

HOUSE COMMITTEE ON
LABOR

Hearing Room
1:30PM Tapes - 74

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 on House Bill 2372
Public Hearing on House Bill 2171
Work Session on House Bill 2171
Public Hearing on House Bill 2175
Work Session on House Bill 2175

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

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

Public Hearing on House Bill 2372

Witnesses: Representative Lee Beyer
Dick Briggs
Ken Keudell

17 AARON FELTON COUNSEL FOR HOUSE LABOR COMMITTEE: Provides an overview of House Bill 2372.

21 REPRESENTATIVE LEE BEYER, SPONSOR OF BILL: Testifies in favor of House Bill 2372. Let me explain why I feel there is a need for this bill.

53 CHAIR WATT: Would this bill require you to have the contractors education requirements also?

56 REP. BEYER: Yes.

66 DICK BRIGGS: Testifies in favor of House Bill 2372. Provides written testimony [EXHIBIT A].

91 Continues with testimony on House Bill 2372.

108 Business is defined as making any profit or receiving any type of compensation.

139 For a homeowner to go through all of the requirements to be a contractor does not make sense.

172 The claims process should be clarified.

203 This will let homeowners not be penalized when they want to improve their property.

210 REP. LUNDQUIST: Is there not a time frame now?

211 BRIGGS: No.

216 REP. BEYER: You have a problem if you try to make the improvement with the intent to sell your house.

232 REP. FAHEY: Why would a home owner fall under these parameters?

237 BRIGGS: If you make any profit on the sale of your property.

250 CHAIR WATT: At some point in a persons life, you assume that they will want to sell their house.

259 REP. BEYER: This is also a policy issue. What if someone wants to do some limited investing for themselves?

274 REP. FAHEY: What if you bought a duplex, live in one and fix up the

other?

278 BRIGGS: It would have no bearing.

290 KEN KEUDELL, CONSTRUCTION CONTRACTORS BOARD: Testifies against House Bill 2372, providing written testimony [EXHIBIT B].

322 CHAIR WATT: So you just want to be able to work on your house.

331 BRIGGS: Yes, that is correct.

336 REP. BEYER: It is not just a personal residence.

354 KEUDELL: It is if they are making major improvements or not. Not just improvements to be able to sell the house.

388 We have not seen this as a problem.

397 REP. BEYER: It seems to me that if someone wants to do a small development, they should not have to be a general contractor if they go out and hire one to do the work.

420 KEUDELL: The problem is if the work was negligent or there was a breach of contract. Who would they go after? They would have to go after the owner of the property.

443 REP. FAHEY: My concern is the state says that if you are going to rent the property, you might not do the work as good, or have it inspected.

TAPE 74, SIDE A

42 BRIGGS: That is not the intent of the bill. I do not see that happening.

44 KEUDELL: The buyer would not have the benefit of the dispute resolution process if there is a problem.

63 CHAIR WATT: Say I buy a cabin to fix up and sell. I hire a general contractor, but I would still have to become a contractor myself.

73 KEUDELL: When do you become a contractor?

79 REP. LUNDQUIST: Then Chair Watt would be in violation of the law. But if the contractor was not involved they would be all right?

91 BRIGGS: Responds

93 CHAIR WATT: Ten years ago this would be okay. Now people are working out of their homes and are diverse in their investments. Do you think this is a problem?

104 KEUDELL: Give me some instructions. One time is okay, but how many times can someone do it?

109 REP. BEYER: Ken, your major concern is that there ought to be a way of crafting the bond. Maybe the future purchaser could have access to the bonds.

124 KEUDELL: We do that if the improvements are directly for selling the house. For example, a house needing a roof so someone could purchase it.

135 CHAIR WATT: Could the Vice Chair put together a work group, no less than four and no more than eight people.

Closes Public Hearing on House Bill 2372

Opens Public Hearing on House Bill 2175

Witnesses: Lynnae Ruttledge
Suzie Jordan

157 FELTON: Provides an overview of House Bill 2175.

172 LYNNAE RUTTLEDGE, ASSISTANT ADMINISTRATOR FOR REHABILITATION SERVICES: Testifies in favor of House Bill 2175. Provides written testimony [EXHIBIT C].

183 SUZIE JORDAN, MANAGER BENEFITS SECTION OF THE WORKERS COMPENSATION DIVISION: Testifies in favor of House Bill 2175.

Closes Public Hearing on House Bill 2175

Opens Work Session on House Bill 2175

195 MOTION: REP. BEYER: MOVES House Bill 2175 to be referred to Ways and Means for action.

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

Closes Work Session on House Bill 2175

Opens Public Hearing on House Bill 2171

205 FELTON: Provides an overview of House Bill 2171.

220 ROBERTA RECKEN, OREGON ASSOCIATION OF CHILD CARE DIRECTORS: Testifies in favor of House Bill 2175. Provides written testimony [EXHIBIT D].

240 JANIS ELLIOT, CHILD CARE DIVISION: Testifies in favor of House Bill 2175. Provides written testimony [EXHIBIT E].

310 Continues with testimony

328 CHAIR WATT: Janis, are you familiar with the amendments?

330 ELLIOT: Yes I am.

335 CHAIR WATT: Let me go over the amendments for the committee.

348 The fees would have to be approved by the Department of Administrative Services, but reported to the legislature?

358 ELLIOT: Basically, that is correct.

392 CHAIR WATT: What would it cost to administer this?

398 ELLIOT: Two point eight million dollars, \$154,000 of that would come from fees.

420 CHAIR WATT: What would be the breakdown of the costs?

426 ELLIOT: It costs to do that right now.

432 REP. BROWN: Is this the fee breakdown.

437 ELLIOT: No, that is the proposed fee structure.

462 BONNIE HEITSCH, COMMISSION FOR CHILD CARE: Testifies in support of House Bill 2171. Provides written testimony [EXHIBIT F].

TAPE 73, SIDE B

35 Continues with testimony.

54 We, the parents are the ones to be responsible for safe child care for our children.

60 CHAIR WATT: Janis, this will be part of the Employment Department's budget? But, it has already passed out of revenue.

65 ELLIOT: It is on contingency of this bill passing.

70 CHAIR WATT: You just want a different fee structure?

81 ELLIOT: There were two sets of fees in the statute. Let me explain in more detail what we would like to do.

96 REP. BEYER: Is the key issue with the growth of this industry?

104 ELLIOT: Responds.

143 TOM BARROWS, OREGON CLUSTER OF YMCA'S: Testifies on House Bill 2171.

151 The increase of the fee could create problems for some of our facilities.

163 We would have to cut things like scholarships.

180 LYDIA BECKETT-GALLIC, OWNER AND DIRECTOR OF TOWNE CARROUSEL, INC.: Testifies in favor of House Bill 2171. Submits written testimony [EXHIBIT G].

209 REP. BROWN: I appreciate people saying they are not paying their fair share.

Closes Public Hearing on House Bill 2171

Opens Work Session on House Bill 2171

221 REP. BROWN: I understand Mr. Barrows concerns. Maybe the committee could send a letter to ways and means expressing our concerns.

230 MOTION: REP. BEYER: MOVES amendment to House Bill 2171 as follows: on line eight, page one, striking "Emergency Board" and replace it with words "Legislative Assembly". On line eleven, at the end of that strike the comma and replace it with a period. On line twelve, entire line. the sentence delete the

251 VOTE: CHAIR WATT: Rep. Beyer moves the conceptual amendments as to House Bill 2171. Discussion? Hearing none, so ordered.

255 MOTION: REP. BEYER: MOVES House Bill 2171 as amended to the Ways and Means committee.

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

266 CHAIR WATT: House Bill 2171, as amended conceptually, is on it way to Ways and Means.

Closes Work Session on House Bill 2171

282 CHAIR WATT: Adjourns hearing.

Submitted by, Reviewed by,

Paula Gilmer Purcell Aaron Felton
Committee Assistant Committee Counsel

EXHIBIT SUMMARY:

- A - Testimony on House Bill 2372, submitted by Dick Briggs
- B - Testimony on House Bill 2372, submitted by Ken Keudell
- C - Testimony on House Bill 2175, submitted by Lynnae Rutledge
- D - Testimony on House Bill 2171, submitted by Roberta Recken
- E - Testimony on House Bill 2171, submitted by Janis Elliot
- F- Testimony on House Bill 2171, submitted by Bonnie Heitsch

- G - Testimony on House Bill 2171, submitted by Lydia Beckett-Gallic
- H - Testimony on House Bill 2171, submitted by Jayne Nanavaty-Dahl