

HOUSE COMMITTEE ON
LABOR

Hearing Room
Tapes - 67

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

STAFF PRESENT:

Aaron Felton, Committee Counsel
Paula Gilmer Purcell, Committee Assistant

MEASURES HEARD:

Public Hearing and Work Session on House Bill 2058
Work Session on House Bill 2110
Work Session on House Bill 2437
Public Hearing on House Bill 2992

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

04 CHAIR WATT: Brings hearing to order at 1:30 p.m.

Public Hearing on House Bill 2058

Witnesses: Jack Roberts
Donna Hunter
Irv Fletcher

28 JACK ROBERTS, BUREAU OF LABOR AND INDUSTRY: Discusses why the Bureau is sponsoring House Bill 2058

65 CHAIR WATT: I see only one amendment.

68 DONNA HUNTER, EMPLOYMENT DEPARTMENT: Testifies on House Bill 2058. Providing written testimony [EXHIBIT A].

85 REP. FAHEY: What kind of proposal for the increase you could afford without changing anything?

88 ROBERTS: It will not have an effect if it was increased to three or even four thousand dollars.

99 REP. BEYER: Where is that in the bill?

100 ROBERTS: It is not in the bill.

113 CHAIR WATT: We will address that later because it would cause a fiscal impact.

117 ROBERTS: That is fine.

120 IRV FLETCHER, PRESIDENT OF THE OREGON AFL-CIO: Testifies against House Bill 2058. Submits written testimony [EXHIBIT B].

136 We feel that the present system has worked very well.

Closes Public Hearing on House Bill 2058

Opens Work Session on House Bill 2058

140 MOTION: REP. BEYER MOVES the dash one amendments to House Bill 2058.

147 CHAIR WATT: Rep. Beyer moves the dash one amendments to House Bill 2058.

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

162 MOTION: REP. BEYER: MOVES House Bill 2058, as amended to the floor with a DO PASS recommendation.

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

Closes Work Session on House Bill 2058

Opens Public Hearing on House Bill 2437

168 AARON FELTON, COUNSEL FOR THE HOUSE LABOR COMMITTEE: Gives an explanation of bill and amendment.

173 Opens Work Session on House Bill 2437

Witnesses: Marsha Martin

192 MARSHA MARTIN, DIRECTOR OF COMMISSION FOR CHILD CARE: Testifies on the amendments to House Bill 2437.

219 MOTION: REP. BEYER: MOVES the dash two amendments to House Bill 2437.

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

229 MOTION: REP. BEYER: MOVES House Bill 2437 as amended, to the floor with a DO PASS recommendation.

233 VOTE: 7-0 MOTION PASSES
AYE: Carpenter, Fahey, Lundquist, Beyer, Brown, Watt

NO: None

Closes Work Session on House Bill 2437

Opens Public Hearing on House Bill 2992

Witnesses: Representative Dennis Luke
Jack Roberts
Roger Auerbach
Bob Shiprack
Harlan Wright
Irv Fletcher
Jack Kaluoski
John Kirpatrick
David McBride
Virgil Miles
Dan Veason
Robert Clerihew

241 REPRESENTATIVE LUKE, SPONSOR OF HOUSE BILL 2992: I would like to discuss why I sponsored the bill and its importance.

278 CHAIR WATT: Is this an attempt in any way to repeal the little Davis Bacon Act?

285 REP. LUKE: No, I believe there should be a prevailing wage or base.

300 REP. BEYER: In section one, line twenty-one, you are replacing the districts with the appropriate regions established pursuant to the Oregon Work Force Quality Act. Why?

307 REP. LUKE: The Employment Department collects it's data in those areas now.

310 REP. BEYER: There may be only one or two differences anyway.

320 ROBERTS: This bill will put us in an awkward position.

322 I want to make sure the system has integrity.

337 There needs to be continuing education on how prevailing wage works.

359 CHAIR WATT: Please explain how prevailing wage is set.

361 ROBERTS: We ask the Federal Government and do it way they are doing it.

399 The current federal law does not allow sampling. If it is done, it should be done by the Employment Department.

411 REP. BEYER: When the wage standard comes up, it is usually has to do with construction projects using federal funds. If it is a contract with federal dollars, then the federal law must be followed?

426 ROBERTS: The federal law prevails.

472 REP. BEYER: Is there anything in the statute that would preclude BOLI from contracting with Employment Department do the mathematical work for you?

479 ROBERTS: That would be a correct thing to do.

494 REP. BEYER: So, only lack of recourses is what is stopping you now?

499 ROBERTS: Correct.

TAPE 66, SIDE A

43 ROBERTS: Continues with testimony.

46 REP. BEYER: There seems to be several sides to this issue, one is setting the rate and the other is enforcement.

58 ROBERTS: The bill will not change our enforcement responsibilities at all.

62 REP. BEYER: The intent is to split the bill and have Employment Department do the figures and BOLI to enforce it?

65 CHAIR WATT: The intent of what we talked about was that the Employment Department would gather the information, but to allow BOLI to continue to evaluate that information and set the rate, is that not correct?

67 REP. LUKE: In a way.

72 CHAIR WATT: How would BOLI verify the data?

74 REP. LUKE The Employment Department gathers the data and determines the rate.

79 CHAIR WATT: The way the present system is set up is that there are no wage surveys being done. Jack, to the best of your knowledge you just call the Federal Government?

86 ROBERTS: We do other things. We look at other areas. We do not have the recourses to do the surveys.

94 CHAIR WATT: To get that information you would need an automated computer system.

98 ROBERTS: We just do not have the ability to do it.

99 CHAIR WATT: I am trying to say that your system does not allow you to get that information.

102 ROBERTS: Yes, and lack of other recourses.

112 CHAIR WATT: Continues to explain why this bill is needed.

117 ROGER AUERBACH: ACTING DIRECTOR OF THE DEPARTMENT OF EMPLOYMENT:
Explains their part of the bill. Provides written testimony [EXHIBIT C].

146 Continues with testimony.

165 We have a research and analysis section that could be used.

172 REP. BEYER: Do you have sense of the staffing you would need?

181 ROBERTS: We do have a fiscal impact statement.

190 CHAIR WATT: Where would those funds come from Roger?

193 AUERBACH: We hope you would take that into consideration.

210 REP. LUKE: Some of the money would come from the fund that is proposed.

219 REP. BEYER: Did that assume shifting staff from BOLI to Employment Department?

221 AUERBACH: We do not want to loose the recourses we have now.

235 ROBERTS: Our resources are spent mailing out and notifying people what the rate is and enforcement of the prevailing wage.

249 REP. BEYER: BOLI does not have the money or expertise to do surveys. Employment says they have the expertise but need the money to do it. Could BOLI do it with an agreement with the Employment Department?

248 AUERBACH: We have many interagency agreements now.

275 REP. LUKE: I think the people who collect the data need to set the rate.

289 REP. FAHEY: I do not see why money is an issue?

335 REP. FAHEY: We would be glad to work with the commissioner on this.

341 REP. SNODGRASS: Roger, what kind of abilities do you have to collect this data?

345 AUGERBACH: Let me explain the best way I feel it could be done.

350 REP. SNODGRASS: Don't you have this in the data banks now?

357 REP. LUKE: The commercial or residential work is not broken down on the form.

379 REP. LUNDQUIST: Basically, we do not know what the prevailing wage is. And, we are trying to set up the funding.

389 ROBERTS: That is correct.

394 REP. LUKE: I support the amendments for education and enforcement.

460 BOB SHIPRACK, OREGON BUILDING TRADES COUNSEL: Testifies against House Bill 2992. Submits written testimony [EXHIBIT D].

480 Continues with testimony.

TAPE 65, SIDE B

50 Continues with testimony.

84 The Employment Department may not know what they need to collect or why they need to collect it. I am getting that information from other states.

95 I feel that using the regions concept maybe short sided.

105 The federal government provides this information for free.

117 We do not have our amendments yet, but we do have the fiscal impact.

129 REP. BEYER: Can you explain the Dodge Reports are.

130 SHIPRACK: They are a construction economist company. I get the

information daily.

135 REP. BEYER: How are they used?

136 SHIPRACK: Provides an explanation of how the Dodge Reports are used.

157 REP. BEYER: Please explain, when a contractor in Eugene gets a job in Hood River, how is the wage figured?

163 SHIPRACK: From the county that the work is being done in.

165 REP. BEYER: I guess people feel that there are not enough surveys being done? Can't we contract with the Employment Department and BOLI?

174 SHIPRACK: We now do that to get our information.

187 REP. FAHEY: Are you satisfied with the information you are getting from the Dodge Report?

191 SHIPRACK: The problem is with the employment information is that most employers do not fill out the survey.

235 CHAIR WATT: When you were making public policy, would you not try to save the state money?

239 REP. SNODGRASS: Are the surveys printed or done by phone?

240 SHIPRACK: One page printed for each job performed.

247 REP. SNODGRASS: Describe "job" for me?

248 SHIPRACK: Describes the term "job" and how a form is fill out.

251 REP. SNODGRASS: How may crafts are listed on the form.

261 SHIPRACK: About sixteen and many subcategories.

266 REP. SNODGRASS: What wage is asked for?

267 SHIPRACK: It asks for exactly what the wages paid were.

274 REP. SNODGRASS: Do you know how long it takes for someone to fill the form out?

275 SHIPRACK: Most feel that it is not that burdensome.

289 REP. SNODGRASS: The forms are not completed now because the are so darn cumbersome?

278 SHIPRACK: I do not know for sure.

289 HARLAN WRIGHT, LOCAL 2154: Testifies against House Bill 2992.

311 I feel it should all stay with the Bureau of Labor.

347 REP. SNODGRASS: What do you do?

349 WRIGHT: A dry waller.

350 REP. BEYER: Why do you feel this still guts the prevailing wage law?

368 WRIGHT: Explains.

379 REP. BEYER: This bill does not change the way the prevailing wage is figured.

397 FLETCHER: We are opposed to the bill.

408 REP. LUNDQUIST: Why are there no current surveys for the east side of Oregon?

432 SHIPRACK: That has been a mystery to me. I think the squeaky wheel gets the grease.

466 REP. BEYER: The intent of prevailing wage is to keep the wage current.

But most of the surveys are old?

TAPE 66 SIDE B

25 SHIPRACK: Once the job is bid, the wage is locked in.

31 CHAIR WATT: If we survey more people in a more timely manner, won't the prevailing wage be more current?

36 SHIPRACK: What the federal government and the state does is where they find that union scale prevails, they automatically add those increases, but

there is a lag time.

51 JACK KALIUOSKI: Testifies in support of House Bill 2992.

88 Prevailing wage is not good public policy.

121 In Oregon we have not had wage surveys done.

170 Continues with testimony.

177 JOHN KIRPATRICK, PAINTER: Testifies against House Bill 2992.

206 We are afraid that are wages are going to be cut.

228 Most wages come within the earned income credit qualifications.

234 CHAIR WATT: We do not want to cut your wages. We do not want to average your wages.

268 KIRPATRICK: If that is the case I would not be sitting hear now.

290 DAVID MCBRIDE, SHEET METAL WORKER: Testifies against House Bill 2992.

340 VIRGIL MILES, CONTRACTOR: Testifies against House Bill 2992.

380 Continues with testimony.

409 REP. BROWN: BOLI has not had the funds to do what it is supposed to do.

Assuming we address the possible wage loss, do you have a problem of transferring the duties to another department?

429 MILES: The state will suffer till the new department gets up to speed.

457 REP. SNODGRASS: Our laborers do very many different things through out

the day.

TAPE 67, SIDE A

50 DAN VEASON, IRON WORKER: Testifies against House Bill 2992.

86 ROBERT CLERIHEW, PRESIDENT OF IRON WORKERS LOCAL 29: Testifies against House Bill 2992.

98 I do not like the idea of giving this duty to the Employment Department.

120 CHAIR WATT: Hearing is closed.

123 CHAIR WATT: Hearing adjourned at 3:55 p.m.

Submitted by, Reviewed by,

Paula Gilmer Purcell	Aaron Felton
Committee Assistant	Committee Counsel

EXHIBIT SUMMARY:

A - Proposed amendments to House Bill 2058, submitted by Donna Hunter

B - Testimony on House Bill 2058, submitted by Irv Fletcher

C - Testimony on House Bill 2992, submitted by Roger Auerbach

D - Testimony on House Bill 2992, submitted by Bob Shiprack