

HOUSE COMMITTEE ON
LABOR

Hearing Room
Tapes - 40

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:

STAFF PRESENT:

Aaron Felton, Committee Counsel
Paula Gilmer Purcell, Committee Assistant

MEASURES HEARD: Work Session on House Bill 2523
 Work Session on House Bill 2059
 Informational Meeting on SB 369

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

03 CHAIR WATT: Brings meeting to order at 1:36pm.

Informational Hearing on SB 369

Witnesses: Governor John Kitzhaber
 Representative Kevin Mannix
 Senator Gene Derfler

26 CHAIR WATT: Speaks on the Workers Compensation bill. Commends Senator Derfler and the Senate Labor Committee. Discusses the House's approach to this bill. The Governor will speak on the bill.

69 GOVERNOR JOHN KITZHABER: Discusses Senate Bill 369.

75 This is a very important bill for this session.

88 We must return to the intent of the 1990 session.

92 The reforms from 1990 improved workers compensation for Oregon. It became a national model.

106 I will provide amendments to the bill.

114 I will share my ideas with management and labor.

120 I believe that many of the parties will need time to prepare for these ideas.

127 I will meet tomorrow with the co-chairs of my management labor committee.

131 Will work with the committee chairs to work this out.

143 In 1990 we went a long way to improve workers compensation.

151 Both sides will not get every thing they want.

158 REP. BEYER: Thanks the Governor. Would you sign the bill as it is?

167 GOVERNOR KITZHABER: No, I could not as drafted.

173 REP. MANNIX, SPONSOR OF SENATE BILL 369: I am concerned about dealing with unscheduled permanent partial disability.

180 GOVERNOR KITZHABER: I think that is some of the gray zone. To sort out what we did in 1990 is more of a process.

198 SENATOR GENE DERFLER, SPONSOR OF SENATE BILL 369: Gives an overview of Senate Bill 369 and a history of Workers Compensation.

228 The program started in 1920.

235 Before that, it was a single system.

239 In 1960 it became a three way system that ran into problems in the 1970s.

260 Many businesses were leaving the state because of workers compensation rates.

268 Governor Goldschmit brought together a group of people to deal with the problem.

330 We took everyone's concerns and sorted through them.

357 We have addressed medical costs in this bill.

380 In this process, I learned that words are very important.

405 REP. MANNIX: Gives a section by section discussion of what this bill does.

425 Section one is the definition section.

464 Lines fourteen and eighteen will be changed.

TAPE 39, SIDE A

47 Continues with discussion of the contents of the bill.

59 REP. BEYER: Why was this language taken out?

63 REP. MANNIX: Explains why he felt the language caused problems.

84 REP. BEYER: Please give some examples.

86 REP. MANNIX: Provides examples.

99 REP. BROWN: Asks questions about the U-Haul Case and is that compensable.

113 REP. MANNIX: Gives an explanation.

135 REP. FAHEY: How could you prove that it was degenerative disease?

141 REP. MANNIX: Physicians know from past history.

152 REP. MANNIX: Continues with the discussion of section two.

184 We made changes to the language on dependents. It is a technical change.

227 1990 when the laws were changed we tightened up the definition of attending physician. It needs to be loosened up some.

246 Managed care organizations are given more flexibility on choosing Doctors.

259 Objective findings has been broken down to be more detailed.

300 Range of motion must be used to verify that the pain is true.

317 Palliative care definition has been changed.

371 Limited liability needs to be tied into this so corporate officers can be excluded.

392 REP. FAHEY: Are there legal dictionaries that will tell the difference between preponderance of evidence and clear and convincing?

403 REP. MANNIX: Provides the definition for both.

420 REP. FAHEY: Can you use this for a mental claim.

499 REP. MANNIX: Well, I do not like stress claims.

444 REP. BROWN: Who makes the determination on this?

454 REP. MANNIX: The Doctor would.

469 REP. BROWN: Why isn't "I am in pain enough"?

TAPE 38, SIDE B

43 REP. MANNIX: Responds.

59 REP. BROWN: What is compensable?, give us an example.

65 REP. MANNIX: Responds to Rep. Brown's question.

76 REP. BROWN: What if they do combine? What about degenerative?

79 REP. MANNIX: Responds.

104 REP. BEYER: What about the major contributing cause? What if the insurance company says prove it, we don't agree?

116 REP. MANNIX: Responds.

122 REP. BEYER: What about dueling Doctors, how would you handle that, does this new wording cause more problems?

135 REP. MANNIX: No.

166 REP. FAHEY: Statement

172 REP. MANNIX: Responds to Rep. Fahey's statement.

193 CHAIR WATT: If a grocery store starts giving out free food the word will get out and every one will start coming in and getting it.

217 REP. BROWN: Do you agree that two good Doctors can come to different opinions.

223 REP. MANNIX: No

225 REP. BROWN: Question about pre-existing conditions.

230 REP. MANNIX: Responds.

240 Continues with section three.

280 Continues discussing how your mental condition can impact your physical conditional and if it would become compensable.

316 Continues with discussion of the bill.

366 Continues with discussion of the bill.

384 REP. BROWN: Pre-disposition people seem to be excluded in this bill. I see a problem.

392 REP. MANNIX: I do not.

416 REP. BROWN: I see a divergence in other uses of the law.

426 REP. MANNIX: You take the worker as you find them.

449 REP. BEYER: Gives a situation and asks for a response to it.

464 REP. MANNIX: This does not change the statutes that are now on the books.

TAPE 39, SIDE B

48 CHAIR WATT: Asks a question about impartiality.

50 REP. MANNIX: Responds. Reads off the states that have this in their workers compensation law.

65 Continues with section five.

96 Continues with section six.

121 Clarifies the issue of corporate officers and injuries.
126 Continues with section seven.
134 State Accident Insurance Fund would not have to be the only company to process un-insured cases.
184 Continues with section seven.
210 REP. BROWN: Why give the claims to other companies?
212 REP. DERFLER: They were charging more, possibly.
213 REP. MANNIX: Gives more of a in-depth explanation.
240 Continues discussion of section nine.
252 Continues with discussion of section ten.
279 CHAIR WATT: The committee needs to know that seven bills submitted by the Division are combined in this bill.
288 REP. MANNIX: Continues with discussion of section eleven.
291 Continues with discussion of section twelve.
300 Continues with discussion of section thirteen.
340 Discusses co-habitation and survivor benefits.
367 REP. BROWN: What happens if a non-married spouse co-habitats with a married person?
379 REP. MANNIX: Responds
384 REP. BROWN: What if the turns out not to be a child of the parties?
395 REP. MANNIX: Responds.
404 REP. BROWN: What if the child was adopted?
410 REP. MANNIX: Responds.
447 REP. LUNDQUIST: Birth of the child, is that the breaking point?
449 REP. MANNIX: Yes.

TAPE 40, SIDE B

44 Goes up to refer to the charts, they are the wrong charts.

Closes Public Hearing on SB 369

54 CHAIR WATT: Lets adjourn for a break.

Opens Work Session on House Bill 2523

60 CHAIR WATT: Gives a brief discussion of the bill.

66 MOTION: REP. BEYER: Moves HB 2523 TO THE FLOOR with a DO PASS recommendation.

70 VOTE: 6-0 MOTION PASSES
AYE: Beyer, Brown, Fahey, Lundquist, Snodgrass, Watt
NO: None

75 CHAIR WATT: Motion carries with a do pass recommendation. Representative Brown will you carry?

76 REP. BROWN: I would be delighted.

Closes Work Session on House Bill 2523

Opens Work Session on House Bill 2059

Witnesses: Paul Tiffany, Public Employees Retirement System

78 AARON FELTON, COUNSEL: Gives a brief description of House Bill 2059. Passes out amendments [EXHIBIT B]

95 PAUL TIFFANY, OF PUBLIC EMPLOYEES RETIREMENT SYSTEM: Gives a brief discussion of the amendments proposed.

114 MOTION: REP. BROWN: Moves to ADOPT HB 2059-1 AMENDMENTS.

116 VOTE: CHAIR WATT: Hearing no objections the amendments are ADOPTED.

118 MOTION: REP. BEYER: Moves HB 2059 AS AMENDED TO THE FLOOR with a DO PASS
recommendation.

121 VOTE: 7-0 MOTION PASSES
AYE: Brown, Fahey, Lundquist, Snodgrass, Beyer, Watt
NO: None

126 CHAIR WATT: House Bill 2059 as amended moves to the floor with a do
pass recommendation. Representative Fahey, would you carry?

128 REP. FAHEY: Yes, I will.

129 MOTION: REP. FAHEY: I would like Representative Carpenter vote on House
Bill 2543.

130 VOTE: CHAIR WATT: Rep. Fahey requests suspension of the rules to allow
Rep. Carpenter vote on House Bill 2543. Any objections? Hearing none so
ordered.
Rep. Carpenter votes AYE on House Bill 2543.

136 CHAIR WATT: Meeting stands adjourned at 3:29pm.

Submitted by, Reviewed by,

Paula Gilmer Purcell Aaron Felton
Committee Assistant Committee Counsel

EXHIBIT SUMMARY:

- A - Testimony on Senate Bill 369, submitted by Governor John Kitzhaber
- B - Amendments on House Bill 2059, submitted by the Committee