. WYLIE: Continues providing testimony about those areas to ensure partners are in compliance, decentralization conflicts, duplication of services and protection against risks/ensure fairness. Re-evaluate those functions that are core to the mission of different departments and that possibly can be developed within departmental culture, those important to safety/well-being of the whole state, and try to turn compliance-oriented activities into a service-type organization.

089 REP. WYLIE: Continues to elaborate about building institutions that mean what they say, internally and externally, build trust and systems that

ensure that when people say what they mean they are fulfilled.

100 SEN. TOM HARTUNG (R - Senate District 3): Presents testimony about changing ways the government operates. Explains his background in the private sector as an entrepreneur. Recognizes that the basic tenets of operating a business won't necessarily fit state government.

140 SEN. HARTUNG: Continues presentation and the attention given to changing the ways government operates positively. Explains two bills in Senate Education Committee: OHSU bill that makes OHSU a public corporation and provides benefits; Oregon Higher Education bill to allow separation from all requirements/regulations of government can probably save \$20 million over a biennium.

196 SEN. HARTUNG: Continues presentation and emphasis that people of this state want a more efficient government and a government that is completely out of certain areas.

214 REP. BARBARA ROSS (D - House District 35/Corvallis): Presents comments about two issues - if OHSU and Higher Ed can benefit from separation from the state's personnel system, there are also other people who can benefit too. Explains that the state's personnel system is focused on compliance and not on service. Suggests consideration at changing how the personnel system operates and the relationship between the personnel system and other state agencies in order to be more effective in hiring people who have the necessary skill level and are then compensated appropriately.

REP. LEHMAN: What is the source of the regulation or control that creates this problem?

249 REP. ROSS: Explains the current state system is through DAS that has a set routine and method by which you recruit, what tests are administered, how to hire people, and compensation rationale.

REP. JOHNSTON: Question about purchasing.

REP. ROSS: Says agencies need more flexibility in purchasing.

300 REP. ROSS: Delivers testimony about of issue getting accurate information to small businesses in the state. There are changing regulations/administrative rules by a range of state agencies, but efforts to provide information are not adequate. A change is needed involving online technology in partnership with Oregon Economic Development units at community colleges and regional library resource reference centers. Stresses the importance of getting this information more available. Committee should consider a commitment to good quality information to businesses in Oregon.

344 REP. CEDRIC HAYDEN (R - House District 28): Provides his background about providing dental care and the process/cost under the Oregon Health Plan.

TAPE 19, B

003 REP. HAYDEN: Continues providing testimony and identifies problems with dental care. Comments that if there is some copayment, that is a disincentive to abuse the process. Explains why dentists are bothered that

college students are on the program and how college students qualify for a free program. Suggests programs should have annual caps, a small copayment and college students should be excluded.

REP. ROSS: Acknowledges that the college student issue is most difficult to handle within the Oregon Health Plan and the other benefits, because many students tend to be wealthy, in college by choice, could be out working and the taxpayer has no responsibility to care for them. Some students, however, are very low income, have struggled to get into college, are working part time and try to care for themselves/families. Do you have any suggestions on that issue?

REP. HAYDEN: Agrees that a Welfare recipient with an entry-level job who stops taking the Welfare grant (i.e., cash grant and food stamps) should get medical coverage. Problem with all social programs is to setup a social program to help a "real" need and then some people take advantage. In an effort to correct the problem, somebody else who should be in the program is disadvantaged.

078 REP. ROSS: Clarifies that college students in the community colleges with short-term vocational programs, who are striving to be responsible parents, care for their family and get out from under dole program, should be treated differently than the student whose family has money.

REP. HAYDEN: Suggests application of a means test to parents.

097 REP. JOHNSTON: What committees are these bills in front of?

REP. HAYDEN: Explains he located them in the Governor's budget.

REP. JOHNSTON: Assumes copays for dental visits are also in place for across the board services. Are they recommending copays across the board?

REP HAYDEN: Yes.

111 REP. KEN STROBECK (R - House District 6): Shares his thoughts about a couple of categories of complaints with delivery of government services -- elimination of duplicate work, duplication of work, unnecessary work and improving communication.

REP. ROSS: Were you able to get any responses from either the Department of Human Resources or groups about the perceived duplication?

REP. STROBECK: No.

REP. ROSS: Shares that sometimes small organizations do a better job, because people care, are dedicated and have low overhead. Huge organizations tend to spend so much time running/maintaining the organization they forget about service.

171 REP. ROSS: Continues to provide thoughts about providing valuable service and framing questions.

REP. JOHNSTON: Do you take each organization, arrange them by function, or by who treats the person and then arrange it?

191 REP. MARKHAM: Comments and shares thoughts about the State collective

bargaining system.

REP. WYLIE: Provides her background in collective bargaining for small cities. Understands there have been some changes in leadership in the human resources area and the Legislature previously had a bigger role. Explains the process.

231 REP. WYLIE: Continues to explain about management problems, focus on a narrow range of issues in contract negotiations and ratification process. Expresses concern/difficulty with so many contracts and the need for House and Senate to explain how things happened, to look at what has been written about contracts, and that the Legislature may need to redefine its proper role in the process.

REP. JOHNSTON: Expresses caution in approach due to the constitutional powers between the Executive Branch and the Legislative Branch, since it is an Executive Branch function to do the negotiation. Explains that the Legislative Branch can impact decisions and give guidelines.

REP. MARKHAM: Asks if the committee is interested in asking the person who does the negotiations for the Governor to come and explain how it works?

281 REP. ROSS: Says that it is a very good idea, because a better understanding of contracts and opportunities would be helpful. Need to recognize that employee morale is an important factor and to work with that dimension of the labor force to see that those activities don't undermine those doing the public's work.

REP. WYLIE: Recommends/explains the benefit to having the Policy Board or Executive Branch establish a compensation policy.

REP. LEHMAN: Recommends asking someone to provide testimony about the whole hiring process.

REP. ROSS: Agrees that from an agency point of view, we need to hear the Executive Department's needs for control, etc.

REP. LEHMAN: HEARING ADJOURNED AT 3:19 pm.

Submitted by, Reviewed by,

Kay C. Shaw      Anne Tweedt  
Committee Assistant      Committee Counsel

EXHIBIT SUMMARY:

A - Government Efficiency, Rep. Bryan Johnston, 2 pages