HOUSE COMMITTEE ON RULES AND REORGANIZATION Subcommittee on Reorganization

April 6, 1993 Hearing Room E 1:30 p.m. Tapes 19 - 20

MEMBERS PRESENT: Rep. John Watt, Chair Rep. Delna Jones Rep. Eldon Johnson Rep. Avel Gordly

MEMBER EXCUSED: Rep. Michael Payne

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

MEASURES CONSIDERED: HJR 62 - Constitutional amendment for creating an organizational session and a regular session of the Legislative Assembly

HB 2640 A - Freezes salaries of state employees

WITNESSES: Rep. John Schoon, HB 2640 A Art James, HB 2640 A Rep. Lonnie Roberts, HB 2640 A

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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 19, SIDE A

010 REPRESENTATIVE JOHN WATT, SUBCOMMITTEE CHAIR: Convenes meeting at 1:30 p.m.

WORK SESSION - HB 2640 A

028 REPRESENTATIVE JOHN SCHOON: Submits proposed amendments to HB 2640 A (-18) (EXHIBIT A). -Explains -18 amendments. -Section 1, line 2 would amend ORS 291.246. -Section 4 replaced with language requiring money be spent only

within classification of expenditures and allotments that we

authorize.

082 REPRESENTATIVE DELNA JONES: What's the actual impact when we prepare a budget and specify an amount of money for a department? What would this measure do to that process?

090 SCHOON: Kathleen Beaufait said that prior to 1985 the agencies conformed to the amounts budgeted. They can spend only in allotments.

095 JONES: By category?

097 SCHOON: Yes. There are only three categories: personnel services, services & supplies, and replacement of equipment. -Explains benefits.

116 JONES: Will this have an impact on the practice of leaving positions unfilled?

120 SCHOON: I suppose that is okay for them to do that. I would say that all unfilled positions should not be filled.

127 JONES: Or take away the authority to fill them.

130 SCHOON: Yes.

132 REPRESENTATIVE ELDON JOHNSON: Would this bill allow us to limit pay or benefit increases?

136 SCHOON: No. It would give us the ability to set limits.

139 JOHNSON: Could we freeze an individual's salary?

147 SCHOON: Not an individual. But we could limit total amount of money spent.

156 JOHNSON: We could only tell the Executive Dept. "You have so many dollars for these slots" and if there was an adjustment in salaries,

they'd have to reduce numbers.

162 SCHOON: It would deal with allotment totals, not individuals' pay.

164 JOHNSON: Isn't that where we're at now?

167 SCHOON: The money that is budgeted to salaries & budgets, but part of supplies & services is budgeted to salary increases.

170 WATT: In section 4, that language tries to get at that?

172 SCHOON: Correct.

175 WATT: Present language allows that to happen.

182 SCHOON: Also read the first line. New language would say spend it as budgeted or don't spend it at all.

187 JONES: Has Legislative Fiscal looked at this in relation to the current budget process?

191 SCHOON: They haven't seen it. 201 JONES: There is nothing that says they couldn't lay off people and give salary increases. Correct?

217 SCHOON: We allot a certain amount for the salary purpose. -The problem is not the employees, but the amount of money we're

spending on salaries and benefits.

236 JOHNSON: If the Legislature said to the Executive Dept., "We do not want to provide funds for salary or benefit increases this biennium," would

you be bargaining in bad faith if you didn't consider increases?

243 ART JAMES, EXECUTIVE DEPT.: We could be put in a situation where there is no give and take.

258 JOHNSON: Would you feel compelled to carry that out if we said to?

265 JAMES: The Executive Dept. exists to carry out the legislative mandates that are handed to it.

272 JOHNSON: If we said that then, what would happen with the unions?

279 JAMES: It would hinder our ability to come to an agreement.

JOHNSON: Couldn't we say "no more arbitration" if we wanted to?

300 JAMES: The entire collective bargaining process is a creation of the legislature, so you could change what you want.

305 JONES: We would need to do this budget by budget, agency by agency. You would have to see if there were diminshed positions filled, and use

those positions as a salary package.

325 JAMES: I just saw -18 amendments. We have different bargaining unit configurations, but I'd have to defer a more detailed answer to the

budget management division.

357 JONES: There is not expected to be a general appropriation for general salary increase; cost of living increase.

367 JOHNSON: Would the arbitrator still be free to make a decision even though we restrict increases?

380 JAMES: The arbitrator must take into account a list of criteria. I wouldn't say that an arbitrator wouldn't make an award anyway. We may

need legal opinion.

400 WATT: This goes much further than intended with your amendments. -I'd like to pass this through up to the -17 amendments.

425 REPRESENTATIVE LONNIE ROBERTS: In opposition to HB 2640 A. -Speaks about list of pay scales. -Submits chart (EXHIBIT B). -The lower end of the scale won't be able to keep up on those

salaries. TAPE 20, SIDE A

035 WATT: Do you have a plan to fix the budget problem?

042 ROBERTS: The only way is to revamp the tax plan.

048 WATT: Reads letter from a constituent.

070 MOTION: Rep. JONES moves to adopt -17 amendments to HB 2640 A.

079 GORDLY: Questions about contracting out. Reads a section from a memo from Adrienne Sexton.

099 WATT: I would like to delete section 2

111VOTE: In a ROLL CALL VOTE, voting AYE: Rep. Jones, Chair WattNAY: Rep. Gordly EXCUSED:Rep. Johnson, Payne

122 MOTION: Rep. JONES moves to delete section 2, identified as lines 10-24 on page 1 of the hand engrossed bill through page 2, line 6.

133 VOTE: In a ROLL CALL VOTE, voting AYE: Rep. Johnson, Jones, Chair Watt NAY: Rep. Gordly EXCUSED: Rep. Payne

141 MOTION: Rep. JONES moves HB 2640 as amended to the full committee with a DO PASS recommendation.

145 VOTE: In a ROLL CALL VOTE, voting AYE: Rep. Johnson, Jones, Chair Watt NAY: Rep. Gordly EXCUSED: Rep. Payne

147 WATT: HB 2640 is moved to the full committee. -Closes work session on HB 2640 A. -Opens work session on HJR 62.

WORK SESSION - HJR 62

144 ADRIENNE SEXTON, COMMITTEE ADMINISTRATOR: Explains HJR 62.

MOTION: Rep. JONES moves that HJR 62 be moved to the full committee

with a DO PASS recommendation.

VOTE: In a ROLL CALL VOTE, all members present vote AYE. Rep. Payne is EXCUSED.

190 WATT: Declares HJR $\,$ 62 passed to full. Rep. Jones is the carrier.

JONES: We may need to draft a bill to look at election process.

206 WATT: Adjourns at 2:13 p.m.

Submitted by:

Reveiwed by:

Kenneth Brady Adrienne Sexton Clerk Administrator

EXHIBIT LOG:

A - Proposed amendments to HB 2640 A - John Schoon - 2 pages B - Chart for HB 2640 A - Lonnie Roberts - 2 pages