HOUSE COMMITTEE ON RULES AND REORGANIZATION

January 29, 1993 Hearing Room E 1:30 p.m. Tapes 16 - 17

MEMBERS PRESENT: Rep. John Watt, Chair Rep. Lonnie Roberts, Vice-Chair Rep. Delna Jones Rep. Dave McTeague Rep. Cedric Hayden Rep. Michael Payne Rep. Eldon Johnson Rep. Fred Girod Rep. Avel Gordly

MEMBER EXCUSED: Rep. Dave McTeague

STAFF PRESENT: Adrienne Sexton, Committee Administrator Ken Brady, Committee Clerk

MEASURES CONSIDERED: HCR1 - Memoriam for State Poice Senior Trooper HB 2237 - Board of Medical Examiners

WITNESSES: Rep. Margaret Carter, HCR1 Rep. Del Parks, HCR1 Col. Jerry Russell, HCR1 Dan Simmons, HB 2237 Catherine Mater, HB 2237 John Ulwelling, HB 2237 Walter Barrie, HB 2237 Rich Peppers, HB 2237 Scott Gallant, HB 2237

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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 16, SIDE A

007 JOHN WATT, COMMITTEE CHAIR: Convenes meeting at 1:34 p.m. -Opens hearing on HCR1.

(Tape 16, Side A) HCR1 - MEMORIAM FOR STATE POLICE SENIOR TROOPER

009 ADRIENNE SEXTON, COMMITTEE ADMINISTRATOR: Introduces HCR1. 016 REPRESENTATIVE MARGARET CARTER: Introduces self and others. Explanation of events. -Notes to commend Senior Trooper Clodfelter. -Resolution in memory of him.

045 REPRESENTATIVE DEL PARKS: Introduces self and relates information about Trooper. -Notes that Trooper Clodfelter deserves commendation. -Notes that people should honor the men who've died and those who are still alive.

061 COLONEL JERRY RUSSELL, STATE POLICE: Introduces self. -Tells of Senior Trooper Clodfelter. -Pledges resolve of State Police to continue in his tradition.

082 WATT: Closes Hearing on HCR1. -Goes to work session on HCR1.

085 MOTION: REPRESENTATIVE LONNIE ROBERTS, COMMITTEE VICE-CHAIR: Moves HCR1 to floor with a DO PASS recommendation.

089 MOTION: REPRESENTATIVE CEDRIC HAYDEN: Moves to delete lines dealing with legislature, so that the full honor is given to the Trooper. 095 ROBERTS: Withdraws motion on HCR1. 099 SEXTON: Reads motion as it would be with changes proposed by Hayden. CARTER: Asks for rethinking of clarification. -Should not be 104 deleted. 113 HAYDEN: Notes that full honor should go to the Trooper. 119 CARTER: Wants people to know that the legislature supports people and police. 129 REPRESENTATIVE DELNA JONES: Asks Colonel Russell to comment on his opinions. 133 RUSSELL: No, it doesn't pertain. 138 ROBERTS: Notes that it's just saying that the legislature recognizes the Trooper. -Leave it how it is. 151 HAYDEN: Withdraws motion on HCR1. 160 ROBERTS: Notes that everything has to do with politics. WATT: Notes that the Trooper's family wrote it. -It should stay 170 as it is. CARTER: Notes that it has nothing to do with politics. -Highest 182 honor to the Trooper. 195 MOTION: ROBERTS: Moves that HCR1 be sent to the floor with a DO PASS recommendation. 200 WATT: Asks for discussion. -Notes appreciation for State Police. 209 VOTE: In a roll call vote, all members present vote AYE. REP. MCTEAGUE is EXCUSED. 215 WATT: Declares HCR1 passed. 220 REPRESENTATIVE AVEL GORDLY: Requests a recess. 224 WATT: Calls for a moment of silence. -Calls recess for five minutes. 233 WATT: Calls to order. -Opens on HB 2237. (Tape 16, Side A) HB 2237 - BOARD OF MEDICAL EXAMINERS 240 SEXTON: Explains HB 2237.

270 DAN SIMMONS: Submits written testimony (EXHIBIT A) in support of HB 223 7. -Telling governor to pay attention to what is necessary instead of non-priority. Such as: -1998 Oregon Games Commission -Capitol Planning Commission -Consolidating Fire Marshall & State Police

320 WATT: Do you have a list?

323 SIMMONS: Responds. -No distinction between activities.

337 ROBERTS: Is this on paper only or is it a reality where peopleof the statewillnolonger beemployed?

346 SIMMONS: Responds. -Notes written testimony.

371 ROBERTS: Who would pay them if they're no longer state employees?

380 SIMMONS: The board.

385 ROBERTS: Will they take cuts in pay? Will they still have PERS?

390 SIMMONS: Probably.

396 WATT: Please let Dan finish his presentation. 398 SIMMONS: Continues. -Exemptions . . . -Continue as PERS members, etc. -Board would bargain with union.

415 ROBERTS: Is there no union or is there a union?

422 SIMMONS: Responds. -Clarifies.

TAPE 17, SIDE A

005 ROBERTS: There's going to be a change in contract?

009 SIMMONS: There's no law to prevent that. -Start with a new opportunity. -Renegotiate contract.

016 JONES: Are you supportive of this bill?

018 SIMMONS: Not in its present form... -I'll explain.

020 HAYDEN: If the questions are answered yes, is it a state agency?

023 SIMMONS: So long as it has state authority. -Bottom choice is a private agency. -Examples.

033 SIMMONS: Continues. Uncertain as to whether agencies would be subject to budget review. Under HB 2237, they would. -We're opposed to creating extra budget process. -We insist that its part of admin. oversight if its part of governor's budget. -Can't have it both ways.

053 WATT: Asks Simmons to clarify . . . State agency, private, or a bit of both? Are those the options.

059 SIMMONS: Not really. Either state or not. Like the difference between the Dept. of Human Resources and SAIF. -We want them off budget, out of control. -Unclear as to what happens with union successorship. -Employee union representation is unclear.

071 GORDLY: What is the impact on affirmative action, minority

action, etc?

080 SIMMONS: Either way, they wouldn't be under oversight, so it wouldn't apply. -Outside control of oversight through personnel.

090 GORDLY: How many proposals will have that problem?

093 SIMMONS: All alternative service delivery models will have that provision.

099 REPRESENTATIVE MICHAEL PAYNE: Who will appoint the board?

102 SIMMONS: Responds.

- 111 PAYNE: Will there still be legislative checks and balances?
- 115 SIMMONS: No.
- 117 WATT: Is that what you recommend? -Will it privatize?

121 SIMMONS: Responds. -Won't completely privatize.

131 JONES: Is non-state the proposal?

133 SIMMONS: Not on this agency. -The bill doesn't

- 137 JONES: What is your proposal/position? The first column?
- 140 SIMMONS: Yes

145 JONES: Union representation is a no?

148 SIMMONS: All as shown except union representation. -Unclear on that. -Exception is exemption from Attorney General's legal services.

161 JONES: What's the problem here?

165 SIMMONS: Size and focus. -Size of state gov't. -Move some things away so gov't can focus.

183 JONES: There would still be involvement, but no budget?

188 SIMMONS: Correct.

189 REPRESENTATIVE ELDON JOHNSON: Would you want Executive Dept. oversight?

193 SIMMONS: No. We want them off budget.

202 JOHNSON: Is this being driven by needing to cut 4000 people?

203 SIMMONS: No.

208 WATT: What's the general fund saving?

210 SIMMONS: Not measurably large.

214 PAYNE: Does it give the illusion of reducing state employees?

217 SIMMONS: No . . . not those terms.

223 HAYDEN: There's no savings but less management, right?

227 SIMMONS: I'll find out.

233 JOHN ULWELLING, OREGON BOARD OF MEDICAL EXAMINERS: In support of HB 223 7. -Introduces Walter Barrie & Catherine Mater, who submits written testimony (EXHB IT B) in support of HB 2237.

250 CATHERINE MATER: Notes that there is a savings. -Only difference is Executive review board. -Notes criteria for decision making.

304 JONES: Asks Mater if they give money to the general fund as a result?

310 ULWELLING: Interest on dedicated account. -Assesses physicians (goes to OHSU for research).

331 JOHNSON: Do you pay a fee for audits?

323 ULWELLING: Yes, but . . . do most in house.

360 ULWELLING: We asked what the savings would be. -We want to know as well.

371 MATER: Tells Johnson that it's compensation that the board gets. -Explains why it is necessary to change. -Would have to drop staff to cut costs.

TAPE 16, SIDE B

010 MATER: Staying where we are will result in decreased productivity. -If the state were to move B.M.E. today, they could continue with no pause and no increased cost to physicians. -Explains.

045 ROBERTS: What's the board's 93-94 budget?

047 ULWELLING: \$4.25 Million dollars. 049 MATER: We're not in opposition to Governor's office, but the Oregon Medical Asociate had to have a proviso.

057 WATT: What's the public policy reason for the change?

059 MATER: To make sure that the fee process to physicians is under an oversight process.

071 ULWELLING: It's because of the impact of Measure 5. -Reducing staff. -Reducing budget.

074 JONES: How are you affected by Measure 5?

078 ULWELLING: Good question.

079 JONES: By governor's edict or Measure 5?

085 ULWELLING: By edict.

093 ROBERTS: Fee driven? State office? Would you have more money

if you cut budget?

097 ULWELLING: Yes, we're fee driven. -No rent to government. -We would have more money.

100 WATT: Any other budget suppliers?

102 ULWELLING: Lots of oversight. -We pay for it all now.

123 WATT: It'll all stay the same? No new personnel? No new building?

128 MATER: Right.

131 WATT: Cost benefit?

134 ULWELLING: Not affected by measure 5. -Not as much oversight.

142 WATT: Do it for the sake of doing it? -Show how it'll benefit the people of the state.

151 ULWELLING: The way the budgets are going . . . these agencies will be reduced by 30% or more unless it changes.

163 JOHNSON: Why?

170 ULWELLING: Don't know.

172 JONES: Asks if the board had voted previously about it, would you want to do the same? -Why is it important for the legislature to review budget?

191 MATER: Have O.M.A. answer that.

JONES: The original proposal wasn't supported by the O.M.A.? -Be like the BAR association.

207 WALTER BARRIE, ASSISTANT ATTORNEY GENERAL: BAR is reviewed by supreme

court.

217 HAYDEN: \$4.25 million. Does it come from doctors?

220 BARRIE: Explains.

242 PAYNE: Could you negotiate a lower contract this way?

250 MATER: Yes.

252 ULWELLING: Not our intention to ruin the employee-employer relationship.

259 PAYNE: State would no longer negotiate.

262 ULWELLING: We will still treat employees fairly.

274 ROBERTS: Don't you have to pay the Attorney General's office?

280 BERRY: Yes. \$75 per hour.

286 HAYDEN: Cutting cost of health care is important, but not salaries. Either reduce salaries, services, or number of staff. None are good, but cost won't go down.

306 ULWELLING: Multi-billion dollar industry. We're a small part of that. -If budget goes down, how can we keep up?

328 JONES: Only if we agree with the current system? -Compared to other states, how are we?

338 ULWELLING: Explains.

364 JONES: Is Oregon's board viewed by other states as a well run organization?

366 ULWELLING: Yes

368 MATER: One of the best.

375 REPRESENTATIVE FRED GIROD: If not for budget problems would you still be here with this proposal?

381 MATER: The budget problem is the driving force. -Otherwise we wouldn't be here.

390 GIROD: Decentralization, right? Cost savings?

397 MATER: If we have to reduce staff, it would be bad.

407 ULWELLING: It would increase flexibility. -Response time saved.

422 GIROD: Who would determine fees?

426 ULWELLING: Legislative fiscal. -Other comments.

TAPE 17, SIDE B

004 ULWELLING: Goes through rest of HB 2237.

JONES: How much is legal counsel? Have you checked?

012 ULWELLING: Yes, it's more.

020 WATT: Asks others to come back later.

022 RICH PEPPERS , O.P.E.U.: Submits written testimony (EXHIBIT C). You have my written testimony. I'll come back.

026 SCOTT GALLANT: Submits written testimony (EXHIBITS D & E). I will come back.

037 WATT: Adjourns at 3:05

Submitted by:

Reviewed by:

Kenneth Brady Adrienne Sexton Clerk Administrator EXHIBIT LOG:

A - Testimony on HB 2237 - Dan Simmons - 1 page B - Testimony on HB 2237 - Catherine Mater - 7 pages C - Testimony on HB 2237 - Rich Peppers - 1 page D - Testimony on HB 2237 - Scott Gallant - 1 page E -Testimony on HB 2237 - Scott Gallant - 2 pages F - Testimony on HB 2237 - Bill Miles - 1 page