

HOUSE COMMITTEE ON COMMERCE

July 7, 1993 Hearing Room 343 8:30 a.m. Tapes 78-79

MEMBERS PRESENT: Rep. Eldon Johnson, Chair Rep. Liz VanLeeuwen,
Vice-Chair Rep. Lee Beyer Rep. Lisa Naito Rep. Michael Payne Rep. Bob
Repine Rep. Hedy Rijken Rep. Charles Starr Rep. Bob Tiernan Rep. John
Watt Rep. Cynthia Wooten

STAFF PRESENT: Marilyn Johnston, Committee Administrator Janet
McComb, Committee Administrator Annetta Mullins, Committee Coordinator
Debbie Schieno, Clerk MEASURES CONSIDERED: HB 2285 - Work
Session SB 1095A - Work Session SB 1097A - Work Session SB 142B - Work
Session SB 748 - Work Session SB 390B - Work Session SB 844A - Work
Session SB 798A - Work Session SB 467A - Work Session HB 2525A - Work
Session HB 2045 - Work Session

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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. [--- Unable To Translate
Graphic ---]

TAPE 78, SIDE A

002 CHAIR JOHNSON calls the meeting to order at 10:07 a.m. and
announces the Speaker's intentions regarding committee activities, and
that the committee needs to suspend the rules to adopt amendments.

HB 2285 - WORK SESSION

The Preliminary Staff Measure Summary, HB 2285-2 amendments, Legislative
Fiscal and Revenue statements are hereby made a part of these minutes
(EXHIBIT A).

108 REP. WATT explains the provisions of HB 2285 as amended: >the
measure only sets up a study involving a small number of employers; the
results of the study will be reported to the next legislative session.
The department will make a recommendation on whether the 24-hour
coverage should be offered. >the -2 amendments outline the program
better than the original bill.

150 MOTION: REP. REPINE moves that HB 2285 A, as amended, be
sent to the Floor with a DO PASS recommendation.

154 VOTE: In a roll call vote, all members are present and
vote AYE.

160 CHAIR JOHNSON declares the motion PASSED. REP. WATT will lead
discussion on the Floor.

162 CHAIR JOHNSON announces that SB 82 and SB 1118 will be
rescheduled for the committee's next agenda.

(Tape 78, Side A) SB 1095 - WORK SESSION

The Preliminary Staff Measure Summary, SB 1095-A10 amendments, SB 1095-A11 amendments, Legislative Revenue and Fiscal statements are hereby made a part of these minutes (EXHIBIT B).

MOTION: CHAIR JOHNSON moves that the rules be suspended to allow the committee to adopt amendments on measures before the committee.

VOTE: CHAIR JOHNSON, hearing no objection to the motion, declares the motion PASSED.

190 MS. McCOMB, Administrator, explains that the -11 amendments should be

disregarded, that the -8 and -9 amendments were adopted by the Business Subcommittee and are now the -10 amendments, and outlines the history of the bill.

250 REP. REPINE outlines the intent of the SB 1095A as amended by the Business Subcommittee.

263 Issues discussed: >enforcement of the law; disciplinary actions would be taken by the Real Estate Commissioner against licensees. >whether private owner sales would be covered by the bill.

296 STEVE HAWES, Deputy Real Estate Commissioner: This bill would only deal with licensees. The "help-you-sell" agencies and similar businesses that do limited real estate activity with "for sale by owners" are licensed and regulated. If a private seller does not comply, there would be no action against the seller by the agency. Those sales are covered by the act, but the courts would have jurisdiction.

312 REP. WATT moves that SB 1095 A, as amended, be sent to the Floor with a DO PASS recommendation.

316 VOTE: In a roll call vote all members present vote AYE. REP. TIERNAN is EXCUSED.

CHAIR JOHNSON declares the motion PASSED. REP. REPINE will lead discussion on the Floor.

(Tape 78, Side A) SB 1097 - WORK SESSION

The Preliminary Staff Measure Summary, SB 1097-A6 amendments and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT C).

327 REP. NAITO explains the provisions of SB 1097 A as amended by the Business Subcommittee.

339 MOTION: REP. WATT moves that SB 1097 A-Engrossed, as amended by the Business Subcommittee, be sent to the Floor with a DO PASS recommendation.

351 VOTE: In a roll call vote, all members present vote AYE. REP. TIERNAN is EXCUSED.

353 CHAIR JOHNSON declares the motion PASSED. REP. NAITO will lead

discussion on the Floor.

(Tape 78, Side A) SB 142- WORK SESSION

The Preliminary Staff Measure Summary and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT D).

338 REP. BEYER reviews the provisions of SB 142 B and outlines the history of the bill.

370 CHAIR JOHNSON notes that SB 142 B has a subsequent referral to Appropriations, and that there are substantial federal matching funds.

379 MOTION: REP. REPINE moves that SB 142 B be sent to the APPROPRIATIONS B with a DO PASS recommendation.

386 VOTE: In a roll call vote all members present vote AYE. REP. TIERNAN is EXCUSED.

(Tape 78, Side A) SB 748 - WORK SESSION

The Preliminary Staff Measure Summary and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT E).

397 REP. VANLEEUEWEN explains the provisions of SB 748.

447 MOTION: REP. WATT moves that SB 748 be sent to the Floor with a DO PASS recommendation.

VOTE: In a roll call vote, all members present vote AYE. REP. TIERNAN is EXCUSED.

458 CHAIR JOHNSON declares the motion PASSED. REP. VANLEEUEWEN will lead discussion on the floor.

TAPE 79, SIDE A

SB 390 B - WORK SESSION

The Preliminary Staff Measure Summary, SB 390-B12 amendments and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT F).

024 REP. REPINE reviews the provisions and history of SB 390 B as amended by the Business Subcommittee. >There was no opposition to the changes expressed to the Subcommittee.

102 MOTION: REP. WATT moves that SB 390 B, as amended by the Business Subcommittee, be sent to the Floor with a DO PASS recommendation.

106 VOTE: In a roll call vote all members are present and vote AYE.

111 CHAIR JOHNSON declares the motion PASSED. REP. REPINE will lead

discussion on the Floor.

120 CHAIR JOHNSON announces that SB 329 will be carried over to the Committee's next agenda.

(Tape 79, Side A) SB 844 - WORK SESSION

The Preliminary Staff Measure Summary, SB 844-A4 amendments, hand-engrossed SB 844 A and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT G).

121 REP. NAITO explains the provisions of the SB 844 A as amended by the Business Subcommittee. 143 Issues discussed: >availability of call blocking

180 REP. PAYNE comments that everyone who has a phone needs to take the responsibility and adds for that he will vote no.

184 MOTION: REP. WATT moves SB 844 A, as amended by the Business Subcommittee, be sent to the Floor with a DO PASS recommendation.

187 VOTE: In a roll call vote, REPS. BEYER, NAITO, REPINE, RIJKEN,

STARR, WATT, WOOTEN, VANLEEUEWEN and CHAIR JOHNSON vote AYE. REPS. PAYNE AND TIERNAN vote NO.

192 CHAIR JOHNSON declares the motion PASSED. REP. NAITO will lead discussion on the Floor.

(Tape 79, Side A) SB 798 - WORK SESSION

The Preliminary Staff Measure Summary, SB 798-A5 amendments and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT H).

198 REP. RIJKEN explains the provisions of SB 798.

266 REP. WATT comments on the history of adoption of the formulary list by the Board of Medical Examiners and the Board of Optometry after the legislation was passed in 1991 and attempts to negotiate this session on another bill.

328 REP. PAYNE questions the compromise in the measure reached in the Senate.

333 REP. REPINE explains that the Human Development Committee borrowed the bill, held a hearing and proposed the amendments that were adopted by the Business Subcommittee.

349 REP. NAITO explains her no vote in subcommittee.

362 MOTION: REP. TIERNAN moves that SB 798, as amended by the Business Subcommittee, be sent to the Floor with a DO PASS recommendation.

365 VOTE: In a roll call vote, Reps. Beyer, Repine, Rijken, Starr,

Tiernan, Wooten, VanLeeuwen and Johnson vote AYE. REPS. PAYNE, REPINE and WATT vote NO.

374 CHAIR JOHNSON declares the motion PASSED. REP. NAITO will lead discussion on the Floor.

(Tape 79, Side A) SB 467 - WORK SESSION

The Preliminary Staff Measure Summary, SB 467-2 amendments and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT I).

384 REP. REPINE reviews provisions of SB 467 as amended by the Business Subcommittee.

TAPE 78, SIDE B

024 MOTION: REP. TIERNAN moves that SB 467, as amended, be sent to

the Floor with a DO PASS recommendation.

033 VOTE: In a roll vote, REPS. BEYER, NAITO, REPINE, RIJKEN, STARR, TIERNAN, WOOTEN, VANLEEUVEN and CHAIR JOHNSON vote AYE. REP. PAYNE votes NO. REP. WATT is EXCUSED.

040 CHAIR JOHNSON declares the motion PASSED. REP. REPINE will lead discussion on the Floor.

053 CHAIR JOHNSON announces that HB 3407, SB 41, SB 969, SB 998 and SB 693 will be scheduled for the next meeting of the committee.

(Tape 78, Side B) HB 2525 - WORK SESSION

The Preliminary Staff Measure Summary, HB 2525-A3 amendments and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT J).

065 CHAIR JOHNSON explains that the bill was rereferred to the committee; it was the intention of the sponsor to put in a different age limit of persons who would qualify for unemployment benefits.

079 MOTION: REP. VanLEEUVEN moves that the HB 2525-A3 amendments be amended on line 6 by deleting "18 years" and inserting "16 years."

090 REP. VANLEEUVEN explains she has concerns regardless of where a person is working with having someone under 18 be eligible for unemployment benefits.

095 CHAIR JOHNSON, using McDonalds as an example, comments that one of the biggest problems the Employment Division has is explaining to people that they are not eligible for unemployment benefits.

097 STEVE TEGGER, Employment Division, speaks to exemptions in the statutes.

106 REP. REPINE questions how the threshold of 16 years reflects on the practices of today and what would

117 MR. TEGGER: Currently newspaper carriers are excluded from coverage.

The effect of the amendment would be that young people whether it is under 16 or 18 years of age would continue to be excluded, but adults over the age the committee selects would become subject to coverage.

136 REP. TIERNAN asks what would be the problem with excluding everybody,

regardless of what they do, who are under 18 and in school.

Discussion among members continues about who should be eligible for unemployment compensation.

201 MR. TEGGER: It would be difficult, not impossible, for a person under the age of 17 to qualify under current rules to collect unemployment compensation.

213 REP. TIERNAN asks why any employer is paying into unemployment on anybody under 17 years and in school when unemployment is virtually impossible to collect.

212 REP. PAYNE explains that children involved in the school work program

may qualify for unemployment and states his support for Rep. VanLeeuwen's amendment because it is not as categorical as Rep. Tiernan's proposal and it speaks exclusively to newspaper carriers whose jobs are only for an hour or two a week and the intent was not to get unemployment. "My concern is that we are requiring the newspaper to pay a higher burden into the fund and it is not going to be collected."

230 REP. STARR concurs with Reps. Payne and VanLeeuwen and adds he feels it is improper for the Legislature to compel employers to pay for benefits that are not collectible.

249 VOTE: In a roll call vote (Rep. VanLeeuwen's motion), REPS. PAYNE, REPINE, STARR, TIERNAN, WOOTEN and VANLEEUVEN vote AYE. REPS. BEYER, NAITO, RIJKEN and JOHNSON vote NO.

266 CHAIR JOHNSON declares the motion PASSED.

266 MOTION: REP. REPINE moves that the HB 2525-A3 amendments, as amended, be ADOPTED.

275 VOTE: In a roll call vote, all members present vote AYE. REP.

WATT is EXCUSED.

281 MOTION: REP. REPINE moves that HB 2525-A, as amended, be sent to the Floor with a DO PASS recommendation.

284 VOTE: In a roll call vote, REPS. BEYER, NAITO, PAYNE, REPINE, RIJKEN, STARR, TIERNAN, VANLEEUVEN and CHAIR JOHNSON vote AYE. REP. WOOTEN votes NO. REP. WATT is EXCUSED.

294 CHAIR JOHNSON declares the motion PASSED. CHAIR JOHNSON will lead discussion on the Floor. (Tape 78, Side B) HB 2045 - WORK SESSION

The Preliminary Staff Measure Summary and Legislative Fiscal and Revenue statements are hereby made a part of these minutes (EXHIBIT K).

316 TOM MATTIS, Manager, Compliance, Workers' Compensation Division testifies in support of HB 2045 A-Eng.:

>bill is intended to raise the penalties for noncompliance with coverage laws under the statutes. >20 years ago penalty caps were set in the statute of \$1,000 for noncomplying employers on first offense and \$25 per day for each day thereafter. The incentive for employers to not comply have gone up substantially. Employers have avoided paying premiums of \$100,000 or more and the only penalty for noncompliance is \$1,000 for the first offense. It also changes the language which relates to injunctions when an employer repeatedly fails to provide coverage. The current language allows an employer to come in to a judge and show they have a binder and the judge will not issue an injunction. They will leave and not pay the premium and we start the cycle again. A judge in Umatilla said to provide for a permanent injunction is a matter for the Legislature to resolve. >The bill also would require that attorney fees be paid by losing parties. The last section of the bill may impose a burden on those employers who feel they have been aggrieved by the department's order of noncompliance but may feel dissuaded from appealing if they believe they may have to pay the department's attorney fees. Lines 16 and 17 could come out without harming the bill.

377 CHAIR JOHNSON advises the committee that he and the Director of DIF have come to an agreement that the \$10,000 should be changed to \$2,500 per incidence.

399 MOTION: REP. TIERNAN moves that lines 16 and 17 be deleted on page 3 of the bill.

405 MR. MATTIS further advises the committee that SAIF has brought to his

attention an issue that would clarify the bill: line 13, page 3, deals

with what happens when the department cites an employer for noncomplying. SAIF is concerned about the term "improperly cancelled" and suggested that it be amended to read "failed to meet the requirements of ORS 656.423 and 656.427." That is what the department

means by that language and the rules that the department would write would reflect specifically that statute.

441 MOTION: REP. TIERNAN moves to amend his previous motion to also include the change from \$10,000 to \$2,500 on page 1, line 27.

TAPE 79, SIDE B

015 Issues discussed: >Reason for reduction in penalty. >Reason for increase of daily fee from \$25 to \$250.

058 VOTE: In a roll call vote, REPS. BEYER, NAITO, PAYNE, RIJKEN, STARR, TIERNAN, VANLEEUEWEN and CHAIR JOHNSON vote AYE. REPS. REPINE and WOOTEN vote NO.

064 CHAIR JOHNSON declares the motion PASSED.

064 MOTION: REP. TIERNAN moves that HB 2045, as amended, be sent to the Floor with a DO PASS recommendation.

070 VOTE: In a roll call vote, REPS. BEYER, NAITO, PAYNE, RIJKEN, STARR, TIERNAN, WOOTEN, VANLEEUWEN and CHAIR JOHNSON vote AYE. REP. REPINE votes NO. REP. WATT is EXCUSED.

075 CHAIR JOHNSON declares the motion PASSED. REP. TIERNAN will lead discussion on the Floor.

079 CHAIR JOHNSON declares the meeting adjourned at 11:35 a.m.

Respectfully submitted,
by,

Reviewed

Reviewed by,

Annetta Mullins
McComb Marilyn Johnston Committee Coordinator Administrator
Administrator

Jan

EXHIBIT SUMMARY

A - HB 2285, Preliminary Staff Measure Summary, HB 2285-2 amendments, Legislative Fiscal and Revenue statements B - SB 1095, Preliminary Staff Measure Summary, SB 1095-A10 amendments, SB 1095-A11 amendments, Legislative Revenue and Fiscal C - SB 1097, Preliminary Staff Measure Summary, SB 1097-A6 amendments and

Legislative Fiscal and Revenue statements D - SB 142, Preliminary Staff Measure Summary and Legislative Fiscal and Revenue statements E - SB 748, Preliminary Staff Measure Summary and Legislative Fiscal and Revenue statements F - SB 390, Preliminary Staff Measure Summary, SB 390-B12 amendments and Legislative Fiscal and Revenue statements G - SB 844, Preliminary Staff Measure Summary, SB 844-A4 amendments, hand-engrossed SB 844 A and Legislative Fiscal and Revenue statements H - SB 467, Preliminary Staff Measure Summary, SB 467-2 amendments and Legislative Fiscal and Revenue statements I - HB 2525, Preliminary Staff Measure Summary, HB 2525-A3 amendments and

Legislative Fiscal and Revenue statements J - HB 2045, Preliminary Staff Measure Summary and Legislative Fiscal and

Revenue statements