

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON LABOR

April 30, 1993 Hearing Room D 8:30 a.m. Tapes 102 - 103

MEMBERS PRESENT: Rep. John Watt, Chair

Rep. Lee Beyer Rep. Michael Payne

Rep. Charles Starr

MEMBER EXCUSED:

Rep. Bob Tiernan

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

MEASURES CONSIDERED: HB 2132 HB 2043 HB 2520

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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 102, SIDE A

CHAIR WATT: Calls the meeting to order. (9:34 a.m.)

PUBLIC HEARING ON HB 2132 Witnesses: Christine Chute, Oregon Employment Division Pamela Mattson, Employment Division Karl Frederick, Associated Oregon Industries

MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Submits preliminary staff measure summary, informative material from the Employment Division, (-2) amendments, hand engrossed version, fiscal and revenue impact statement, (EXHIBIT A).

026 CHRISTINE CHUTE, OREGON EMPLOYMENT DIVISION: Referring to page three of electronically engrossed copy; "equity and justice" is being delineated in administrative rule and that is the purpose of that amendment.

\_ Submits informative material, (EXHIBIT B).

CHAIR WATT: Are we adding language that you will adopt an administrative rule defining equity and justice?

CHUTE: Yes, on page three, lines three and four.

070 CHUTE: There was concern about moving from working eighteen weeks as a base requirement; HB 2132 shifts to 500 hours.

\_ We think we will reduce the number of delayed claims.

090 REP. BEYER: These changes were recommended by employers?

CHUTE: The issues came from the Unemployment Insurance Reform Project.

REP. JOHNSON: Why 500 rather than 720 hours?

CHUTE: 500 hours is a break even point in terms of the number of workers covered now and those that would be covered under the hourly calculations.

120 PAMELA MATTSON, ADMINISTRATOR, EMPLOYMENT DIVISION: We were trying to maintain the same coverage level for people as we made the conversion.

\_ Some people could be out of the system because of this and some that are out now could be back in; this is an attempt to ease the business climate in Oregon.

170 KARL FREDERICK, ASSOCIATED OREGON INDUSTRIES: Describes history of hours required.

\_ Maybe it is time to address eligibility requirements again.

193 REP. BEYER: Has this been a substantial issue with employers?

FREDERICK: It has been through our association; we feel that individuals eligible should show some attachment to the labor market.

REP. PAYNE: Where will the savings created from this change go?

FREDERICK: It will stay in the trust fund.

WORK SESSION ON HB 2132 Witnesses: Christine Chute, Oregon Employment Division Pamela Mattson, Administrator, Oregon Employment Division Karl Frederickson, Associated Oregon Industries Irv Fletcher, Oregon AFL-CIO

CHAIR WATT: Is there language to treat the qualification line that could vary as the economy varies?

240 CHUTE: Referring to informative material in Exhibit A; alternative proposal one shows eight million in the biennium.

300 CHAIR WATT: How long has it been since we changed to eighteen weeks?

FREDERICK: Twenty years.

REP. BEYER: We've had no clamoring to change the law; if it isn't broke don't fix it.

343 REP. PAYNE: Indicates support for moving to hours; I think it is more equitable; the person who works the most should qualify.

388 REP. STARR: I think we need to look at making the requirement stronger and the longer hour requirement plus the change is an effective way to do this.

CHAIR WATT: Do we have any idea, with regards to proposal number two,

who are the 1200 people?

CHUTE: We believe those most effected would be part time workers as opposed to full time.

TAPE 103, SIDE A

CHUTE: Submits informative materials on those industries that will be most effected, see Exhibit A.

065 REP. BEYER: What is the average annual wage?

CHUTE: The amount of covered wages in Oregon.

REP. BEYER: Won't this have a disproportional impact on those at entry level jobs?

CHUTE: It is much more likely that someone at the low end wouldn't make the 10%.

MATTSON: We used average annual wage because the unemployment system determines benefit amounts on that.

130 CHAIR WATT: What is the low end limit on those who work eighteen weeks?

MATTSON: About 33% of claims taken in the last calendar year are people earning between \$10,000 and \$20,000 in their base period; we don't know how many hours they worked.

160 MATTSON: This particular part of the census information isn't available for 1990; women are more likely to work part time than men; 30% of the women in the work force work part time.

\_ We feel this will affect 1% or less of the claims applied for.

205 CHUTE: If the average annual wage continues to creep up and the minimum wage doesn't, at some point there will be a difference.

235 KARL FREDERICK, ASSOCIATED OREGON INDUSTRIES: The system wasn't designed as a salary supplement; this is for people who are temporarily unemployment through no fault of their own.

256 IRV FLETCHER, OREGON AFL-CIO: The question is that more and more companies are going to part time employment agencies.

\_ I would take the 500 hours and the 10%, knowing that there are people who will get hurt.

295 REP. PAYNE: There will be 1200 fewer claimants covered on proposal number two.

CHAIR WATT: We need to do some work on this issue, we will continue with the changes in the (-2) amendments.

330 CHUTE: Goes over the changes in the (-2) amendments; see Exhibit A.

400 CHUTE: Continues describing (-2) amendments, referring the electronically engrossed version, see Exhibit A.

WORK SESSION ON HB 2043 Witnesses: Mary Nida, Workers' Compensation Board

MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Submits preliminary staff measure summary, (-1) amendments, hand engrossed version, fiscal and revenue impact statements, (EXHIBIT C).

TAPE 102, SIDE B

065 MARY NIDA, WORKERS' COMPENSATION BOARD: Describes (-1) amendments, see Exhibit C.

085 CHAIR WATT: What would the effect be if we returned to the original language?

NIDA: The language was changed to expand the pool of candidates.

103 REP. PAYNE: I would return it to no more than three.

REP. JOHNSON: The senate confirmation process should take care of that.

NIDA: This bill as drafted with the amendments would give the board authority to appoint two temporary, but the two permanent members are appointed by the governor.

REP. JOHNSON: I would like to see the board with the ability to appoint permanent members until the governor does.

197 NIDA: Section 5 (4) indicates this would be a two year expansion bill.

\_ Continues with highlights of amendments.

255 NIDA: Being able to appoint the permanent members until the governor does would give the board the ability to have someone in those positions, even on a short term basis, to continue working on the back log.

REP. JOHNSON: The reasoning is two fold; one is to get the governors attention and the other is to have a full compliment of members right away.

CHAIR WATT: We will get language.

PUBLIC HEARING ON HB 2520 Witnesses: Rosana Creighton, Citizens for a Drug Free Oregon Rep. Kevin Mannix, House District 32 Richard Goheen, Citizens for a Drug Free Oregon

MARILYN JOHNSTON, COMMITTEE ADMINISTRATOR: Describes HB 2520, submits (EXHIBIT D).

340 ROSANA CREIGHTON, CITIZENS FOR A DRUG FREE OREGON: Describes (-1) amendments, see Exhibit D.

450 REP. KEVIN MANNIX, HOUSE DISTRICT 32: Testifies in support of the (-1) amendments with the deletion of "and their families".

TAPE 103, SIDE B

047 REP. JOHNSON: Will adding this to the statute have any impact on the employers ability to manage blood testing?

REP. MANNIX: An employer that wants to avail themselves of the statute may want to follow the steps of the act; this is not a mandate, but an allowance with additional benefits.

\_ We are moving the "goal post" in terms of unemployment benefits; we are saying that for purposes of unemployment insurance you need to go through this statute.

095 REP. BEYER: I like the intent; the concern I have is with having no criteria; there are no definitions on standards for acceptable testing.

REP. MANNIX: There are specific standards under rule of the Health Division and the Employment Division.

\_ There is a scheme and standards for substance abuse testing in statute currently.

REP. PAYNE: What about basing eligibility on successful completion of an employee assistance program?

REP. MANNIX: The question is would they be offered a rehabilitation program.

\_ We do need ways of rescuing these people in our society, but the unemployment compensation system shouldn't be the way.

\_ Describes reasoning behind bill.

210 CHAIR WATT: Would these people be covered by the ADA?

CREIGHTON: Clarifies what the ADA says regarding drug use.

REP. MANNIX: This bill deals with the reason for termination.

270 RICHARD GOHEEN, CITIZENS FOR DRUG FREE OREGON: The most important thing is to have continuity; this bill would make it clear.

\_ Any company that has a medical plan can't discriminate against drug use; describes federal plan, COBRA.

GOHEEN: Misconduct is misconduct; we must be consistent in our approach.

WORK SESSION ON HB 2520

374 MOTION: REP. BEYER MOVES THAT THE (-1) AMENDMENTS, AS AMENDED, TO HB 2520 BE ADOPTED.

VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

392 MOTION: REP. BEYER MOVES THAT HB 2520, AS AMENDED, BE SENT TO THE FULL COMMITTEE WITH A DO PASS RECOMMENDATION.

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

REP. STARR: I don't see the change in the (-1) amendments that was to delete "and their families". CHAIR WATT: We did hand engross that

into the (-1) amendments.

430 CHAIR WATT: We are adjourned. (11:28 a.m.)

Submitted by, Reviewed by,

Kimberly Burt Marilyn Johnston Committee Assistant Committee  
Administrator

EXHIBIT SUMMARY:

A - HB 2132: Preliminary staff measure summary, (-2) amendments, hand engrossed version, fiscal and revenue impact statements and informative material submitted by staff, pp 16 B - HB 2132: Written testimony submitted by Chute, pp 2 C - HB 2043: Preliminary staff measure summary, (-1) amendments, hand engrossed version, fiscal and revenue impact statements submitted by staff, pp 8 D - HB 2520: Preliminary staff measure summary, (-1) amendments, hand engrossed version, fiscal and revenue impact statements, pp 15 E - HB 2520: Written testimony from Sen. Phillips submitted by staff for the record, pp 1