

SENATE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

January 22, 1993Hearing Room B 9:00 p.m.Tapes 1 - 2 MEMBERS

PRESENT:Senator Tricia Smith, Chair Senator Grattan Kerans Senator
Wes Cooley Senator Peg Jolin EXCUSED: Senator Paul Phillips STAFF

PRESENT:Joan Van Almen, Committee Counsel Stephanie Holmes,
Committee Research Assistant Joan Green, Committee Assistant MEASURES

HEARD: Informational meeting

WITNESSES: Gary Weeks, Director, Department of Insurance and Finance

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.

TAPE 1. SIDE A

006 Chair Smith: Meeting called to order at 9:05 a.m. Introduces
members, Sen. Kerans introduced as Vice Chair. Review of proposed
committee rules, Exhibit A.

034 MOTION: SEN. JOLIN MOVED THAT THE PROPOSED COMMITTEE RULES,
EXHIBIT A, BE ADOPTED. HEARING NO OBJECTION, SO ORDERED. 040 Chair
Smith: Introduces staff. 050 GARY WEEKS, DIRECTOR, DEPARTMENT OF
INSURANCE AND FINANCE: Presents overview of Department of Insurance and
Finance (DIF). 113 Sen. Kerans: Requests a list of the jobs that will
be eliminated. 118 Weeks: Continues with testimony. 188 Sen.
Kerans: Requests figures on reduction in injury rates for the work
place.

194 Weeks: Responds with statistics in the last three years.

218 Chair Smith: Has there been a shift in attitudes of management
and/or workers surrounding these programs? Senate Committee on Labor and
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230 Weeks: Yes, the reception is warmer.

238 Sen. Cooley: Have you correlated the drop in the death rate and
injury rate to the reduction in the work force of the high
injury/mortality industries?

250 Weeks: Yes, will provide a report as soon as it is available. 284
Chair Smith: Has there been a change in the number of denied claims from
the State Accident Insurance Fund (SAIF) in the past year?

294 Weeks: Yes. 304 Chair Smith: Does SAIF insure the construction
industry?

320 Weeks: Yes.

321 Sen. Cooley: Discusses changes in SAIF and how it affects the
overall costs. Has the 1990 legislation resulted in dramatic drops in
rates? 351 Weeks: Discussion of how that legislation affected premium
reductions. Occupational Safety and Health (OSHA) is now requested to
come in and do voluntary compliance evaluations, resulting in an
immediate hit on premiums for OSHA.

413 Chair Smith: Define voluntary compliance?

432 Weeks: These services are available from the insurer and OSHA, creating a two-pronged program.

437 Chair Smith: Voluntary compliance does not mean that an employer can choose to ignore an OSHA regulations. An employer can choose to use the resources you have available to learn how to comply with those regulations in a way that would keep them legal and their workers healthy?

442 Weeks: Enforcement is still necessary.

TAPE 2, S1[DE A

009 Sen. Jolin: In the 1990 Workers' Compensation legislation, in regards to the 30 day or 12 treatment provisions, as related to chiropractic care, the caucus was assured by former-Gov. Goldschmidt and former Director Ted Kulongoski that this provision would not be retroactive, but affect only newly filed claims. In reality it has been retroactive, how did that happen? 055 Weeks: I don't know the commitments made to the caucus. I can't answer your question, I don't know. Volunteers to research this issue. 078 Chair Smith: Has the decision been challenged in court? 081 Weeks: I'm not aware of any court challenges. I can research that also. . . 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 bpea. _ . Senate Committee on Labor and Government Operation' January 22, 1993 - Page 3

084 Sen. Kerans: Could the report indicate the additions to OSHA and the activities of voluntary compliance and your enforcement program; and attribute some of the cost savings to the reduction of the incident rate, in comparison to estimated value of savings from changes in attending physicians vs. changes in the value of other things that use to be compensable, and now are not?

097 Weeks: We will be putting a value on many of the medical things. The OSHA changes are more difficult to put a value on. Continues with overview.

246 Chair Smith: What part of the pawnbrokers business do you regulate?

250 Weeks: Responds.

267 Chair Smith: Questions the appropriateness of the DIF being involved in an enforcement capacity. 276Weeks: Responds.

287 Chair Smith: I am trying to understand the reasoning for oversight in this area. 301 Sen. Jolin: What is the status of the Savings and Loan (S&L) institutions and credit unions? 311 Weeks: Responds.

320 Sen. Jolin: Are you aware of any bill(s) to deregulate S&L's?

323 Weeks: Responds. Continues with overview.

367 Sen. Kerans: Have you looked at linking the Contractors Board and other licensing agencies to track compliance? 375 Weeks: Responds.

410 Chair Smith: Are you bringing legislation to deal with that

issue? 414 Weeks: Responds. 428 Chair Smith: What is the
definition of independent contractor? 433 Weeks: Responds.

TAPE 1, SIDE B

031 Joan Van Almen, Counsel: Aren't the independents bonded and don't
the bonding companies pick up some of these medical costs?

034 Weeks: Responds. Continues with presentation.

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122 Chair Smith: If members of this committee would like access to
that information who would be - contacted?

125 Weeks: Responds. Continues with presentation.

177 Van Almen: Have these ombudsman positions reduced litigation?

183 Weeks: Responds. Continues with presentation.

222 Sen. Jolin: Expresses support for the Department and Tom Erwin.

240 Weeks: Reviews the Department's priority bills.

289 Sen. Kerans: The ultimate result of the bill, if it passed, would
assess workers to pay into this fund?

305 Weeks: Responds. Continues with presentation.

377 Chair Smith: Meeting adjourned at 10:30 a.m. /

Submitted by:

Reviewed by:

Joan Green
Assistant

Joan Van Almen
Counsel

EXHIBIT LOG:

A - Proposed committee rules - Staff - 2 pages B - Hand out - Weeks - 42
pages

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