

SENATE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

April 12, 1993 Hearing Room B 8:00 A.M. Tapes 86 - 87

MEMBERS PRESENT: Senator Tricia Smith, Chair Senator Karsten Rasmussen,
Vice Chair Senator Brady Adams Senator Wes Cooley Senator Dick Springer

STAFF PRESENT: Stephanie Holmes, Committee Counsel Pamela
Stefani, Committee Clerk

MEASURES CONSIDERED: Executive Appointment -Stefan A Ostrach SB
167 Work Session

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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 86, SIDE A

006 CHAIR SMITH calls the meeting to order at 8:30 a.m.

Executive Appointment - Workers' Compensation Management-Labor Advisory
Committee - STEFAN A OSTRACH

010 JOAN VAN ALMEN, Counsel, calls the members' attention to
information about the Governor's appointee (EXHIBIT A).

016 CHAIR SMITH asks that Mr. Ostrach to tell the committee why he
would like to serve on the committee.

018 MR. OSTRACH reviews his work experiences and explains that he was
approached by the Secretary-Treasurer of Portland Local 206 of the
Teamsters who had served on the Mahonia Hall group when it originally
put together SB 1197 because he wanted to make sure the Teamsters are
represented on the committee.

035 CHAIR SMITH: What would you like to accomplish on the board?

038 MR. OSTRACH: I would like to see the joint committee process
continue to find common ground and make improvements in the system.

052 CHAIR SMITH: Do you believe the committee is effective in
advising all those who need to be advised about workers' compensation
laws and issues?

056 MR. OSTRACH: It seems things are fairly polarized and I hope my
skill will help break that down.

059 CHAIR SMITH: The statute is more reactive than proactive. Do you have any qualms about pushing the committee in areas where the laws may not

be working--how do you feel about being proactive and pushy?

064 MR. OSTRACH: I don't think it should be reactive. I have a list of bills before this session and in reality there is not going to be anything to do for the short term, but to react to what other people are proposing and to try to make recommendations on those. I am looking forward more to the period after session ends and trying to get to a point of becoming proactive in preparing for the next session.

081 SEN. COOLEY: What do you think is most distressing about SB 1197?

079 MR. OSTRACH: I don't pretend to be an expert on SB 1197. From the viewpoint of someone who deals with complaints from employees, as a result of those reforms a lot of people have been cut out of the system and are falling through the cracks and are not getting the benefits that previously might have gotten through workers' compensation. And there doesn't seem to be anyplace else for them to go. On the other hand, I understand the motivation for the changes.

099 SEN. RASMUSSEN states his support for Mr. Ostrach.

109 MOTION: CHAIR SMITH moves that the Committee recommend to the Senate that the appointment of Mr. Ostrach to the Workers Compensation Management-Labor Advisory Committee BE CONFIRMED.

113 VOTE: In a roll call vote, all members present vote AYE.
SEN.

SPRINGER is EXCUSED.

117 CHAIR SMITH declares the motion passed. SEN. RASMUSSEN will carry the appointment on the Floor.

(Tape 86, Side A) SB 167 - WORK SESSION

The Preliminary Staff Measure and outline of existing boards' memberships are hereby made a part of these minutes (EXHIBIT B)

115 CHAIR SMITH opens the work session on SB 167.

119 GARY WEEKS, Director, Department of Insurance & Finance, explains SB 167 and the SB 167-1 amendments (EXHIBIT C), beginning with Section 81: - combines Electrical and Elevator Boards, changes membership of the new board, authorizes the existing boards to operate until the new board is appointed, and makes necessary changes - correspondence supporting the changes by the trade organizations will be provided to the committee 212 - Building, Housing and Real Estate Council is abolished; duties of the council are transferred to the Department of Consumer and Business Services by Legislative Counsel. However, those duties are transferred in other places - members of the Board of Landscape Architects and the Board of Geologists Examiners will be appointed by the Governor; previously they were appointed by the Chair of the

Building, Housing and Real Estate Council 272 - the Construction Contractors Board is transferred to the Department of Business and Consumer Services, the Governor has appointing authority

and the present authority of the board for rule making is continued

337 KEN KUEDELL, Administrator, Construction Contractors Board explains the section on civil penalties should be taken out of the bill. The board

has authority to retain up to 20 percent of the civil penalty money they collect to pay the cost of collection

384 MR. WEEKS continues with his review of the amendments relating to the

Landscape Contractors Board.

TAPE 87, SIDE A

010 SENATOR ADAMS asks what the fees would have to be increased to in order to avoid a cash shortage.

012 MR. WEEKS: The Landscape Contractors Board will be under the Construction Contractors Board and Ken Kuedell can perhaps answer the question.

015 MR. KUEDELL responds that the maximum fees are set in law and they have been operating at the maximum for some time. The fees are \$75 for a business and \$30 for an individual.

046 MR. WEEKS: Section 191a (EXHIBIT C, page 19) repeals the statute which sets the fees and 191c authorizes the director to establish fees for the board. The intent is the fees will pay the costs.

MR. WEEKS continues with review of the SB 167-1 amendments, (EXHIBIT C, page 19).

090 - Medical Insurance Pool Board, by Section 5 of SB 167, would be moved into the department.

109 CHAIR SMITH requests that amendments to SB 167 be prepared by Friday so the bill can be moved out.

124 MR. WEEKS: There has been some discussion about the Real Estate Board, whether they should continue and about the discretion the Real Estate Commissioner should have. The department would like some direction from the committee on that issue.

129 CHAIR SMITH: I have asked Ms. Holmes to draft amendments to remove the Real Estate Board, the Appraisers Board, the Construction Contractors and Landscape Contractors boards from the bill since those are the major pieces that have received objections at the hearings. The committee can then decide if they should be in or out of the bill individually.

120 MR. WEEKS continues with his review of the proposed amendments relating to the Medical Insurance Pool Board. The administrative costs are transferred to the BCBS fund but leaves a separate dedicated fund to

pay for medical services. That is an important item for the insurance companies. 160 - Boxing & Wrestling Commission is currently an independent board. By Section 5 it is transferred to the Department of Consumer and Business

Services. Section 210(2) should included the same language as the Medical Insurance Pool Board: "The commission shall recommend and the director shall adopt such rules as are recommended by the commission." - Section 211 relates to the appointing authority of the Boxing and Wrestling Commission. - The commission has received a \$10,000 appropriation to get them through the biennium; a proposal has been made too help fund the commission with pay-per-view fees.

270 Members, Mr. Weeks and Ms. Holmes discuss the budget and operations of the Boxing and Wrestling Commission.

TAPE 86, SIDE B

021 MR. WEEKS: Section 8 transfers the advocate in the office of Advocacy for Women, Minorities and Emerging Small Businesses to the Governor's office; the administrative staff will be transferred to the department.

058 Members, Mr. Weeks and Ms. Holmes discuss the funding and purpose of the office.

126 MR. WEEKS continues his review of SB 167 and the SB 167-1 amendments moving the Appraiser and Certification Licensure Board from the Secretary of State's office to the department. The board would retain

its existing authority. 145 - Section 220 provides authority for the operating budget of the department to the director. - The last page of the bill cleans up miscellaneous statutes: references to the Accident Prevention are taken out because it does not exist and is a clean up of the 1987 statute revisions. - Sections 241 and 242 refer to professional and licensing boards and delete references to boards that are in SB 166. - Section 242a allows funds collected to be put in the BCBS fund. - Sections 245, 247 and 248 refer to accommodating statutes. - Section 249a and 249b, pages 22-24 of the SB 167-1 amendments, are suggested by Legislative Counsel. - Section 244 makes any obligations of the boards obligations of BCBS. - Section 250 repeals statutes on the Construction Contractors Board, advisory boards, and Building Codes statutes that are now in new sections. - Section 251 adds the emergency clause.

260 MR. WEEKS requests members' guidance on issues of whether to reinstate the Real Estate Board and qualifications for the real estate commissioner. The industry would like to see five years experience in the industry as a qualification to be appointed as commissioner.

264 BY CONSENSUS, the committee agreed that Mr. Weeks should proceed to have amendments drafted to reinstate the Real Estate Board and to require five-years experience in the industry to be appointed commissioner.

268 MR. WEEKS requests direction on the structure of the Building Codes Committee; he is willing to more clearly define the membership.

270 CHAIR RASMUSSEN advises Mr. Weeks to proceed with a new definition for the membership.

280 MS. HOLMES advises the committee that Chair Smith was concerned with the Energy Conservation Board membership.

299 MR. WEEKS: It is now the Building Codes Structural Board; it is a combination of the Structural Code Advisory Committee and the Energy Conservation Board.

300 MS. HOLMES: The chair had two concerns. One was the language of expertise and the other was to the Energy Conservation Board. I believe the expertise language carries over to the new Electrical and Elevator Board.

312 CHAIR RASMUSSEN requests that Mr. Weeks check with Chair Smith and Legislative Counsel when drafting new language.

300 MR. WEEKS requests direction from the committee on whether the terms should be limited to two four-year terms.

305 SEN. ADAMS comments he thinks eight years is a reasonable time, but Mr. Weeks should check with Chair Smith.

337 CHAIR RASMUSSEN declares the meeting adjourned at 9:40 a.m.

Respectfully submitted,

Annetta Mullins Committee Assistant

EXHIBIT SUMMARY

A - Executive Appointment, Workers' Compensation Management-Labor Advisory Committee, Stephan A. Ostrach, staff, 11 pp B - SB 167, Preliminary Staff Measure Summary and board membership outline, staff, 2 pp C - SB 167, SB 167-1 proposed amendments, Gary Weeks, 24 pp