

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON LABOR

July 5, 1993 Hearing Room D 8:30 a.m. Tapes 147 - 150

MEMBERS PRESENT: Rep. John Watt, Chair

Rep. Lee Beyer Rep. Michael Payne

Rep. Charles Starr

Rep. Bob Tiernan

STAFF PRESENT: Marilyn Johnston, Committee Administrator Kristina
McNitt, Committee Assistant

MEASURES CONSIDERED: HB 2285 SB 142 SB 1106 SB 377 SB 954

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

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 147, SIDE A

NOTE: The meeting was recording on tapes in the following order:

147 SIDE A 147 SIDE B 148 SIDE A 149 SIDE A 148 SIDE B 149
SIDE B 150 SIDE A

CHAIR WATT: Calls the meeting to order. (8:35 a.m.)

PUBLIC HEARING ON HB 2285

010 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Introduces bill and
explains provisions which authorizes a pilot program to combine worker's
compensation health care system with health insurance for
nonwork-related illnesses or injuries (EXHIBIT A).

017 GARY WEEKS AND ED NEBERT of DIF: Testifies in favor of bill and
gives history of 24-hour coverage support for pilot projects both in
Oregon and throughout the nation. Oregon has been awarded a \$336,000
grant for an 18 month period. Oregon is the only state studying 24 hour
coverage at this point. Merging the two kinds of insurance will
present challenges for the state ranging from the preservation of
exclusive remedy clause, guaranteed funds and taxation, deductibles
and co-pays on the part of workers, tax codes, ERISA issues, etc. There
are six states that have authority to offer this type of coverage. As
yet none of the six have done so.

Working with the employer and the injured worker, without immediately
worrying about causation of injury, will ultimately assist that
worker in recovery and eventual worker productivity. This will

negate the adversarial relationship between the employer and employee about causation, ultimately reducing litigation. Intent: combining only medical insurances without taking away rights from injured workers.

102 REP. TIERNAN: How does this program differ from the Hawaii program?

104 WEEKS: If this program was fully enacted, it would not differ. Hawaii has a grandfathering under the ERISA law wherein they were able to offer a policy to about 97% of their population.

111 REP. TIERNAN:: So there is at least one state doing this. Why would I need worker's compensation coverage if I carry my own health insurance and disability insurance?

131 WEEKS: If you're a single employer you may not need worker's compensation. If you have subject employees then you need it to protect your employees.

132 REP. TIERNAN: I mean philosophically. If I offered a very comprehensive HMO coverage and disability to my employees, why would I be interested in your program?

134 WEEKS: Right now under Oregon law you wouldn't have protection with the right of exclusive remedy. A second issue is whether you could actually get a coordinated and comprehensive insurance policy.

140 ED NEBERT, PROJECT DIRECTOR OF PILOT: A fundamental difference between Hawaii and Oregon is that it starts with a mandate that all employers must have a health policy. It is not simply an allowance. Another aspect to simply substituting group health and disability for worker's comp is that it has a long potential tail. A typical group health plan would not be naturally inclined to think about the ongoing care needed for an injury. Submits rough out of plans for pilot programs (EXHIBIT B).

167 WEEKS: Texas has allowed just what you suggested. I believe that businesses are going to end up in court and perhaps out of business. 177 REP. BEYER: Is there anybody aside from Texas that is experimenting with combined products?

184 WEEKS: In a California there is authorization for four counties to operate this. They are in the process of putting the pilot together.

191 REP. BEYER: That is public. How about a private employer who is doing this?

195 NEBERT: Massachusetts has a provision similar to Representative Tiernan's suggestion. Employers can bargain for a package that is equal to or comparable. There have been favorable reports on negotiation of that product.

206 REP. BEYER: Do you look at this type of thing as you progress?

210 WEEKS: We look at a whole host of programs suggested by employers. Our hope is to have several different types of proposals,

from 6 to 10 different ones.

224 REP. BEYER: So DIF is not creating this. The department will be looking for suggestions from employers?

232 WEEKS: That is exactly right.

236 REP. BEYER: So it is possible for an employer to visit you with an idea and you might go with it?

241 NEBERT: Again, we have not talked about adding the disability portion. There is lots of interest in the medical portion now. It is possible, however. The amendments we are supporting would disallow any employee cost sharing co-payment under this pilot program. There is speculation that if this turns out well on the medical side, maybe the trade-off for this adjustment would come from the disability side.

269 WEEKS: We do not want to disturb the co-payment. The benefit levels and rights are not going to be less. It is important that we maintain the support and cooperation of labor.

281 REP. WATT: Why is this bill coming to us so late in the session?

286 WEEKS: We've spent some time on this. The AG had some valid concerns.

293 REP. WATT: Why four years and not 2 years?

297 WEEKS: We figured it would take about that amount of time. The eighteen month grant will get us running a few pilots. If this period goes well and we're generating some good information, the Johnson Foundation may be willing to support the program for another two years.

308 REP. WATT: How close are you to getting a pilot going?

311 NEBERT: Our plan is to have several by the fall of this year and early 1994. We are very optimistic.

317 REP. WATT: Let's work through the electronically engrossed -2 amendments.

331 NEBERT: Section 1 is simply authorization. The -2 stipulates some statutory leeway especially in the insurance code area. Specific language is included to retain the exclusive remedy provision. Authorizes director to both allow and revoke participation in program. Explicitly states director shall adopt standards to govern the pilot and that all participants must comply with the worker's compensation, insurance and safety codes. Director may exempt participants from worker's compensation code for purposes of pilot but any such exemption shall not affect the benefits or rights of a subject worker in a negative way.

TAPE 147, SIDE B TAPE ENTERS IN AT COUNT OF 40

003 NEBERT: Continues walkthrough of -2 amendments to HB 2285.

078 REP. PAYNE: Presumably this is to be a cost saving measure. Do you

have any estimates of the ultimate or long term savings?

079 WEEKS: I do not. That is what this pilot is all about.

088 REP. PAYNE: SAIF is going to become involved in health care. What type of role do you see SAIF and its director playing?

089 WEEKS: This would in fact offer SAIF the same opportunity to have a joint policy as any other agency would have. My guess is that it is likely that SAIF will be looking at joining a program like Blue Cross rather than become a health insurer.

103 REP. WATT: Have you seen if this program can benefit those 22,000 independent contractors? I assume they automatically go into a high risk pool? Is there a way they can establish a track record over a period of time in order to pay lower rates or get a break?

106 WEEKS: I'd hope this will benefit them in some way. There is just not enough information to know that yet. Taking the causation question out of the picture will save lots and lots of administrative hours.

123 REP. WATT: You envision this to be a voluntary program. Do you think the costs may be slightly higher for smaller employers?

130 WEEKS: If that employer is not already paying health insurance, it may be so. If, however, both health insurance and worker's comp. are offered, I think this will be a great program.

142 BRAD WITT, AFL-CIO: Testifies in favor of bill and applauds efforts of containing soaring health care costs. Testimony summarized in EXHIBIT C. Strongly opposed to changes in benefits to workers under 656. Also opposed to co-pays and deductibles. Feels HB 2285 with amendments addresses concerns adequately, however. Adds suggestion that oversight body work closely with the Worker's Comp. Management Labor Advisory Committee.

173 REP. WATT: Are you saying that in Section 5, the advisory committee that's established, you'd like it to be a worker's comp ...?

170 WITT: No. That they work closely together.

177 REP. WATT: Have you talked with Weeks?

178 WITT: Yes, I think everybody is in agreement that the better we keep all the parties of interest informed the better the pilot will work.

181 FRANK BIEHL, WESTERN PULP AND PAPER WORKERS: Testifies in favor of bill and would like to see it's passage with amendments adopted.

due to technical difficulties committee recessed for 2 minutes RESUMED TAPE 147, SIDE B, COUNTER AT 000

001 ROBERT WOLLHEIM, WELCH, BRUNN, GREEN AND WOLLHEIM (OTLA): Testifies in favor of bill. Testimony summarized in EXHIBIT D. How is the pilot program to be evaluated and determined to be successful? We believe that there are six concepts that need to be addressed. Enhanced safety, reduction of cost, quality of care, no delay in receipt of benefits, both workers and employers are satisfied with the program, and reduction of litigation.

Believe the advisory committee needs to be expanded. It should be broad based and not so narrowly focused. 059 REP. WATT: Would you explain that please? It seems pretty broad now.

067 WOLLHEIM: It does not include anyone from the Workers Compensation Board. There is a difference between public and private employers.

069 REP. WATT: To what extent?

070 WOLLHEIM: The relationship they have with the system is often different. The way they view management and the delivery of these system.

086 REP. TIERNAN: You say several times in here that somehow safety is going to be degraded. I don't see how you get that.

092 WOLLHEIM: I think this should be a concern. If you take out the medical part of an accident record of the employer, the employer will be less concerned about maintaining a safe work place environment if the premiums are not reflected monetarily.

114 REP. WATT: Based on the whole insurance system, isn't it reasonable to believe that would continue?

120 WOLLHEIM: It depends on the size of the package. Worker's comp is only about 4% or some small amount of all health care costs. We don't want to see safety negatively impacted.

130 REP. TIERNAN: Your argument here is a real reach.

139 WOLLHEIM: Continues testimony. Another concern is that the intent of HB 2285 is in no way to negatively affect any worker or worker's dependents who would receive benefits or file a claim. Under this pilot program, if a worker is injured and is covered by employer number one, then turns around and works for somebody else, employer number two would not be responsible and employer one could object that no worker's comp. claim was filed. In this way a worker could lose benefits.

179 REP. WATT: That is a good argument as to why the program should go on for four years.

196 WOLLHEIM: Two additional concerns: what happens if worker is dissatisfied with the medical attention he or she did or did not receive? Again, however, as long as the bill speaks to the fact that a worker will not lose any benefits, a worker will have a chance to request some type of review.

TAPE 148, SIDE A 004 REP. BEYER: I understand you prepared this testimony before you saw the -2 amendments.

009 WOLLHEIM: That is correct

010 REP. BEYER: Are your concerns addressed here?

011 WOLLHEIM: Yes, with the exception of the advisory board representatives.

019 KURT ZIEHLKE, SISTERS OF PROVIDENCE HEALTH PLANS: Testifies in favor of bill. Brings down the cost of worker's compensation and improves the medical attention delivered. Greatly need testing of the feasibility of combining worker's compensation and group health benefits through an HMO delivery system. Certainly would maintain all worker's comp. benefits and disability coverage. There will be significant cost savings when compensability is no longer needed to be determined.

042 REP. WATT: What will happen when there is a disability question?

052 ZIEHLKE: That would go through the current system as it stands now. Our version of 24-hour coverage is strictly a medical delivery system.

056 REP. BEYER: Your emphasis is medical health and wellness. The other side is who's paying the time loss. This concern seems to be missing. What is the encouragement for an HMO to get these workers going again?

060 ZIEHLKE: We are looking at sharing some of the financial risk for time-loss benefits. How HMOs share risk is a complicated scheme.

WORK SESSION ON HB 2285

082 REP. WATT: On your protocol handout (exhibit b), you state a diversity of sites is desired, large, small, private, union, -is that something that you think should be in the bill? You use the word desire. What is to keep us from visiting this in two years with 6 self-insurers?

092 GARY WEEKS, DIF: We developed these because we wanted a diverse base. I guess I'd prefer an intent statement over a directive. We want as broad a base as possible. That is what is going to give us information about viability statewide.

109 REP. WATT: Wollheim expressed concern about the advisory committee membership. Nothing precludes you from including some of the people he suggested, right?

120 WEEKS: That is correct.

128 REP. WATT: This is an important bill and I want to get it moving. It is also important to this committee that we support diversity.

134 REP. BEYER: I don't want to get into this about criteria but the OTLA brought up some good ideas and I hope you consider them in your deliberations. Where might you get your worker representatives?

151 WEEKS: Worker representatives would probably come from labor group's proposed nominations. This is our first draft. We debated over even bringing it but felt you should know the issues we are considering. There is much work left to go.

153 REP. BEYER: An observation is that one group which advocates strongly would be claimant lawyers.

MOTION: REP. BEYER MOVES THE -2 AMENDMENTS TO HB 2285.

VOTE: IN A ROLL CALL VOTE THE MOTION PASSES UNANIMOUSLY.

MOTION: REP. BEYER MOVES HB 2285 AS AMENDED TO THE FULL COMMERCE COMMITTEE WITH A DO PASS RECOMMENDATION.

VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. CARRIER: WATT.

PUBLIC HEARING SB 142

163 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Introduces bill to committee and explains provisions which would transfer funds sufficient to match available federal funds from the Reemployment Assistance Reserve to the Vocational Rehab Division to provide services for certain disabled workers (EXHIBIT E).

185 LYNNAE RUTTLEDGE, VOCATIONAL REHABILITATION: Gives overview of successful reemployment assistance reserve program and asks support of bill in order to continue through the next biennium.

217 REP. TIERNAN: What does the money in the fiscal report go to?

221 RUTTLEDGE: It goes to vocational rehabilitation staff to be able to provide services to injured workers.

223 REP. TIERNAN: These are public employees? In adding the numbers up that are listed here, at least 40 percent goes to overhead. Isn't that ratio high?

235 RUTTLEDGE: You are correct. It's actually about 60% that funds goes to hiring voc. rehab. field workers who then go out into the field. It is not administrative staff but direct, skilled training delivered to injured workers throughout the state.

245 REP. TIERNAN: What is the payment to disabled clients? What are those dollars?

252 RUTTLEDGE: Those are dollars where we provide training in community colleges, maybe an on the job work subsidy, physical or mental restoration services, any of the services a person would need to overcome barriers to employment.

253 REP. TIERNAN: This is money that goes to people who either do not qualify or whose benefits have been exhausted? Can you describe a typical recipient, why they were ineligible and now being covered, and/or why their benefits run out and they still need more services?

255 SARA HARMON, WCD OF DIF: Those who have qualified have sustained a permanent injury and are unable to return to their regular employment. Vocational eligibility has been severely restricted under the worker's comp. reforms. What has happened is that some of those who are no longer eligible show up on the doorstep of VRD. The purpose of this pilot is to find out why these workers are there. This will provide information for a policy question to be answered next session.

273 REP. TIERNAN: What is the effect of taking this \$750,000 from the reemployment assistance reserves?

281 HARMON: We can maintain our level of services and absorb this payment to VRD. We have more funds in that reserves than needed and less in others.

291 REP. BEYER: These are services to injured workers who have exhausted their benefits? So this is an additional service that the state would not otherwise provide?

302 HARMON: That may be, however, an aim is to prevent duplication of services previously provided under the workers compensation coverage.

307 REP. BEYER: Give me an example of when an injured worker would not qualify.

312 HARMON: A worker is not eligible for vocational rehabilitation services under the worker's comp. law unless he or she is unable to return to work within 20% of the wage at time of injury. So you may have a worker who can return to work but still is unable to get back into the workforce at pre-injury skill levels.

319 REP. BEYER: Isn't the norm to use private vocational rehabilitation services?

324 HARMON: Yes, that is correct. The worker's compensation insurers pay for that.

330 REP. BEYER: So why are we experimenting with this change?

332 HARMON: The change in eligibility in 1987 has caused people to come to VRD to receive services and we need to analyze that. Is this happening? Why is it happening, and what options can be visited to solve this?

336 REP. WATT: Vocational rehabilitation imposes some limitation on how to proceed with programs in regards to funds.

340 RUTTLEDGE: That is correct, yes.

365 REP. WATT: You indicated that in the last biennium you anticipated helping 1,000 workers but actually served about 1600. What do you estimate for the next biennium?

373 RUTTLEDGE: We believe it will be about the same.

376 REP. WATT: It is hard to justify \$198,000 for two FTEs. It's been split up into personal services and services and supplies. I would like to see if we can deliver more services for less administrative dollars. These are appropriations questions. I hope when you present this to appropriations you can show why the numbers break out the way they do.

TAPE 149, SIDE A

WORK SESSION ON SB 142

MOTION: REP. BEYER MOVES SB 142 B TO FULL COMMITTEE WITH A DO PASS RECOMMENDATION AND A SUBSEQUENT REFERRAL TO APPROPRIATIONS B.

VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. CARRIER: BEYER.

PUBLIC HEARING ON SB 1106

035 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Introduces bill and explains provisions which would exempt worker's compensation records from disclosure under the public records law (EXHIBITS F).

060 TOM MATTIS, DIF: Testifies in favor of bill. Testimony summarized in EXHIBIT G. There is no clear directive that exempts the director, in either the Public Records Law or Worker's Compensation Law, from releasing worker's compensation claim histories. Therefore, claims histories are considered public records.

Averaging 1400 direct requests from employers monthly. Most come from temporary services plus national companies that sell this information on a data base.

Under Oregon Civil Rights Law, employers are expressly forbidden from discriminating against job applicants for a worker having exercised rights under OSHA or Worker's Compensation Law.

Gives committee the department procedure for granting information requests to employers. Originally these measures dropped peak demand from 2600 requests monthly to 700. Now, however, demand is steadily climbing again.

This bill would relieve the director of the obligation to release information but would not forbid the director from doing so. It also allows for governmental agencies to conduct legitimate inquiries and to conduct surveys.

127 REP. WATT: Isn't it reasonable that even government agencies may get this information through the private sector? This bill may preclude a government agency from getting that information from a private company, correct?

130 MATTIS: That is correct. But those names are sold at a rate of about \$12 per request and I feel that our cost and prices are considerably cheaper.

137 REP. TIERNAN: If a main purpose of this bill is to get at those companies who get information and sell it, why don't you get at them instead of disallowing legitimate questions from being answered?

148 MATTIS: Our dilemma is that of the 1400 monthly requests for information, we know that some information is being used unlawfully to discriminate against employees. A problem exists with people posing as employees of a large insurance company and calling with 15 to 20 social security numbers.

173 REP. WATT: Surely you don't just give out that information during the first-time call?

178 MATTIS: Yes, we do. Not to do so falls perilously close to policy making which is for the legislature to determine. We've even thought of affidavits but if too many barriers are erected then we go astray of the Public Records Law.

186 REP. TIERNAN: There is no doubt that a tremendous fraud problem exists. But four out of five times the information is used legitimately. I would not like to see this tool go by the wayside.

201 SUE JORDAN, BOLI, CIVIL RIGHTS DIVISION: Sometimes these inquiries are discriminatory. Often your "good" purposes are not lawful.

225 MATTIS: The Public Records Advisory Council worked this interim to get rid of the patchwork of exemptions under public records law. The advisory council determined that there was no compelling public interest served by releasing this private information about individuals. We are custodians of an enormous amount of information that, according to current public records law, we are compelled to disclose.

The last attachment to my testimony includes a brochure from AVERT, one of the largest information companies based in Colorado.

276 JORDAN: Last year our number one area of filings was injured workers who felt they'd been retaliated against.

280 REP. WATT: How many? And of those how many are found to be legitimate?

284 JORDAN: 26 percent of all our charges. 546. Of those about 8 to 11% are found in favor.

289 REP. WATT: So about 60 people.

290 REP. TIERNAN: Of those 546, how many were against their existing employer?

296 JORDAN: A lot. Like 70 percent.

297 REP. TIERNAN: Then this law wouldn't have anything to do with that because the employer already knows about that claim.

298 JORDAN: That is true but a lot of the workers don't know that their employer knows of a previous claim.

299 REP. WATT: They don't know? I thought you notified the employee know when an inquiry was made?

300 MATTIS: We began sending a letter to the worker in the fall of 1991. It is a new practice and it doesn't cover the inquiries received by private companies.

322 REP. WATT: Was there any testimony in opposition to this on the senate side?

323 MATTIS: I do not recall any.

325 JAMES SERRES, COMMERCIAL INFO SYSTEMS: Testifies in

opposition to bill and submits written testimony, EXHIBIT H.

TAPE 148, SIDE B

001 SERRES: Continues testimony in opposition to SB 1106.

032 REP. TIERNAN: On page 1, letter c of your testimony you list one of your clients is actually a state agency checking to see if welfare recipients are also collecting worker's compensation.

039 SERRES: Yes, we have many state agencies that request our services.

041 FRANK BARDEN, COMMERCIAL INFORMATION SYSTEMS: Testifies in opposition to bill and submits written testimony (EXHIBIT I).

074 REP. WATT: Sue (Jordan), these gentlemen both indicate that when they contacted BOLI they were given no statistics yet you've quoted some here.

082 JORDAN: I gave you general numbers. He was looking for information broken down by categories.

086 REP. BEYER: You seem to have a strong sense that some employers are abusing the system by using this information for screening. What gives you that feeling? You get a lot of calls from people who feel they may have been discriminated against?

093 JORDAN: Yes. Based on the number of people using AVERT and typically similar systems. Lots of abuses are interrelated and can fall under several statutes.

110 REP. PAYNE: If I was denied a job I wouldn't have an idea why that would be so, whether it was for the color of my skin, my gender, etc. I am sure your figures can not reflect all of these people.

128 REP. BEYER: When you provide the information to a requester, do you inform them of the restrictions of use on that information?

139 SERRES: Yes. Our policy is to charge a new client an additional amount of money to opt for the worker's compensation file. Along with that we require that the client sign a special use agreement of that information. The language in this agreement was lifted verbatim from worker's compensation statutes. Finally, there is a message screen that previews access to this data which again repeats the same cautionary language.

147 REP. BEYER: Do you inform a potential worker that their file has been inquired into? Would you object to that notion?

156 SERRES: It would be difficult for practical purposes, but if that could be overcome I don't suppose I'd have a problem. Another point is that the bulk of our clientele is not employers but security.

165 REP. TIERNAN: On that major grocery store client, are they seeking info on slip falls?

171 BARDEN: That is correct. Gives a case history of Safeway.

198 BRAD WITT, OR AFL-CIO: Testifies in favor of bill and submits written testimony EXHIBIT J.

249 REP. WATT: What makes you so sure that all these inquiries are all from black-hatted employers? You don't really feel that way, do you?

251 WITT: Yes, I do. Even some of the literature provided here suggest this is the case.

270 FRANK BIEHL, WESTERN OREGON ASSOC PULP & PAPER WORKERS: Testifies in favor of SB 1106. Supports Witt testimony.

289 RCA MOORE, OTLA: Testifies in favor of bill. You ask why we believe this information is being used improperly. Over time, my clients note the difficulty of getting a job after having experienced an injury in which a claim is settled. You know what prejudice is when you experience it. Sometimes individuals from personnel who end up making a claim themselves admit to how this information is being used.

359 REP. BEYER: Under your rulemaking authority, does DIF have the authority to require that any purchaser of the information provide notification to the injured worker that they have this information?

368 MATTIS: I don't know that we do. A difficulty is that while some companies may take very conscientious efforts to advise the ultimate user of their responsibilities, the fact is neither they nor we can guarantee how it will be used.

I suspect that we can not determine this by rule. The reason is that both the Public Records and the Worker's Compensation Laws are absolutely silent. Unless something is otherwise exempted by law, it is a public record.

Written testimony presented inabsentia by: SENATOR KARSTEN RASMUSSEN (EXHIBIT K) ROSS DWINELL, OREGON SELF-INSURERS (EXHIBIT L)

TAPE 149 SIDE B

PUBLIC HEARING ON SB 377

009 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Introduces bill to committee and explains provisions which would make genetic screening confidential (EXHIBIT M).

020 SUE JORDAN, BOLI-CRD: Testifies in favor of bill to prohibit genetic screening and to keep records confidential.

026 REP. WATT: Explain genetic screening a little.

030 JORDAN: It is a new thing and has not been seen much on the West Coast except in personnel literature. It is screening for things like Parkinson's Disease, Hodgkins Disease, etc. It is a sophisticated way to determine if a prospective employee might be a high insurance risk.

039 REP. TIERNAN: How is this screening conducted?

040 JORDAN: It would be easy to use a blood sample, for example, which was taken for drug screening purposes. HIV testing is

also a concern.

050 REP. TIERNAN: What would be the cost to the employer to do this?

051 JORDAN: Relative to insuring an employee who develops a catastrophic illness, small. \$30 to \$40 I'd guess.

054 REP. TIERNAN: Most employers are getting out of even urine tests because of a cost of \$25 - \$40.

PUBLIC HEARING ON SB 954

068 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Introduces bill to committee and explains provisions of bill which would modify coverage of workers in agricultural labor under unemployment compensation law (EXHIBIT N).

077 MICHAEL DALE, OREGON LEGAL SERVICES: Testifies in favor of bill and submits written testimony EXHIBIT O.

230 REP. PAYNE: How long has the limit been at \$20,000?

234 DALE: Since about 1968. Before that they did not have to be covered at all.

242 REP. PAYNE: What is the percentage of migrant workers in terms of the total agricultural work force in Oregon?

244 DALE: About 60 percent. It breaks out into seasonal and semi-permanent job types.

257 REP. PAYNE: Are there any federal restrictions on raising these limits?

264 DALE: Yes, there are. The Federal Unemployment system requires states to provide unemployment benefits to farm workers on farms with a payroll greater than \$20,000 in a quarter.

268 REP. TIERNAN: If there were no migrant farm workers, would the need for this bill change?

270 DALE: The bill would be needed even more. Migrant workers who move with the crops tend to be employed in other places. People who have settled down and are in a community full time the year around have very limited job opportunities in the winter.

294 CHRISTINE CHUTE, OREGON EMPLOYMENT DIVISION: Testifies in favor of bill and submits written testimony EXHIBIT P.

319 ROBERT STEPHENSON, SALEM: Testifies in favor of bill and submits written testimony EXHIBIT Q.

349 IRV FLETCHER, AFL-CIO: Supports bill, suggests it needs work on section 4 which deals with eligibility provisions.

374 BOB CASTAGNA, OR CATHOLIC CONFERENCE: Testifies in favor of bill and notes irony of Caesar Chavez's recognition on the floor of the House of Representatives on same day of the hearing on this bill.

TAPE 150, SIDE A

001 CASTAGNA: Continues testimony in favor of bill.

025 ELLEN LOWE, ECUMENICAL INDUSTRIES OF OR: Testifies in favor of bill and urges its passage to the full commerce committee.

064 BILL PERRY, OR FARM BUREAU: Testifies in opposition of bill. Most employees hired are hired for specific short term projects and seasonal labor. Tough for employers in this industry to pass increased costs on in the terms of higher price on products.

101 DAVE NELSON, OREGON SEED COUNCIL: Testifies in opposition to bill. This is a social problem, not an employment issue. Gives history of unemployment compensation system. In these industries the employer never has the opportunity to reach the low end of the scale as in other business simply because of the nature of the employment cycles.

134 JOHN MCCULLY, OR CATTLEMENS ASSOC: Testifies in opposition to bill. Points out that even though the cattle industry does not really hire seasonal workers, the bill is still an added burden for farmers.

151 REP. STARR: I've made an observation that the farm community is about the only industry that buys all its equipment at wholesale and then instead of setting a price of the goods, goes hat in hand to market for a bid. Is this correct?

160 MCCULLY: You've hit a key issue, yes.

committee adjourned at 11:40 a.m.

Submitted by,

Reviewed by,

Kristina McNitt,
Committee Administrator

Marilyn Johnston, Committee Clerk

EXHIBIT LOG:

A - HB 2285 preliminary staff measure summary, -2 LC and machine engrossed amendments, fiscal and revenue impact statements, issue brief, editorial, submitted by staff, pp. 20.

B - HB 2285 pilot goals submitted by Nebert, pp. 2.

C - HB 2285 written testimony presented by Witt, pp. 3.

D - HB 2285 written testimony presented by Wollheim, pp. 10.

E - SB 142 preliminary staff measure summary, fiscal and revenue

impact statements presented by staff, pp 3.

F - SB 1106 preliminary staff measure summary, fiscal and revenue impact statements submitted by staff, pp. 3.

G - SB 1106 written testimony presented by Mattis, pp. 8.

H - SB 1106 written testimony presented by Serres, pp. 2.

I - SB 1106 written testimony presented by Barden, pp. 2.

J - SB 1106 written testimony presented by Witt, pp. 21.

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