May 19, 1993 Hearing Room B 8:00 a.m. Tapes 144 - 145

MEMBERS PRESENT: Sen. Tricia Smith, Chair Sen. Karsten Rasmussen, Vice-Chair Sen. Dick Springer Sen. Wes Cooley

MEMBER EXCUSED: Sen. Brady Adams

STAFF PRESENT: Joan Van Almen, Committee Counsel Stephanie Holmes, Committee Research Katy Yetter, Clerk

MEASURES CONSIDERED: SB 954 - Relating to Agricultural Labor SB 331 - Relating to Public Agencies SB 49 - Relating to Employee Benefits SB 194 - Relating to Oregon Fire Suppression Fund SB 506 - Relating to Service Contracts

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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 144, SIDE A

002 CHAIR SMITH: Calls meeting to order at 8:20 a.m.

WORK SESSION ON SB 49

006 STEPHANIE HOLMES, COMMITTEE RESEARCH: Reviews SB 49 and the -1 and -3 amendments. -Creates interest-bearing account for state employee benefit plans.

Requires the Department of Insurance and Finance to monitor the

Executive Department in administering the health insurance program.

Assets of Reserve Fund will be reviewed for adequacy in covering liabilities. - -3 amendments are latest set as of 5-19-93.

042 JIM MCINTOSH, STATE EMPLOYEE BENEFIT BOARD: Agrees with the -3 amendments.

060 MOTION: CHAIR SMITH: Moves to ADOPT the -1 amendments to SB 49 dated 5-18-93.

061 VOTE: CHAIR SMITH: Hearing no objection, the motion CARRIES. Senators SPRINGER and ADAMS are EXCUSED.

063 MOTION: CHAIR SMITH: Moves to ADOPT the -3 amendments to SB 49 dated 5-19-93.

- 076 VOTE: CHAIR SMITH: Hearing no objection, the motion CARRIES. Senators SPRINGER and ADAMS are EXCUSED.
- 077 MOTION: CHAIR SMITH: Moves SB 331 AS AMENDED to the Committee on Ways and Means with a DO PASS recommendation.
- 078 VOTE: In a roll call vote, all members present vote AYE. SENATORS SPRINGER and ADAMS are EXCUSED.
- 079 CHAIR SMITH: The motion CARRIES.

PUBLIC HEARING ON SB 194

WITNESSES: None

PUBLIC HEARING ON SB 331

WITNESSES: Mari Anne Gest, Oregon Public Employees Union Sara Wiley, OCEA Mary Botkin, AFSCME Art James, Executive Department Maria Keltner, Cities and Counties

- 100 MARI ANNE GEST, OPEU: Presents testimony in favor of SB 331 (EXHIBIT A).
- 198 MARY BOTKIN, AFSCME: Presents testimony in favor of SB 331 (EXHIBITS B and D).
- 297 SARA WILEY, OCEA: Presents testimony in favor of SB 331 (EXHIBIT C).
- 350 CHAIR SMITH: Asks witnesses if they remember testimony from last Session (1991) relating to bus services in schools.
- 370 GEST: Tells story about the Lincoln County School District and their bus services.

TAPE 145, SIDE A

- 010 GEST: Testifies in favor of SB 506 in that it corresponds to SB 331.
- 052 ART JAMES, EXECUTIVE DEPARTMENT: Testifies in opposition to SB 331.
- 090 CHAIR SMITH: Asks James if each state agency or board under scrutiny provides an analysis of the difference in cost between the public and

private sector's contracts.

- 097 JAMES: Replies that they do, but this analysis may itself not be cost-effective.
- 120 MARIA KELTNER, CITIES AND COUNTIES: Testifies in opposition to SB 331 .

WORK SESSION ON SB 331

 $151\,$  SEN. RASMUSSEN: Would like to postpone working on SB  $331\,$  to have more time to speak with proponents.

169 CHAIR SMITH: Does not believe in state mandates except for when it would be beneficial -- such as when the state acts as the monetary

provider and the function of the mandate is to provide a thorough analysis of how the monies are allotted.

PUBLIC HEARING ON SB 954

WITNESSES: Thom Nelson, Hood River Grower - Shippers Bill Perry, Oregon Farm Bureau (OFB) Michael Dale, Oregon Legal Services (OLS) Christine Shoup, Employment Division

- 200 THOM NELSON, HOOD RIVER GROWER SHIPPERS: Testifies in opposition to SB 954.
- 379 BILL PERRY, OFB: Testifies in opposition to SB 954.
- 400 CHAIR SMITH: Asks Perry if he thinks \$20,000 is an appropriate monetary value for a policy range.

TAPE 144, SIDE B

- 002 PERRY: Replies that the dollar amount is not as appropriate as the cost for a "seasonal employees" range would be.
- 040 MICHAEL DALE, OLS: Testifies in favor of SB 954.
- O79 CHRISTINE SHOUP, EMPLOYMENT DIVISION: Testifies in favor of SB 954.
- 215 DALE: Has not specified an effective date for the Employment Division to begin the process as outlined in the bill.
- 230 CHAIR SMITH: Page 6 Section 3 Sub 2 of the amendments -- How would the new policy of non-wage remuneration work?
- 238 DALE: Under Oregon Minimum Wage statute, non-cash benefits to employees can be credited to the employer for purposes of calculating minimum

wage.

credit the value toward unemployment wage factor?

300 DALE: Replies that it would not because the wage was above the minimum. WORK SESSION ON SB 954

TAPE 145, SIDE B

WORK SESSION ON SB 516

041 DIANE ROSENBAUM, OREGON STATE INDUSTRIAL UNION COUNCIL: Testifies on the -2 amendments -Page 1 Line 16 restored language from

Line 13 to Line 16 relating to

reinstatement period. -Page 2 Line 26 also restored language relating to reinstatement period.

- 068 SEN. COOLEY: Asks Rosenbaum why there is a three-year period from date of entry involving returning to work.
- 070 ROSENBAUM: States that in the 1990 Special Session, the three-year period was adopted in SB 1197, so the language carried over to this

similar bill.

- 087 MOTION: CHAIR SMITH: Moves to ADOPT the -2 amendments to SB 516 dated 5-18-93.
- 088 VOTE: CHAIR SMITH: Hearing no objection, the motion CARRIES. Senator ADAMS is EXCUSED.
- 091 MOTION: CHAIR SMITH: Moves SB 516 AS AMENDED to the Floor with a DO PASS recommendation.
- 094 VOTE: In a roll call vote, all members present vote AYE. Senator ADAMS is EXCUSED.
- 096 CHAIR SMITH: The motion CARRIES.
- 097 SEN. COOLEY will lead discussion on the Floor.

RE-OPEN PUBLIC HEARING ON SB 194

WITNESSES: Nancy Campbell, Office of the State Fire Marshall

- 100 STEPHANIE HOLMES: Reviews SB 194.
- 118 NANCY CAMPBELL, STATE FIRE MARSHALL: Testifies in favor of SB 194.
- 160 CHAIR SMITH: Asks about the fiscal impact on policy holders.
- 171 CAMPBELL: States that the Department of Insurance and Finance has predicted a .157% increase in fire premium tax.
- 198 MOTION: CHAIR SMITH: Moves to ADOPT the -1 amendments to SB 194 dated 5-19-93. 215 VOTE: CHAIR SMITH: Hearing no objection, the motion CARRIES. Senator ADAMS is EXCUSED.
- 219 MOTION: CHAIR SMITH: Moves SB 194 AS AMENDED to the Committee on Ways and Means.
- 221 SEN. COOLEY: Expresses concern over the bill in that he does not want it to move without being notified of the exact statistics on fiscal

impact.

228 CHAIR SMITH: Indicates that she will alert the Ways and Means Committee to the fact that the bill needs further close examination.

230 VOTE: In a roll call vote, all members present vote AYE. Senator ADAMS is EXCUSED.

238 CHAIR SMITH: The motion CARRIES.

240 CHAIR SMITH: Adjourns at 10:01 a.m.

Submitted by: Reviewed by:

Katy Yetter Stasi Kitchen Committee Assistant Committee Coordinator

## EXHIBIT LOG:

A - Testimony on SB 331 - M. Gest - 7 pages B - Testimony on SB 331 - M. Botkin - 5 pages C - Testimony on SB 331 - S. Wiley - 5 pages D - Testimony on SB 506 - M. Gest - 7 pages E - Testimony on SB 194 - N. Campbell - 3 pages F - Amendments to SB 49-1 - Legislative Counsel G - Amendments to SB 49-3 - Legislative Counsel H - Amendments to SB 516-1 - Legislative Counsel I - Amendments to SB 194-1 - Legislative Counsel