

HB 2431C - PH & WKS HB 2459B - WKS

SENATE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

July 29, 1993 HRC, State Capitol 8:00 a.m. Salem, OR

Tapes 154-158

Central Business Information and Registration JOBS Plus

MEMBERS PRESENT: SEN. JOYCE COHEN, CHAIR SEN. SHIRLEY GOLD SEN. JEANNETTE HAMBY SEN. KARSTEN RASMUSSEN SEN. BILL KENNEMER SEN. JOHN LIM, VICE CHAIR SEN. CATHERINE WEBBER

MEMBERS EXCUSED:

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER BRIDGET BAILEY, RESEARCHER JERI CHASE, OFFICE MANAGER

WITNESSES: REP. DELNA JONES, HOUSE DISTRICT 6 REP. GREG WALDEN, HOUSE DISTRICT 56 PHIL KEISLING, SECRETARY OF STATE JAN SULLIVAN, CORPORATIONS DIVISION, SECRETARY OF STATE JOE GILLIAM, NFIB OREGON KEVIN CONCANNON, DIRECTOR, DEPARTMENT OF HUMAN RESOURCES JIM NEELEY, ADULT AND FAMILY SERVICES CHUCK SHEKETOFF, HUMAN RIGHTS COALITION SHARON HILL, LEGISLATIVE ASSISTANT TO REPRESENTATIVE AVEL GORDLEY STEVE MINNICH, ADMINISTRATOR, ADULT AND FAMILY SERVICES DIVISION

NOTE: These minutes contain materials which paraphrases and/or summarizes statements made during this meeting. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 154, SIDE A

000 CHAIR COHEN: Convenes meeting at 8:10 a.m.

HB 2431C - Central Business Registration and Information System - Public Hearing

010 REP. DELNA JONES: Testifies in support of HB 2431.

040 REP. GREG WALDEN: Testifies in support of HB 2431.

077 PHIL KEISLING: Testifies in support of HB 2431.

125 JOE GILLIAM: Testifies in support of HB 2431. Submits Project Summary (EXHIBIT A).

HB 2431 C - Central Business Registration and Information System - Work Session

MOTION: SEN. HAMBY MOVES HB 2431C to the Senate Floor with a Do Pass recommendation.

VOTE: PASSES, 6-0. EXCUSED: SEN. GOLD.

HB 2459 - JOBS Plus - Work Session

275 CORTRIGHT: Overviews Proposed -B14 Amendments (EXHIBIT B), Proposed Further Amendments (EXHIBIT C), Comparison Chart (EXHIBIT D).

Discussion about 10 percent of employment workforce.

317 KEVIN CONCANNON: The language of 10 percent was an effort to address Oregon's small business workforce.

320 CHAIR COHEN: Perhaps we could have 10 percent of employees in businesses with less than "x" number of employees and 1 percent of businesses with "x" (a larger) number of employees.

325 Committee discussion.

SEN. HAMBY: Would this add to the paperwork burden for the employers?

387 JIM NEELEY: No.

MOTION: CHAIR COHEN MOVES adoption of the Proposed -B14 Amendments as a working document.

420 VOTE: PASSES, without objection.

MOTION: SEN. KENNEMER MOVES Item #1, Page 1, from EXHIBIT C.

VOTE: PASSES, without objection.

450 SEN. RASMUSSEN: I am concern about Page 1 of Proposed B-14 Amendments (EXHIBIT B). I don't know how we can measure this or prevent unscrupulous employers who try to take advantage of this. How will DHR monitor this? What do you think?

TAPE 155, SIDE A

044 NEELEY: On the last page of EXHIBIT C there is language. If an employer is taking advantage of the system, I think it will be reported to us and we can exclude the employer from participation. I agree that enforcement could be a problem.

064 SEN. RASMUSSEN: There is a problem with that. There are also other problems, i.e., employment expansion using subsidized employees, etc. I am concerned about this.

120 CORTRIGHT: Overviews Item #4 of EXHIBIT C regarding Limits on Training Periods.

136 CONCANNON: This is one of those limitations that makes it very clear to employers that this is a training program and employees have to be moved up and placed in employment.

Committee discussion.

SEN. KENNEMER: Is there a penalty clause included if an employer violates the provisions?

NEELEY: Just exclusion from the program.

CHAIR COHEN: We could change that. I would suggest conceptual language something like the following: "The Department may, by rule, provide for a penalty not more than X".

190 CONCANNON: Rather than a penalty in the form of a fine, perhaps language " . . . , employer be required to re-pay wages and benefits paid to the employee".

Committee discussion about above language and where it should appear in bill.

MOTION: CHAIR COHEN MOVES conceptual language as discussed above.

VOTE: PASSES, without objection.

Continued discussion regarding Item 4 (EXHIBIT C).

262 SEN. KENNEMER: I am uncertain about the nine months.

300 CHUCK SHEKETOFF: We would have concern with limits because they are different than current limits in JOBS and on-the-job training programs. The voluntary work experience has a limit of six months and the supplemental is also six months.

CHAIR COHEN: I am comfortable with the additional three months, especially since we have job search benefits built in.

SHARON HILL: This amount could be varied according to job plan, depending on the type of job.

CHAIR COHEN: Would this be possible for DHR?

349 NEELEY: We have built items into the job plan. More specificity would be of concern due to differences in participants - their skill levels, abilities, etc.

363 CHUCK SHEKETOFF: In the current AFDC household, they have a 24-hour on worksite limit per week from day one - not after six months.

MOTION: SEN. KENNEMER MOVES adoption of #4 from EXHIBIT C.

VOTE: PASSES, without objection.

430 CORTRIGHT: Overviews Item 2 from EXHIBIT C.

TAPE 154, SIDE B

065 MOTION: CHAIR COHEN MOVES adoption of Items #2 and #3 from EXHIBIT C.

080 VOTE: PASSES, without objection.

090 NEELEY: Overviews Item 5 from EXHIBIT C.

100 Committee discussion regarding Items 5 and 8.

144 PAM MATTSON: This is an effort to assure that skilled employees would not be driven through this program. This program has always only been intended for unskilled employees.

SEN. KENNEMER: What about instances of injury or workers' compensation? I want to assure that the skilled workforce is definitely excluded.

MATTSON: Subsection 8 amplifies references to the federal government. There is the ability for an injured worker to extend their base year that would allow wages to be pulled forward.

SEN. KENNEMER: This resolves some of REP. SHIPRACK's concerns.

MOTION: SEN. KENNEMER MOVES adoption of Items #5 and #8 from EXHIBIT C.

SEN. GOLD: Don't misconstrue my silence as support.

220 VOTE: PASSES, without objection.

250 CONCANNON: Overviews Item #6 of EXHIBIT C.

258 SEN. RASMUSSEN: Is this intended to cover children or not?

CONCANNON: Yes. It is intended to cover children, parents caring for them.

SEN. KENNEMER: There was testimony from parents caring for disabled children.

298 CONCANNON: Obtaining child care has not been a difficulty. If someone cannot find suitable child care, we want to know that so we can deal with that. That is the effort behind this language - the word "suitable".

318 NEELEY: There is also a rate for "special needs" children. We allow as much parental choice as possible in child care arrangements.

336 SEN. HAMBY: What is meant by "suitable"?

CONCANNON: What may be suitable for one child might not be suitable for others. This is an attempt to raise the comfort level and create leeway.

356 CONCANNON: Transportation was raised as a concern. We have made it clear that travel is limited to one hour each way.

CHAIR COHEN: This transportation language comes from the current JOBS program?

CONCANNON: Yes.

SEN. WEBBER: What is the amount allowed?

NEELEY: We have used a \$75 average expense.

Continued discussion.

SEN. WEBBER: How would they get the money?

NEELEY: We would do it the same way we do it in the current JOBS program - an up-front payment.

SEN. WEBBER: Where does it say that in this bill?

NEELEY: It does not.

425 CORTRIGHT: On page 2 it states that there is a provision for "barrier removal payments".

SEN. KENNEMER: This is the same language as the JOBS program?

NEELEY: Broadly, yes. The JOBS program also has rules that are more specific.

CHAIR COHEN: We have it on the record that their intent is to operate it the same as the JOBS program, not invent new rules.

TAPE 155, SIDE B

041 SEN. WEBBER: Would the committee consider an amendment that replaces "barrier removal" with "transportation"

CHAIR COHEN: We can discuss language changes to Proposed -14 Amendments later after review of EXHIBIT C.

056 MOTION: CHAIR COHEN MOVES adoption of Items #6 and 7 from EXHIBIT C.

VOTE: PASSES, without objection.

062 CORTRIGHT: Overviews Item 9 from EXHIBIT C.

CHAIR COHEN: Have you added up all of the supplemental payments and the release of other funds, those actions occur simultaneously? I don't want a gap. I would like language included in here to assure that. As a condition of suspension of benefits, supplemental benefits must be calculated and reimbursed.

099 NEELEY: That language should be easy to develop and that was our intent.

110 SEN. GOLD: How does this number differ from the current JOBS program.

NEELEY: This new section really conforms to JOBS where it is possible to do so.

175 MOTION: CHAIR COHEN MOVES adoption of Item #9 from EXHIBIT C.

VOTE: PASSES, without objection.

185 MOTION: CHAIR COHEN MOVES adoption of Item #10 from EXHIBIT C.

VOTE: PASSES, without objection.

190 CORTRIGHT: Overviews Items #10 and #11 from EXHIBIT C.

MOTION: CHAIR COHEN MOVES adoption of revised Item #11 from EXHIBIT C.

VOTE: PASSES, without objection.

240 CORTRIGHT: Overviews Item #12 from EXHIBIT C.

250 Committee discussion.

310 CORTRIGHT: Suggests language.

Committee discussion.

CHAIR COHEN: Having heard committee discussion, we will get language drafted and circulation.

MOTION: CHAIR COHEN MOVES ADOPTION of Item #12 from EXHIBIT C, with conceptual revised language.

VOTE: No objection.

363 Committee discussion.

CORTRIGHT: Begins overview of the Comparison of Provisions in Section 16 and Proposed Amendments (EXHIBIT D), Item 1 - Employer Participation.

TAPE 156, SIDE A

058 Committee discussion regarding pilot counties and where enrollees must live.

074 SHARON HILL: This does address some concerns.

MATTSON: Regarding "improving quality of life". If we want to this to be a real experience preparing participants for real-work experiences, I worry about arbitrarily dividing the economy of a region.

CHAIR COHEN: We are talking about "employers", not enrollees. The enrollees should live in the pilot counties. Do we need to say that? People are confused about that. Then a priority could be given to employees in the pilot counties.

CHAIR COHEN: We need to remove the language regarding "every employer in the state".

CONCANNON: In Proposed -B14 Amendments . . . .

(continued discussion)

MOTION: CHAIR COHEN MOVES adoption of conceptual language that requires DHR to give priority to give priority to assigning JOBS plus program participants to employees in the six-county pilot area.

VOTE: PASSES, without objection.

CHAIR COHEN: Recesses meeting at 10:25 a.m.

NOTE: TAPE 156, SIDE A not completed and SIDE B not used. When reconvened, used new tape.

TAPE 157, SIDE A

000 CHAIR COHEN: Reconvenes meeting at 12:45 p.m.

Committee continues discussion on chart (EXHIBIT D). CORTRIGHT submits Committee Staff Draft July 29 Amendments to HB 2459 (EXHIBIT E). Also, written testimony from Patty Bennett submitted as EXHIBIT F, and Amendments that were previously submitted (the Proposed -B12 and -B11) were entered into the record as EXHIBITS G and H.

Discussion continues regarding employer participation.

058 CONCANNON: Nothing prohibits the employer supplementing JOBS plus salary.

Continued discussion.

176 CONCANNON: I believe that the application of the language was only applicable to unemployment insurance recipients; not AFDC recipients.

CHAIR COHEN: Then the language must be included.

Continued discussion.

206 CHAIR COHEN: Language could be added that stated "included training wages" to the proposed B-12 Amendments.

278 MOTION: CHAIR COHEN MOVES ADOPTION of Lines 18, 19, & 20, on page 5 of the B-12 Amendments, with inclusion of language regarding training wages.

Committee discussion.

373 SEN. KENNEMER: Suggests language: "with appropriate adjustments for experience and training."

MOTION: CHAIR COHEN MOVES ADOPTION of above conceptual language that stated the wages paid may not be substantially less than the wage paid for similar jobs in the local economy with appropriate adjustments for experience and training.

VOTE: PASSES, without objection.

390 CHAIR COHEN: Continues overview of EXHIBIT D.

TAPE 158, SIDE A

044 CHAIR COHEN: Continues overview of EXHIBIT D - Item 5.

058 SEN. KENNEMER: We would not be pulling participants from JOBS and putting them into JOBS plus. Is that correct?

NEELEY: That is correct. If we need to clarify that, we will.

SEN. KENNEMER: Suggests language.

CONCANNON: The language could be included in the section dealing with the employee development plan (Item #2 of EXHIBIT C).

120 CORTRIGHT: The employment development plan is between the

agency and employee. There is also a section that deals with the employer and agency. But the section of the bill that covers benefits is Section 6. Therefore some of this language could be inserted in different sections of the bill.

CHAIR COHEN: Please draft language for that.

157 CHAIR COHEN: Continues overview of EXHIBIT D.

CORTRIGHT: Overviews Item 9 of EXHIBIT D and the proposal in the -B14 Amendments to reflect this.

CHAIR COHEN: Why have a limit at all on contributions to the Individual Education Account?

NEELEY: The \$500 limit was set so that employers would not find it particularly onerous.

Continued discussion regarding the limit and the factors dictating the upper limit of the account: 1) an account that goes forever will be less of an incentive; 2) employer participation should be maximized.

SEN. RASMUSSEN: Why cap it at all.

CHAIR COHEN: The program itself will limit it to approximately \$800 (that is all that could be accumulated in 6 months) and it will be one-time-only.

281 SEN. RASMUSSEN: There is no need for a cap or for it to only be allowed to accumulated once.

305 STEVE MINNICH: Suggest language of one-time-only if the participant successfully completes a six month program and did not drop out . . .

MOTION: CHAIR COHEN MOVES that the cap of \$500 on the Individual Education

Accounts be removed.

VOTE: PASSES, without objection.

326 CORTRIGHT: Continues overview of EXHIBIT D, Item 12.

341 CORTRIGHT: Continues overview of EXHIBIT D, .

355 Committee discussion.

TAPE 157, SIDE B

044 Continued discussion.

073 MOTION: CHAIR COHEN MOVES to delete (e) on page 5 of the Proposed -B14 Amendments.

086 VOTE: No objection.

SEN. RASMUSSEN: Doesn't it make sense to require group health care benefits be provided if there is not coverage in another manner?



100 PAM MATTSON: The unemployment insurance recipients would not have access to health benefits unless they were eligible under the AFS programs.

112 CHAIR COHEN: Is health care part of their supplemental benefits?

MINNICH: Yes.

Continued discussion.

155 CORTRIGHT: Overviews proposed amendment from Senator Rasmussen (EXHIBIT I).

Committee discussion.

MOTION: CHAIR COHEN MOVES adoption of conceptual language requiring the agency to monitor employers.

247 VOTE: PASSES, without objection.

252 MOTION: SEN. KENNEMER MOVES HB 2459B to the Senate Floor (Rescind W&M referral), as conceptually amended, with a Do Pass recommendation.

VOTE: PASSES, 4-1. VOTING NAY: SEN. RASMUSSEN; EXCUSED: SEN. GOLD and WEBBER.

285 CHAIR COHEN: Adjourns meeting at 2:05 p.m.

Submitted by,

Jeri Chase

#### EXHIBIT SUMMARY

EXHIBIT A - HB 2431C - Written testimony, submitted by E. Joe Gilliam, 3 pages

EXHIBIT B - HB 2459B - Proposed -B14 Amendments to HB 2459B, submitted by Joseph Cortright, 7 pages

EXHIBIT C - HB 2459B - Further Amendments to HB 2459B, submitted by Joseph Cortright, 3 pages

EXHIBIT D - HB 2459B - Comparison of Provisions in Section 16 and Proposed Amendments, submitted by Joseph Cortright, 2 pages

EXHIBIT E - HB 2459B - Committee Staff Draft July 29 Amendments to HB 2459, submitted by Joseph Cortright, 1 page

EXHIBIT F - HB 2459B - Written testimony, submitted by Patty Bennett, 1 page

EXHIBIT G - HB 2459B - Proposed -B12 Amendments to HB 2459B, submitted by Joseph Cortright, 12 pages

EXHIBIT H - HB 2459B - Proposed -B11 Amendments to HB 2459B,  
submitted by Joseph Cortright, 11 pages

EXHIBIT I - HB 2459B - Proposed Amendment, submitted by Senator  
Rasmussen, 1 page