

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON LABOR

April 26, 1993 Hearing Room D 8:30 a.m. Tapes 97 - 98

MEMBERS PRESENT: Rep. John Watt, Chair

Rep. Lee Beyer Rep. Michael Payne

Rep. Charles Starr

Rep. Bob Tiernan

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

MEASURES CONSIDERED: HB 2019 HB 2039 HB 2355 HB 3017

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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 97, SIDE A

CHAIR WATT: Calls the meeting to order. (9:23 a.m.)

PUBLIC HEARING ON HB 2019 Witnesses: James Young, Attorney, Oregon Legal Services Trudi Russum, Employed Mothers Sue Abrams, Adult and Family Services Arlene Collins, Oregon Commission for Child Care Virlena Crosley, Employment Division Donna Hunter, Employment Division

015 JAMES YOUNG, ATTORNEY, OREGON LEGAL SERVICES: Submits written testimony, (EXHIBIT A).

_ We agree that a better way to approach this is to exempt the service itself rather than the employer.

045 TRUDI RUSSUM, EMPLOYED MOTHERS: Submits written testimony, see (Exhibit A).

CHAIR WATT: What was the amount of taxes you were asked to pay?

RUSSUM: To date \$411.00; I am no longer on the day care system.

YOUNG: The bill may instruct the referee as to what the legislatures intent was under the existing law, which wasn't to attempt this service.

107 SUE ABRAMS, ADULT AND FAMILY SERVICES: Submits written testimony, (EXHIBIT B).

CHAIR WATT: Do you encourage clients to bring someone in to their home?

ABRAMS: We don't encourage or discourage; we have pamphlets we give out on child care.

CHAIR WATT: The agency pays the provider?

ABRAMS: Yes; part of the problem is that there are several different federal and state agencies with different regulations.

160 ABRAMS: The amendments would be of benefit to our families, so we do support those.

ARLENE COLLINS, OREGON COMMISSION FOR CHILD CARE: The commission will ask that a study on possible problems on all agencies be done this interim.

_ We are clearing up the problem for AFS, but providers are nervous; we have many people who work in homes, taking care of families.

210 VIRLENA CROSLEY, EMPLOYMENT DIVISION: We are neutral; the policy question on day care providers getting unemployment compensation is part of what is addressed in Pam's letter, (EXHIBIT C).

REP. BEYER: How is it different if the state pays for the child care or the individual?

DONNA HUNTER, EMPLOYMENT DIVISION: There is a \$1000 threshold, after that they are considered an employer.

_ There are twenty six exceptions that exempt out services; it varies over the years.

250 HUNTER: The statute applies if it is in a private home.

CHAIR WATT: Do you anticipate being able to deal with this?

CROSLEY: We understand that this amendment would take care of this issue; the child care commission is concerned that providers be informed and I can't speak to that.

CHAIR WATT: Rep. Payne will lead a work group on the issue.

PUBLIC HEARING ON HB 2039 Witnesses: Tom Mattis, Workers' Compensation Division Charlie Williamson, Oregon Trial Lawyers Association Chris Davie, SAIF Corporation

300 TOM MATTIS, WORKERS' COMPENSATION DIVISION: Submits written testimony in support, (EXHIBIT D).

380 MATTIS: I have offered two amendments, see Exhibit D.

_ This would, by including the department under the definition of the paying agency, establish our lien rights.

444 REP. TIERNAN: Could you summarize the bill?

MATTIS: The problem we have is that when we reimburse a insurer, and then as part of a third party settlement that insurer receives some money back, then the insurer should return a pro-rata share, 30%.

TAPE 98, SIDE A

MATTIS: Responding to questions from Rep. Tiernan regarding process.

090 CHAIR WATT: Are the recovered funds returned to the reserves?

MATTIS: I am sure that the monies would go back to the reserve from which they came.

CHAIR WATT: I would like to see language that clarifies that.

REP. PAYNE: Uses hypothetical situation to clarify.

110 CHARLIE WILLIAMSON, OREGON TRIAL LAWYERS ASSOCIATION: I think we object to this in it's present form, but we could make changes.

129 CHRIS DAVIE, SAIF CORPORATION: We have no problem with this bill.

_ My concern is with the proposed amendment; we aren't allowed to assert a lien to recover; we would be paying back more than we receive.

PUBLIC HEARING ON HB 2355 Witnesses: Rep. Kevin Mannix, House District 32 Charlie Williamson, Oregon Trial Lawyers Association John Thomas Jr., Rincon Reforestation Martin J. Desmond, NW Reforestation Contractors Chris Davie, SAIF Corporation Tom Mattis, Workers' Compensation Division 160 REP. KEVIN MANNIX, HOUSE DISTRICT 32: Describes HB 2355.

_ This bill was filed to make it clear that when you file a workers compensation claim, what would have been received as a lien will be offset against the benefits paid to you on the claim.

CHAIR WATT: Is there a deadline for filing a workers compensation claim?

MANNIX: Yes; however there is a list of exceptions; there are many loopholes we aren't dealing with here.

_ The original bill had language that the trial lawyers opposed; I would urge you to work from the (-4) amendments, (EXHIBIT E).

210 REP. MANNIX: There are proposed amendments, to the (-4) amendment, see Exhibit E.

_ This won't cost the state any money and to the extent that the state is allowed a lien, there may be times that there could be a positive impact.

286 CHARLIE WILLIAMSON, OREGON TRIAL LAWYERS ASSOCIATION: Testifies in support of the amendments, see Exhibit E.

296 JOHN THOMAS JR., RINCON REFORESTATION: Testifies in support of HB 2355.

_ Describes third party claim process; I would propose that HB 3152 be amended in to HB 2355 to take advantage of a broader "relating to" clause.

353 MARTIN J. DESMOND, NW REFORESTATION CONTRACTORS: We would like to add some additional language to HB 2355; describes situation.

_ We would like protection for employers in the State of Oregon who through no fault of their own are impacted by a third party action.

436 CHRIS DAVIE, SAIF CORPORATION: Submits written testimony, in support of HB 2355, with amendments to the (-4) amendments, (EXHIBIT F).

TAPE 97, SIDE B

045 DAVIE: Continues summarizing written testimony, describing situations.

_ We are opposed to HB 3152.

090 REP. TIERNAN: It seems there are situations that are unfair to small or medium sized employers; I'm more concerned about putting those employers out of business.

DAVIE: If money is recovered, Rincon will get money; I'm not sure that this is such a clear cut case; it is a social question of spreading the costs over the broad market or keeping it localized with the employer, but the bill doesn't speak to that.

_ Rep. Tiernan and Davie: Continue discussing the Rincon case.

165 REP. PAYNE: I'm concerned about your amendment regarding reducing to the present value.

DAVIE: Uses hypothetical situation to explain.

191 REP. PAYNE: What rate would you assume?

DAVIE: The workers compensation board would have to discuss that.

215 REP. PAYNE: If we privatize SAIF could you administer this statute as well?

DAVIE: I don't know why not.

TOM MATTIS, WORKERS COMPENSATION DIVISION: We are currently investigating a claim with elements of this issue.

PUBLIC HEARING ON HB 3017 Witnesses: Jeff Johnson, Tualatin Valley Fire and Rescue Rob Drake, Mayor of Beaverton Bob Anderson, Public Employees Retirement System

252 JEFF JOHNSON, DIRECTOR OF COMMUNITY SERVICES, TUALATIN VALLEY FIRE AND RESCUE: Testifies in support of HB 3017.

_ This would allow employees who received money from a private retirement plan to use those funds to buy into the PERS plan.

315 ROB DRAKE, MAYOR OF BEAVERTON: Due to an oversight, using the word, "previous employer" Beaverton was not covered and this would afford up to fifty beaverton fire fighters and police officers the same right to buy back years in PERS.

_ There would be no fiscal impact on the state.

366 REP. TIERNAN: How many of the fifty do you think would take advantage of this?

DRAKE: We haven't been able to ascertain that; the bill does allow a one year window.

415 BOB ANDERSON, PUBLIC EMPLOYEES RETIREMENT SYSTEM: We have no idea of the dollar amount; we would look at the salary the individual had; they may purchase up to ten years, but aren't required to buy all ten years.

ANDERSON: (In response to Rep. Tiernan) We will get that information for you; this bill is very limiting as to the employer and in the window.

TAPE 98, SIDE B

055 REP. TIERNAN: If more dollars are going out, where are they coming from?

ANDERSON: It is system predicated; this leaves it revenue neutral.

070 REP. BEYER: Having no further business to come before the committee, we are adjourned. (10:55 a.m.)

Submitted by, Reviewed by,

Kimberly Burt Marilyn Johnston Committee Assistant Committee Administrator

EXHIBIT SUMMARY: A - HB 2019: Written testimony submitted by Young, pp 2 B - HB 2019: Written testimony submitted by Abrams, pp 2 C - HB 2019: Written testimony submitted by Crosley, pp 3 D - HB 2039: Written testimony submitted by Mattis, pp 3 E - HB 2355: Preliminary staff measure summary, (-2), hand engrossed version, (-4), hand engrossed version and potential (-5) and potential (-6) amendments submitted by staff, pp 11 F - HB 2355: Written testimony submitted by Davie, pp 2 G - HB 2355: Written testimony submitted for the record by Beckham, pp 1 H - HB 2019: Preliminary staff measure summary, informative material, (-1) and hand engrossed version submitted by staff, pp 4 I - HB 2039: Preliminary staff measure summary, fiscal and revenue impact statements, pp 3 J - HB 3017: Preliminary staff measure summary and revenue impact statement submitted by staff, pp 2