

HOUSE COMMITTEE ON
LABOR

Hearing Room
Tapes - 29

MEMBERS PRESENT:

Rep. John Watt, Chair
Rep. Lee Beyer, Vice-Chair
Rep. Kate Brown
Rep. Chuck Carpenter
Rep. Mike Fahey
Rep. Lynn Lundquist
Rep. Lynn Snodgrass

MEMBER EXCUSED: Rep. Mike Fahey

STAFF PRESENT:

Aaron Felton, Committee Counsel
Paula Gilmer Purcell, Committee Assistant

MEASURES HEARD: Public Hearing on House Bill 2318
 Public Hearing on House Bill 2535
Public Hearing on House Bill 2523
Public Hearing on House Bill 2404

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 , SIDE A

02 CHAIR WATT: Brings meeting to order at 1:30pm.

Opens Public Hearing on House Bill 2523

Witnesses: Tim Martinez, Oregon Medical Association
 Brian Delashmitt, Oregon Dental Association

21 TIM MARTINEZ, OREGON MEDICAL ASSOCIATION: Provides written testimony [EXHIBIT A] in favor of House Bill 2523.

71 The department of Insurance and Finance changed their minds on this issue, this caused problems for us.

85 BRIAN DELASHMITT, OREGON SOCIETY OF ORAL AND MAXILLOFACIAL SURGEONS. Submits written testimony [EXHIBIT B] from the Oregon Dental Association.

Closes Public Hearing on House Bill 2523.

Opens Public Hearing on House Bill 2404

Witnesses: Representative Avel Gordly
 Irv Fletcher, AFL-CIO
 Jamie Partridge, Jobs for Justice
 Rich Peppers, Oregon Public Employees Union
 Greig Lowell, Temp Service, Inc.
 Jo Rymer Culver, Pro Tem Professional
 Lynda Raybould, Personnel Solutions
 Peter Schenk, Barrett Business Services
 Pete Zamblen, Employers Overload

100 AARON FELTON, COMMITTEE COUNSEL: Reads a summary of House Bill 2404.

109 REP. AVEL GORDLY, SPONSOR OF BILL: Testifies from written testimony [EXHIBIT C] in favor of House Bill 2404.

122 Gives a definition of a "Temporary Employee" from the statute.

138 Statistics for long term temporary employees in Oregon are not available.

164 Temporary agencies are on the rise.

220 CHAIR WATT: It your intention to require agencies that do not offer benefits to start offering them?

221 REP. GORDLY: Yes.

220 CHAIR WATT: That seems like a harsh mandate.

229 REP. GORDLY: I disagree.

244 CHAIR WATT: If temporary jobs were not available would not their plight be worse?

246 REP. GORDLY: Under what conditions should people take a job with un-fair terms?

259 CHAIR WATT: What do you think would be the impact of the temporary agencies that would have to go out of business?

265 CHAIR WATT: I must leave, Rep. Beyer will take over for me.

266 REP. CARPENTER: If we were to pass this bill, what incentive would private industry have to use temporary services given the benefits you would giving temporary employees. Would it not be some what equal the cost of hiring full time workers?

276 REP. GORDLY: But is there a level of exploitation that is occurring

about how this pool of labor is being used.

291 REP. CARPENTER: I see temporary services offering a good opportunity
for someone to bridge the gap from school to permanent employee.

316 REP. GORDLY: Lets be clear, we do not want to shut down an industry.

332 REP. SNODGRASS: Did you determine how much it was going to cost per
employee for this to be implemented?

334 REP. GORDLY: We have requested a fiscal analysis, but have not received
it as yet.

341 REP. SNODGRASS: Do they call companies or is it just internal in this
building?

344 REP. GORDLY: I do not know.

353 REP. BROWN: One of the woman in your testimony said that thirty-five
percent of her check goes back to the agency?

359 REP. GORDLY: That is the fee the agency gets for providing the job.

364 REP. BROWN: Does that mean that the employer must pay them minimum wage
plus the thirty-five percent?

372 REP. GORDLY: The people that I talk to say it comes out of their
paycheck.

381 REP. LUNDQUIST: If I have an ill employee, and have to go to a temp
service, I pay them a wage plus the thirty-five percent be used for their
benefits?

401 REP. GORDLY: Yes.

413 IRV FLETCHER, AFL-CIO: Testifies in favor of House Bill 2404.

419 We will provide the committee with written testimony shortly.

442 JAMIE PARTRIDGE, JOBS FOR JUSTICE: Testifies in favor of House Bill
2404.

456 We are concerned about the growing temporary work force in the country.

483 These people have no guarantees for anything.

TAPE 29, SIDE A

49 There is a growing gap between the haves and have nots.

70 Temporary agencies are un-regulated and highly profitable.

78 There would be more incentive to hire these people permanently.

82 REP. SNODGRASS: We use temporary services to screen potential employees.

This bill would limit the pool of candidates.

99 PARTRIDGE: I suggest a ninety day period to judge a worker's qualifications.

110 REP. CARPENTER: You are assuming that permanent employers are getting benefits.

130 RICH PEPPERS, OREGON PUBLIC EMPLOYEES UNION: Testifies in support of House Bill 2404.

140 This creates a large group of working poor.

146 The cost of the benefits have shifted into other areas that we all pay for. Many people on food stamps work.

168 We think this bill will bring us to a broader area.

174 GREG LOWELL, TEMP SOURCE, INC.: Testifies from written testimony [EXHIBIT D] against House Bill 2404.

188 Temporary agencies do not take anything from an employees pay check.

193 The client must pick up the thirty five percent.

214 Many people like to work only temporary jobs.

220 This bill would encourage people not to take anyone over ninety days.

230 REP. CARPENTER: Why do companies use temporary employees?

235 LOWELL: Gives reasons why people use temporary employees.

251 REP. BROWN: Are temporary agencies profitable?

258 LOWELL: Some are some are not. There is lots of competition.

267 REP. BROWN: Could you go over the costs.

268 LOWELL: Re-states the costs and who pays them.

280 REP. BROWN: Do you think all employers should pay benefits?

283 LOWELL: No.

292 JO RYMER CULVER, PRESIDENT OF PRO TEM PROFESSIONAL SERVICES: Testifies against house Bill 2404 with written testimony [EXHIBIT E].

303 We were the first agency to provide day care subsidies to our employees.

348 We negotiate benefits for employees who are in long term contract assignments.

375 Very few of our work force work more than ninety days with us.

401 We are doing what we can.

423 LYNDA RAYBOULD, PERSONNEL SOLUTIONS: Testifies against House Bill 2404.

435 I see temporary work as a personal choice for most people.

453 Fixed income people can only work part of the year. Moms want to work

only certain hours.

481 PETER SCHENK, BARRETT BUSINESS SERVICES: Testifies against House Bill
2404.

501 We have overhead to pay also.

TAPE 28, SIDE B

56 We cannot afford to provide health insurance to our people.

58 We are not a social service industry.

81 We have a very high turnover rate.

88 REP. BROWN: If we would extend the time frame to a year, would that
change your concern?

92 SCHENK: No.

100 REP. BROWN: Do your employees get benefits?

102 SCHENK: Full time, not part time.

120 PETE ZAMBLIN, PRESIDENT OF THE OREGON ASSOCIATION OF TEMPORARY AND
STAFFING SERVICES AND OWNER OF EMPLOYERS OVERLOAD: Testifies against House

Bill 2404, submitting [EXHIBIT F].

150 This bill would hinder business in Oregon.

154 REP. GORDLY: I appreciate that we are taking the time to look at the
contingency work force.

Closes Public Hearing on House Bill 2404

Opens Public Hearing on House Bill 2535

Witnesses: K. K. Burrell, Office of Rep. Lonnie Roberts

177 K.K. BURRELL, OFFICE OF REP. LONNIE ROBERTS: Submits written testimony
[EXHIBIT G] in favor of House Bill 2535.

Closes Public Hearing on House Bill 2535

Opens Public Hearing on House Bill 2318

Witnesses: Representative Kevin Mannix
Lynn Ashcroft, Oregon Military Department.

226 REP. KEVIN MANNIX, SPONSOR OF HOUSE BILL 2318: Testifies in favor and
submits amendments [EXHIBIT H] to House Bill 2318.

234 Definition of state service to include the military department defense
force.

258 If they are on US Military Service they would not be considered under
State Service.

271 LYNN ASHCROFT, OREGON MILITARY DEPARTMENT: Testifies in favor of House

Bill 2318 providing written testimony [EXHIBIT I].

299 We do not want all military people to be considered state employees.
Without the clarifying language, you could bring in ten thousand more state
employees.

324 REP. BEYER: Do you not then see a reason for this bill?

326 ASCHCROFT: Only with the clarification of the language.

342 REP. LUNDQUIST: Has there been any problems with this before.

345 ASCHCROFT: Only in one situation.

Closes Public Hearing on House Bill 2318

359 CHAIR WATT: Meeting adjourned.

Submitted by, Reviewed by,

Paula Gilmer Purcell	Aaron Felton
Committee Assistant	Committee Counsel

EXHIBIT SUMMARY:

A - Testimony on House Bill 2523, submitted by Tim Martinez
B - Testimony on House Bill 2523, submitted by Brian Delashmitt
C - Testimony on House Bill 2404, submitted by Representative Avel Gordly
D - Testimony on House Bill 2404, submitted by Greig Lowell
E - Testimony on House Bill 2404, submitted by Jo Rymer Culver
F - Testimony on House Bill 2404, submitted by Pete Zamblen
G - Testimony on House Bill 2535, submitted by K.K. Burrell
H - Testimony on House Bill 2318, submitted by Lynn Aschroft
I - Testimony on House Bill 2523, submitted by Janet Neuburg, MD
J - Testimony on House Bill 2404, submitted by Doug Jarman