

HOUSE COMMITTEE ON  
LEGISLATIVE RULES

May 24, 1995 Hearing Room D  
7:30 a.m. Tapes 85-86

MEMBERS PRESENT:

Rep. Ray Baum, Chair  
Rep. Lee Beyer, Vice-Chair  
Rep. Tony Corcoran  
Rep. Peter Courtney  
Rep. Lynn Lundquist  
Rep. Patti Milne  
Rep. Lonnie Roberts  
Rep. John Watt

MEMBER EXCUSED:

Rep. Bill Markham

STAFF PRESENT:

Aaron Felton, Committee Administrator  
Cynthia Charrey, Committee Assistant

MEASURES HEARD:

SB 1034 A Public Hearing and a Work Session

SB 771 A Public Hearing and a Work Session  
SB 1065 A Public Hearing and a Work Session  
SB 276 A Work Session

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 85, Side A

003 CHAIR BAUM: Calls meeting to order at 7:48

OPENS PUBLIC HEARING ON SB 1034

Witnesses: Gary Bauer, Oregon Independent Telephone Association  
Gail Ryder, Oregon Newspaper Publishers Association.

005 GARY BAUER, OREGON INDEPENDENT TELEPHONE ASSOCIATION: Testifies in support of SB 1034 [EXHIBIT A].

051 CORCORAN: Requests example of types of information considered to create competitive disadvantage.

059 BAUER: Responds to Rep. Corcoran's question.

079 GAIL RYDER, OREGON NEWSPAPER PUBLISHERS ASSOCIATION: Testifies in opposition to SB 1034.

114 LUNDQUIST: This bill is redundant? If we pass the bill, would it hurt your privacy theory?

120 RYDER: This is one more bill which makes a special determination that does not apply to all entities.

126 BAUM: What was your position when this bill was heard in the Senate?

130 RYDER: We were not aware of the bill until it had passed the Senate.

139 BAUM: Why do these other statutes not protect this information?

142 BAUER: The definition of trade secrets is too specific for this information to be protected by those statutes.

154 RYDER: One of our problems is that the PUC will be the one making the decision.

CLOSES PUBLIC HEARING ON SB 1034A

OPEN WORK SESSION ON SB 1034A

174 LUNDQUIST: This type of issue is going to become more prevalent than not.

187 RYDER: From our point of view it is also becoming more secretive.

motion: REP. LUNDQUIST moves SB 1034A be sent to the Floor with a do recommendation. pass

VOTE: In a roll call vote, all members present vote AYE. Reps. Courtney, and Markham are EXCUSED.

Beyer,

Rep. Corcoran will lead discussion on the floor.

Closes work session on SB 1034A

Opens public hearing on SB 771

Witnesses: John Gervais, Osteopathic Physicians and Surgeons of Oregon  
Chuck Adams, Oregon Neonatal Nurse Practitioners

234 JOHN GERVAIS, OSTEOPATHIC SURGEONS: Testifies in support of SB 771  
[EXHIBIT B].

CHUCK ADAMS, OREGON NEONATAL NURSE PRACTITIONERS: Submits -2 amendments to  
SB : 771-A [EXHIBIT C].

Opens work session on SB 771

MOTION: REP. ROBERTS: Moves to ADOPT the -2 AMENDMENTS to SB 771.

VOTE: CHAIR BAUM: Hearing no objection the amendments are ADOPTED. All  
members are present.

284 WATT: What is the implication of 5 years?

289 ADAMS: They are pioneers in the field.

MOTION: REP. ROBERTS: Moves that SB 771, AS AMENDED, be sent to the Floor  
with a DO PASS recommendation.

VOTE: In a roll call vote, all members present vote AYE. Rep. Courtney,  
beyer and Markham are excused.

REP. Corcoran will lead discussion on the floor.

CLOSES WORK SESSION ON SB 771.

334 OPENS PUBLIC HEARING ON SB 1065A.

Witnesses: Jackie Bloom, City of Portland, Government Relations  
Jim Schwager, Portland Fire Bureau,  
Emily Cedarleaf, Multi-Family Housing Council

339 JACKIE BLOOM, CITY OF PORTLAND, GOVERNMENT RELATIONS: Testifies in  
support of SB 1065A.

347 JIM SCHWAGER, PORTLAND FIRE BUREAU: Testifies in support of SB 1065A.

Tape 86, Side A

014 ROBERTS: Where do you get a return to pay off the bond?

028 EMILY CEDARLEAF, MULTI-FAMILY HOUSING COUNCIL: Testifies in support of  
SB 1065A. The revenue bond sets a loan fund where the building owner could  
pay it back.

CLOSES PUBLIC HEARING ON SB 1065.

OPEN WORK SESSION ON SB 1065

045 ROBERTS: You're talking about retrofitting buildings?

049 CEDARLEAF: These buildings would have to be retrofitted to meet code  
standards for new buildings.

054 CORCORAN: Aren't these the same people who are the major benefactors of  
Measure 5?

059 CEDARLEAF: Not all of them.

061 WATT: If you go through a conventional loan funding, the tenants will  
face substantial increase in rent.

085 motion: REP. ROBERTS: Moves that SB 1065A be sent to the Floor with a  
DO PASS recommendation.

090 SCHWAGER: Many of these building are condos and did not benefit from  
Measure 5.

100 BAUM: This is a public safety issue.

VOTE: In a roll call vote, Reps. LUNDQUIST, MILNE,  
voted aye. REP. Corcoran voted nay. REPS. BEYER, COURTNEY, and MARKHAM are  
excused.

Roberts, Watt, and Baum

129 Rep. Roberts will lead the discussion on the Floor.

CLOSES WORK SESSION ON SB 1065.

OPENS WORK SESSION ON SB 276 A

Witnesses: John Mangan, Standard Insurance Company.  
Gerry Thompson, Health Insurance Association.  
Bob Shoemaker, Multnomah County Medical Society

138 JOHN MANGAN, STANDARD INSURANCE COMPANY: Testifies in support of

Section 8 of the bill as written.

173 MANGAN: Testimony continues in support of Section 8 as written.

185 REP. WATT: Why do you want to be able to use DNA?

208 MANGAN: At this time we do not use DNA testing, but we would like to leave open the option to use that procedure as part of the underwriting process.

248 REP. ROBERTS: Your actuaries will be more direct on-line if this testing is as good as you think. This bill will be revisited after an 18 month hiatus by the next legislature.

263 MANGAN: Insurance is able to use HIV testing as part of the underwriting procedure, and it should serve as a model for this process.

289 REP. CORCORAN: Discussion continues on amendments to SB 276A. Suggests oversight committee during the interim so we can monitor who's asking for what information and who is supplying the information.

319 REP. BEYER: Is this an area where the legislature could get on-going information on what is being done?

332 MANGAN: I think it's possible to convene a formal or informal task force.

Tape 85, Side B

003 REP. MILNE: Expresses her concerns for possible abuse of the DNA testing.

MOTION: REP. ROBERTS: Moves that, SB 276, AS AMENDED, be sent to the Floor with a DO PASS recommendation.

022 REP. ROBERTS WITHDRAWS his motion..

036 BOB SHOEMAKER: Tries to clear up request for amendment from Rep. Corcoran.

056 GERRY THOMPSON, HEALTH INSURANCE ASSOCIATION: Defines long time care insurance and how it can be included in life insurance. Speaks in opposition of Rep Corcoran's conceptual amendment to SB 276A.

093 MOTION: REP. ROBERTS: Moves that, SB 276, AS AMENDED, be sent to the floor with a DO PASS recommendation.

VOTE: In a Roll Call vote, all members present vote AYE. REP. excused.

Markham is

118 Committee continues discussion on what might occur in the wake of DNA testing.

CLOSES WORK SESSION ON SB 276-A

CHAIR BAUM adjourns meeting.

EXHIBIT SUMMARY:

A- Testimony on SB 1043- Gary Bauer- 1 page  
B- Testimony on SB 771- John Gervais- 2 pages  
C- Testimony on SB 771- Chuck Adams- 1 page

HOUSE COMMITTEE ON  
LEGISLATIVE RULES

Hearing Room  
Tapes 86 - ?

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Rep. Tony Cocoran  
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TAPE , SIDE A

Baum: Calls the meeting to order at 5:02 PM.

WORK SESSION ON 467

046 SEN. EUGENE TIMMS, DISTRICT 30: Testifies in support of the original bill 950.

066 Roberts: You sent the bill over with 20 miles?

Timms:

Roberts:

Timms: The twelve miles doesn't bother me as long

roberts:

081 NORMA PAULUS, : Testifies in support of the original bill and in opposition of the amendments. also opposes the amendments by Rep. Oakley.

106 Milne: What is the purpose of the unification?

Paulus: Explains the unification and the purposes of that.

Milne: We already know what the cost per student is per student, that would be a baiss to work from?

Paulus:

150 ROGER BASSETT, EDUCATION ADVISOR FOR GOVERNOR KITZHABER: Testifies on behalf of hte governor. That the governor would oppose the amendments. I did not fully understand the potential of the impact of the amendments.

169 Baum: Discusses amendments that were adopted.

Bassett: The governor has not linked the veto to mileage, or split

180 REP. CAROLYN OAKLEY, DISTRICT 36: Testifies on behalf of her amendments.

216 REP. LARRY SOWA, DISTRICT 26: Testifies in support of the -16 amendments.

232 REP. LIZ VANLEEUWEN, DISTRICT 37: Testifies in support of SB 467 as amended by the -31 amendments.

246 Roberts: How do you answer that this should be a peice of litigation

Liz: I doubt that this will be the case.

261 Oakley: Discusses her testimony about funding for school districts.

275 roberts: you set up a test of

Oakley:

Baum:

Oakley:

283 Paulus: There are many districts that have gone through this process. The legislature passed this law many of the school boards. Asking the elected board members . There is nothing in the law that makes small schools shut down, explains.

303 Baum:

reconsider the vote by which the bill was passed out with the amendments.

330 Coco: moves to suspend and reconsider

Roberts:

TAPE 87, SIDE A

015 coco: asks that we not move the mileage motion

022 Beyer:

Hunt, legislative counsel: Explains amendmetns as they come up for adoption.

050 Roberts:

Hunt: under ORS

Roberts:

Hunt:

060 JOHN MARSHALL, : Testifies in explanation of amendments.

Roberts: This was

marshall: Yes. following the passage they started having Discusses  
situation in Butte Creek. (EXHIBIT 3 ) The -16 amendments would undo  
what the people in Butte Creek want.

080 Lund: I have a problem with the state getting involved

109 Lund: If we accept the Oakley version then the senate will have the  
option to concur or not concur wiht that.

Baum: Explains the options of addin

122 Milne: It seems strange to me that I am baffled that  
we are supposed to show

recess at 5:40 pm.

reconvenes at 5:56

PUBLIC HEARING ON HB 3465

(HB 3465 transfers administration of Industrial Accident Fund and  
responsibility for certain workers' comensation claims to Oregon  
Departmentof Administrative Services.)

Witnesses: Joe Gilliam, National Federation of Independant Businesses,  
Oregon Chapter

JOE GILLIAM, NATIONAL FEDERATION OF INDEPENDANT BUSINESSES, OREGON CHAPTER:

Testifies and submits written testimony in support of HB 3465. (EXHIBIT  
3)

398 Markham:

Gilliam: The '92 transfer wan't a breech Discusses

Markham:

Gilliam:

markham:

Gilliam: Explains what the change in law did.

TAPE 86, SIDE B

016 Markham:

Gilliam: Yes. My proposal will

021 TOM IVERSON, USF & G: Testifies and submits written testimony in

support of HB 3465. (EXHIBIT )

056 Markham: SAIF spends What does the industry average in that area?

Gilliam:

Markham:

Iverson:

Markham:

Gilliam:

070 markham:

gilliam:

Markham:

Gilliam: They do travel, but they can't afford to spend at those levels or they would go broke.

077 MICHAEL LAMB, : Testifies in support of HB 3465.

097 markham: I don't understand that person.

102 Gilliam: Explains what the other man is testifying on.

Baum:

110 Johnson:

Gilliam:

120 Lamb: Continues with testimony on HB 3465.

Baum:

Lamb: There is some consideration as to whether that would be a , explains.

142 Baum: Saif at 120% of the would be close to industry norm, for

Lamb: We don't really operate on an industry norm, explains.

157 Baum:

Lamb:

Baum: The use of investment income is they are using that surplus to do what with?

164 Lamb: Discusses Saif's pricing and rates.

171 Beyer: the rates would have to go up?

Lamb: There are a lot of factors as to the rates increasing. Prices are not always

178 Lund: They had surplus that allowed them to be competitive and even though it has not been illegal, they are not acting . so we would be restricting

Gilliam: Yes.

Lund: Then theoretically, they will

193 Gilliam: That is true, but the surplus will be based on Saif corporation .

201 Lund: Because they dont have that would force them to be better financial managers.

Gilliam: That is half of the situation. We wil force them into and will provide them with adequate funding. Explains the competative advantage.

224 Beyer: Pricing isnt just on cost basis gives example of

Gilliam: That is feasible, but in a competative market . This is a regulated industry and the

243 Markham: why doesn't saif send a lot of that surplus back to the employers?

Gilliam: Explains why that money isn't dumped back into the market.

Markham:

gilliam: We are suggesting that it go to three places.

Markham: Did one of the

Gilliam: No. I want to know what the effect of my ideas would be on the market. Chuck Wilsdon is the drafter of hte bill.

274 Johnson, rep.:

Gilliam: The ones that were licensed to but wouldn't be aggressive in the market.

Johnson: Wouldnt' you agree

Gilliam: That is partly the goal. We are trying

Johnson: The only way to do that

Gilliam: That is one way to gt at it , the other way is to cut expenses and compete . It is important to see what this bill doesn't do.

310 Johnson: You give you get a better effect to allow the marketplace

314 Gilliam: Our emphais is to bring more consumer choice into the program, explains.

326 Markham: What do you see the advactage of saif being more

gilliam: That is what an audit needs to show. The income off of the IAF is about so they don't pay any corporate state, or federal

markham: If we did tax them, would it make them more competative?

Gilliam: As a policy matter, do you want to It is a check and balance

the biggest advantage they would get is . Changing that dynamic wouldn't be appropriate.

359 JIM GARDENER, ALLIANCE TO AMERICAN INSURERS: We agree with the USF & G's testimony.



374 Lund: Isn't it true that for saif prices have to go up, at any  
time, there is a static market.

387 Gilliam: The net effect but the mission of saif

400 Lund:

gilliam: the other half of the policy statement is

TAPE 87, SIDE B

050 DAVE WHITE, DEPARTMENT OF ADMINISTRATIVE SERVICES RISK MANAGEMETN  
DIVISION (DAS): Testifies and submits written testimony with some concerns

to HB 3465. (EXHIBIT )

075 Markham: Compare that to

White: I belive that he final decision is reserved to the PERS board.  
continues with testimony.

103 SUSAN TOWNSEND, DEPARTMENT OF JUSTICE: Testifies with some concern  
about HB 3465.

220 DAVE HEIDA, ASSOCIATED OREGON LOGGERS INC.: Testifies and submits  
written testimony in opposition to HB 3465. (EXHIBIT )

Baum: Adjourns the hearing at 7:00 pm.