

SENATE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

February 17, 1993 Hearing Room B 9:00 a.m. Tapes 24 - 25 MEMBERS
PRESENT: Senator Tricia Smith, Chair Senator Grattan Kerans, Vice
Chair Senator Wes Cooley Senator Peg Jolin EXCUSED: Senator Brady
Adams STAFF PRESENT: Joan Van Almen, Committee Counsel Joan Green,
Committee Assistant MEASURES HEARD: Possible bill introduction, WS SB
364 relating to insurance, WS Executive Appointments: Woody Dow,
Construction Contractors Board Micheal Murphy, Electrical Board Rudolph
Westerband, Workers' Compensation Board Greg Teeple, State Accident
Insurance Fund Corporation Board of Directors SB 73, relating to
personnel records, PH

WITNESSES: Woody Dow, Executive Appointment Nominee Nina Johnson,
Executive Assistant, Secretary of State's Office Micheal Murphy,
Executive Appointment Nominee Rudolph Westerband, Executive Appointment
Nominee Greg Teeple, Executive Appointment Nominee Art James, Executive
Department Rita Thomas, Executive Department Mari Anne Gest, Oregon
Public Employees Union Joe Benning-Hoff, Confederation of Oregon School
Administrators Mary Botkin, American Federation of State and Municipal
Employees

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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 24. SIDE A 006 Chair
Smith: Meeting called to order at 9:10 a.m.

WORK SESSION SB 364 RELATING TO INSURANCE

014 MOTION: CHAIR SMITH MOVED TO REFER SB 364 TO THE DESK WITHOUT
RECOMMENDATION FOR RE-REFERRAL BY THE SENATE PRESIDENT. HEARING NO
OBJECTION, SO ORDERED.

POSSIBLE BILL INTRODUCTION

018 MOTION: CHAIR SMITH MOVED THE PACKET OF LEGISLATIVE DRAFTS,
EXHTBTT A, BE INTRODUCED AS COMMITTEE BILLS. 037Sen. Kerans: I will
not object to introduction of the packet as committee bills, however LC
448 and LC 2584 will probably not receive my support as printed bills.
041 VOTE: HEARING NO OBJECTION, SO ORDERED.

EXECUTIVE APPOINTMENTS

061 MICHEAL MURPHY, EXECUTIVE APPOINTMENT NOMINEE: Presents
background and qualifications to the committee. 071 Chair Smith: How
many years have you served on the Board. 075 Murphy: Responds.

076 Chair Smith: What are your feelings to the Governor's proposal, as
related to the Electrical Board and the consolidation affect on that
Board?

080 Murphy: Responds. 088 Chair Smith: What do you hope to
accomplish in your next term? 089 Murphy: Responds.

098 Sen. Cooley: If the consolidation were to go through would you lose
some statutory authority that you currently have and do you have any
apprehensions should that happen?

104 Murphy: Responds.

116 Sen. Cooley: Expresses his desire to see the statutory authority remain within the Board. Can you recall anytime in the past where, without that authority, it could have been detrimental to the safety of the community?

125 Murphy: Responds.

136 Sen. Jolin: Do either of the two electrical contractors on the Board have any practical experience, or is that provided by the journeymen.

142 Murphy: Responds. 152 Sen. Jolin: Did your union responsibilities affect your current move? Senate Labor and Government Operations February 17, 1993 Page 3

156 Murphy: Responds.

160 MOTION: SEN. KERANS MOVED THE REAPPOINTMENT OF MICHEAL G. MURPHY TO THE ELECTRICAL BOARD TO THE FLOOR WITH A DO CONFIRM RECOMMENDATION.

173 VOTE: MOTION CARRIED, 4 0. (EXCUSED: SEN. ADAMS). SEN. KERANS WILL LEAD FLOOR DISCUSSION.

185 WOODY DOW, EXECUTIVE APPOINTMENT NOMINEE: Presents background and qualifications to the committee. 216 Chair Smith: What is the Board's role, is it advisory only? 222 Dow: Responds. 237 Chair Smith: Could you comment on the discontent from the public with the way the Board handles its charge? 258 Dow: Responds

275 Sen. Jolin: How did you become involved in building, in view of your past experience?

280 Dow: Responds.

302 MOTION: CHAIR SMITH MOVED THE REAPPOINTMENT OF WOODY DOW TO THE CONSTRUCTION CONTRACTORS BOARD TO THE FLOOR WITH A DO CONFIRM RECOMMENDATION. 305 VOTE: MOTION CARRIED, 4 0. (EXCUSED: SEN. ADAMS). SEN. JOLIN WILL LEAD FLOOR DISCUSSION. 335 RUDOLPH WESTERBAND, EXECUTIVE APPOINTMENT NOMINEE: Presents background and qualifications to committee. 377 Chair Smith: How large is the backlog of cases?

381 Westerband: Responds.

391 Chair Smith: Does the proposed reorganization affect the Board and if so how?

392 Westerband: No.

408 Sen. Jolin: What is your position on proposed legislation to bring the State Accident Insurance Fund (SAIF) back as a state agency?

427 Westerband: Responds.

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024 Sen. Kerans: How many members will the Board have, according to statute, as of June 30, 1993?

029 Westerband: Responds.

030 Sen. Kerans: What will happen to the backlog with a reduction in the size of the Board?

033 Westerband: Responds.

065 Sen. Kerans: Is there enough recent evidence to show you are on the downside of the bell curve, and going to reach some sort of plateau?

069 Westerband: Responds.

082 Sen. Kerans: Do Board Members sign claim disposition agreements, if not who does?

088 Westerband: Responds.

092 Sen. Kerans: You would not have knowledge of the status in that area?

100 Westerband: Responds.

106 Sen. Kerans: Do you feel the law is being fairly administered in resolving the claims between a claimant and the carrier?

123 Westerband: Responds. 162 Sen. Cooley: You feel SB 1197 needed to be clearer in some areas?

166 Westerband: Yes.

169 MOTION: CHAIR SMITH MOVED flit; REAPPOINTMENT OF RUDOLPH S. WESTERBAND TO THE WORKERS, COMPENSATION BOARD TO THE FLOOR WITH A DO CONFIRM RECOMMENDATION. 172 VOTE: MOTION CARRIED, 4-0. (EXCUSED: SEN. ADAMS). CHAIR SMITH WILL LEAD FLOOR DISCUSSION. 181 GREG TEEPLE, EXECUTIVE APPOINTMENT NOMINEE: Presents background and qualifications to the committee. 223 Chair Smith: What can you bring to the Board to assure that the Board develops policies for the operation of the State Accident Insurance Fund (SAIF) consistent with the legislative laws and intent? 231 Teeple: Responds. ~ .

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235 Chair Smith: How do you think that the Board can insure that the policies you set are implemented by SAIF? 240 Teeple: Responds.

257 Chair Smith: My comfort level with the operation of SAIF is not high. I would like to see the mission of the Board carried out in a different way. Would you like to comment? 316 Teeple: Responds.

333 Sen. Kerans: Responds to Chair Smith's comments.

TAPE 24. SIDE B

018 Sen. Kerans: Continues with response to Chair Smith's comments. Do you have an opinion, and if so do you wish to express it, regarding

SAIF either as a state agency or a private corporation? 030 Teeple:
Responds. 044 Sen. Kerans: It is an accounting/fiscal matter, not a
personality matter. Discusses policy matters on reinsurance. 085Sen.
Cooley: Reinforces Sen. Kerans concerns about SAIF's accounting system.
Are you presently serving on the Board? 099 Teeple: No. 101 Sen.
Cooley: Will you continue on as a lobbyist, this is a concern to me?

103 Teeple: Yes, but not on Workers' Compensation issues.

112 Sen. Cooley: Will you be able to balance the criticism with the
requirements of the job?

120 Teeple: Responds. 122 Sen. Jolin: Expresses support for Mr.
Teeple, however expresses her concerns with SAIF. 182 MOTION: SEN.
KERANS MOVED THE APPOINTMENT OF GREG TEEPLE TO THE STATE ACCIDENT
INSURANCE FUND CORPORATION BOARD OF DIRECTORS TO THE FLOOR WITH A DO
CONFIRM RECOMMENDATION. 172 VOTE: MOTION CARRIED, 4 0. (EXCUSED: SEN.
ADAMS). SEN. COOLEY WILL LEAD FLOOR DISCUSSION.

PUBLIC HEARING SB 73. RELATING TO PERSONNEL RECORDS

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marks report a speaker's exact words. For complete contents of the
proceedings, please refer to the tapes. Senate Labor and Government
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197 ART JAMES, EXECUTIVE DEPARTMENT: Speaks in support of the bill,
Exhibit B.

253 Chair Smith: Have you had any discussions with the Secretary of
State's office about the differences between your bill and the one they
are preparing that deals with this matter?

256 James: Responds.

276 Joan Van Almen, Counsel: How, under current law, would one make an
exception to the statute because it is in the public interest to know
this information?

296 James: Responds.

299 Van Almen: So the public agency doesn't have anything to with the
decision, it is referred to the Attorney General (AG)?

300 James: Responds.

296 Chair Smith: Your legal counsel would make the decision as to
whether the disclosure was in the public interest?

303 James: Responds.

330 Chair Smith: This is an Executive Department decision, not an
agency decision?

342 James: Responds.

350 Chair Smith: What is the criteria used when a request is made?

359 James: Responds.

368 Chair Smith: Do you know how they apply this balance?

372 James: Responds.

384 Van Almen: Based on the language used in the bill, could there be a chance personnel action and the supporting documentation would no longer be protected?

409 James: Responds.

TAPE 25. SIDE B

005 RITA THOMAS, CHIEF NEGOTIATOR, EXECUTIVE DEPARTMENT: Clarifies point.

013 MARY ANNE GEST, OREGON PUBLIC EMPLOYEES UNION: Speaks in support of the bill. 020MARY BOTKIN, AMERICAN FEDERATION OF STATE AND MUNICIPAL COUNTY EMPLOYEES: Speaks in support of the bill.

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056 Chair Smith: On pg. 2, Ins. 32-33, Committee Counsel is concerned that the language, as rewritten, could be challenged regarding the supporting documentation of the disciplinary action. What are your thoughts? 076 Botkin: Responds. 083 Sen. Cooley: These records are currently available to the union(s)? 087Botkin: Responds.

095 Sen. Cooley: Presently the public does not have access, but the union does, so there are two standards?

099 Botkin: Responds.

146 Sen. Cooley: I wouldn't think anyone would give permission to information that would not benefit them?

151 James: Responds.

168 Sen. Cooley: My issue is whether a public employee(s) should have different rights from the private citizen.

176 James: Responds.

186 Chair Smith: Responds to Sen. Cooley's concern.

206 JOE BENNING-HOFF, CONFEDERATION OF OREGON SCHOOL ADMINISTRATORS: Speaks in support of the bill. 225 NINA JOHNSON, EXECUTIVE ASSISTANT, SECRETARY OF STATE'S OFFICE: Would not dissuade the committee from looking at SB 73. Explains the differences in our public records bill vs. SB 73. 334 Meeting adjourned at 10:58 a.m. Submitted by: Reviewed by:

Joan Green Joan Van Almen AssistantCounsel

EXHIBIT LOG:

A - Packet of legislative drafts - Staff - 45 pages B - Testimony on SB
73 - James - 1 page