

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON LABOR

April 14, 1993 Hearing Room D 8:30 a.m. Tapes 86 - 87

MEMBERS PRESENT: Rep. John Watt, Chair

Rep. Lee Beyer, Vice-Chair Rep. Michael Payne

Rep. Charles Starr

Rep. Bob Tiernan

STAFF PRESENT: Marilyn Johnston, Committee Administrator Kimberly Burt,
Committee Assistant

MEASURES CONSIDERED: SB 70 SB 71 HB 2414

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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 86, SIDE A

Chair Watt, calls the meeting to order. (8:30 a.m.)

PUBLIC HEARING ON SB 70

007 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR, describes SB 70; submits preliminary staff measure summary, (EXHIBIT A).

WORK SESSION ON SB 70 Witnesses: Pamela Mattson, Employment Division

MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR, describes SB 70.

REP. TIERNAN questions the necessity and the cost of SB 70?

040 PAMELA MATTSON, EMPLOYMENT DIVISION, responds that there is no fiscal impact. > The division is currently providing the services in the bill and do currently receive federal dollars.

083 MOTION: REP. BEYER moves that SB 70 be sent to the full committee with a DO PASS recommendation.

090 VOTE: In a roll call vote all members are present and vote AYE. CARRIER: WATT

CHAIR WATT, declares that the motion carries.

PUBLIC HEARING ON SB 71

096 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR, submits preliminary staff measure summary, (EXHIBIT B).

WORK SESSION ON SB 71 Witnesses: Steve Tegger, Employment Division
Pamela Mattson, Employment Division Sharon Kidder, Employment Division

104 REP. BEYER, suggests removing the definitions under section 1, item 2(c) and 2(d) to focus more on the displaced worker.

REP. TIERNAN, concurs.

REP. PAYNE, opposes the amendment because of the affect on the self employed, including farmers and ranchers.

128 STEVE TEGGER, EMPLOYMENT DIVISION, submits and summarizes program information, (EXHIBIT C). > The problem was that we wound up working with two separate but related definitions on the funds made available. > The lottery funds were specifically targeted to displaced timber workers while the extension of the unemployment benefits was targeted at the structurally unemployed dislocated worker. > We are asking to take the limit off and let us work with people in training programs and allow the extension of benefits.

170 REP. TIERNAN, the original intent was to help displaced timber workers.

TEGGER, points out that that was the major focus, but not the only focus.

CHAIR WATT, questions where the dollars in the fund go when it expires.

TEGGER, responds that the division doesn't believe there will be any left by the end of the biennium.

275 PAMELA MATTSON, ADMINISTRATOR, EMPLOYMENT DIVISION, describes the process by which the Governor has statutory authority to allow Oregon to pay emergency unemployment compensation benefits as authorized by congress and to end the additional benefit program which is outside the dislocated worker program. > Because of the extension, some of the dollars in the \$12 fund were able to be saved for extensions of benefits.

335 CHAIR WATT, REP. TIERNAN and REP. BEYER continue their discussion on the importance of retraining dislocated workers.

455 MOTION: REP. BEYER moves that SB 71 be amended by deleting lines 18 - 22.

TAPE 87, SIDE A

TEGGER, describing the process by which self employed may elect to have unemployment insurance coverage.

075 SHARON KIDDER, EMPLOYMENT DIVISION, explains that agricultural employers are covered only if there is a certain amount of money paid out of payroll.

CHAIR WATT, opposes motion.

104 REP. STAR, concurs.

VOTE: In a roll call vote the motion fails. Members voting no:
Starr, Tiernan, Payne, Watt

MOTION: REP. BEYER moves that SB 71, be amended, by inserting, on line 18 after "trust fund", "during any biennium".

134 TEGGER, explains that the department will stop offering the 13 week extension unless there is re-authorization or renewal.

REP. BEYER, states that the intent is to put a cap on the benefits.

REP. TIERNAN, opposes the amendment.

REP. BEYER, questions when the federal program ends.

TEGGER, responds that those eligible will get benefits to January of 1994.

CHAIR WATT, thinks it would be best to make the changes brought before us and let it work for another biennium to see how it operates on a broader base.

REP. TIERNAN, questions what federal programs are available, what have we done and how to they interplay.

240 REP. STARR, suggests the time frame be extended.

CHAIR WATT, asks if this discussed in the Senate side?

TEGGER, responds it was not.

306 VOTE: In a roll call vote the motion fails. Members voting no: Tiernan, Starr, Watt MOTION: REP. BEYER moves that SB 71, be sent to the full committee with a DO PASS recommendation

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

CHAIR WATT, states that Rep. Tiernan will carry the bill to the full committee; (later changed to Rep. Beyer)

PUBLIC HEARING ON HB 2414 Witnesses: Rep. Eldon Johnson, House District 51 Rep. John Schoon, House District 34 Marilyn Coffel, Bureau of Labor and Industries, (BOLI) Irv Fletcher, President, Oregon AFL-CIO Mari Anne Gest, Oregon Public Employees Michael Dale, Oregon Legal Services, Director, Farm Worker Program Karl Frederick, Associated Oregon Industries

036 MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR, describes HB 2414; submits preliminary staff measure summary, (EXHIBIT D).

060 REP. ELDON JOHNSON, HOUSE DISTRICT 51, testifies in support of HB 2414; submits proposed amendments, (EXHIBIT E). > The thrust is to move the fund and it's administration to the Employment Division; the worker will no longer have to go to two places.

175 REP. JOHN SCHOON, HOUSE DISTRICT 34, testifies in support of HB 2414. > This is a very good program initiated as a trial or pilot program that has worked very well.

230 REP. TIERNAN, states that there are laws in the state that require the employer to pay within 48 hours.

REP. SCHOON, suggests it seems reasonable to make payment immediately.

250 MARILYN COFFEL, BUREAU OF LABOR AND INDUSTRIES, (BOLI),
Testifies in support of HB 2414; submits written testimony, (EXHIBIT F).
> Describing the process and the reasons for time delays.

400 PAUL TIFFANY, ADMINISTRATOR, WAGE AND HOUR DIVISION, BUREAU OF
LABOR AND INDUSTRIES, (BOLI), Indicates that many recently
unemployed people go to BOLI before the Employment Division.

440 REP. TIERNAN, Indicates concern that people be paid
quickly.

TIFFANY, points out that the Wage Security Fund is located in the Oregon
State Treasury, (OST), so it takes time.

TAPE 87, SIDE B

CHAIR WATT, questions if this can be done better.

TIFFANY: We try to tell people not to expect instant action. > We
do tell them it will take some time.

113 REP. BEYER, asks if BOLI can suggest changes?

COFFEL, indicates there is concern about immediate payouts. > An
investigation takes time and if you remove that section you are throwing
everything into a large pool where we just pay.

180 REP. PAYNE, questions if the Employment Division could meet the
statuary requirements quicker than BOLI?

COFFEL, states that is BOLI's business, so they could do it better.

245 IRV FLETCHER, PRESIDENT, OREGON AFL-CIO, describes history of the
fund. > We would support removing the one week waiting period for
unemployment insurance.

306 MARI ANNE GEST, OREGON PUBLIC EMPLOYEES, OPEU does support HB
2414, removing the sunset. >I disagree with moving it to the Employment
Division, it has worked well where it is.

325 MICHAEL DALE, OREGON LEGAL SERVICES, DIRECTOR, FARM WORKER
PROGRAM, testifies in support of HB 2414. > My plea is don't let the
sunset take effect.

375 KARL FREDERICK, ASSOCIATED OREGON INDUSTRIES, (AOI), states that
the AOI feels the Wage Security Fund is an excellent idea. > We do
agree there should be a sunset put on for approximately four
years to make sure that the administrative costs are in line
with the program they were created for. > I do support moving the
administration of the fund to the Employment Division.

CHAIR WATT, states that the committee is adjourned. (10:30 a.m.)

Submitted by

Reviewed by

Kimberly Burt
Assistant

Marilyn Johnston Committee
Committee Administrator

EXHIBIT LOG:

A - SB 70: Preliminary staff measure summary and informative

materials submitted by staff, pp 3 B - SB 71: Preliminary staff
measure summary and informative materials submitted by staff, pp 6 C -
SB 71: Written testimony and informative materials submitted by MATTSON,
pp 2 D - HB 2414: Preliminary staff measure summary submitted by staff,
pp 1 E - HB 2414: Proposed amendments and explanation submitted by
Johnson, pp 2 F - HB 2414: Written testimony and informative materials
submitted by Coffel, pp 9