

HOUSE COMMITTEE ON LABOR

April 1, 1991

Hearing Room D 8:30 a.m.

Tapes 83 - 85

MEMBERS PRESENT: Rep. Gene Derfler, Chair Rep. Kevin Mannix, Vice-Chair Rep. Sam Dominy Rep. Jim Edmunson Rep. Rod Johnson Rep. Bob Repine Rep. John Watt

STAFF PRESENT: Victoria Dozler, Committee Administrator Edward C. Klein, Committee Assistant MEASURES CONSIDERED: HB 2719 - Public Hearing HB 2547 - Public Hearing HB 3018 - Public Hearing HB 2876 - Public Hearing - 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 83, SIDE A

003 CHAIR DERFLER: Opens the meeting at 8:30 A.M.

-We will operate as a subcommittee until all the members are present  
PUBLIC HEARING ON HOUSE BILL 2719-EXHIBITS Witnesses: Tony Ferronato, Senior Vice President, Liberty Northwest Insurance Corp Diane Rosenbaum, Oregon State Industrial Union Council and Oregon AFL-CIO Jeanine Meyer Rodriguez, Oregon Public Employees Union

025 TONY FERRONATO, Senior Vice President, Liberty Northwest Insurance Corp: Presents testimony in support of HB 2719 (EXHIBIT A).

-The managed care program of workers' comp is not working.

-There was a lot of duplication of services, creating unnecessary expenses.

-Most insurance companies have these types of services.

-It has failed because of the way the law was written and because of the restrictions in the rules.

-There are 18 pages of written rules. House Committee on Labor April 1, 1991 Page 2

-ROBERT PALLARI testified that the Medical Abuse Section told him that all of these rules were not applicable. 081 CHAIR DERFLER: Who made that statement? FERRONATO: ROBERT PALLARI. -He has heard the same thing. CHAIR DERFLER: Who makes that judgement? FERRONATO: The Medical Abuse Section. 093 REP. MANNIX: That testimony was in response to a question he raised.

-It's interesting somebody was being told they didn't have to follow or worry about some of the rules.

-He would like a guide book on which rules to follow. FERRONATO: "Bulletin 230" recently came out in response to a question raised by Liberty Northwest. -There was a discussion on how the charges by the MCO should be allocated. Some assumed they could be charged as a direct claim cost, others assumed they'd be charged as an expense item. -He describes what "Bulletin 230" said.

-The way the charges were described seems to defeat the purpose of the

MCO program, lowering the claim costs.

-We won't see savings in this area unless the law and rules are changed.  
CHAIR DERFLER: What do you mean by changing the law? 137 FERRONATO:  
Only those people receiving the bills to the insurance companies can  
create managed care organizations. CHAIR DERFLER: Can that be done  
through the rules? FERRONATO: It takes a change in the law. The law is  
pretty specific. REP. MANNIX: If we changed the law, employees could  
form managed care organizations. -Under the current provisions they're  
not allowed to do that. FERRONATO: Escalating medical costs are what led  
to managed care.

-An HMO is a company that sells medical insurance to employers. They  
determine what benefits will be covered.

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. House Committee on Labor April  
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-It directs employees to specific providers. -It negotiates costs with  
those providers. -It uses managed care concepts to help keep costs down.  
-It's regulated by the Department of Insurance and Finance. -Those are  
the same concepts found in HB 2719 and SB 1197; bringing managed care  
programs and concepts into workers' compensation. -Labor doesn't have a  
problem with HMO's. That's basically how this program will operate. 184  
REP. MANNIX: What if we say the fee schedule adopted for hospitals would  
not apply? Whatever was agreed to by the interested parties would be the  
appropriate fee. FERRONATO: You want quality health care. If the price  
is too low the provider is going to have to cut back on service. -Our  
company is looking for quality health care at a fair and competitive  
price. We don't want to subsidize other health care programs in the  
system. -Put equity in the pricing of the service to insure there is a  
fair price and quality health care. REP. MANNIX: As part of a  
compromise, what if there was a provision that said the director's fee  
schedule for hospitals would not apply? It's up to the parties to  
negotiate the appropriate fees? 219 FERRONATO: That's the way the rules  
are written. -The insured and the MCO are free to negotiate an  
alternative method of payment. REP. MANNIX: Would you be comfortable if  
the law said that? FERRONATO: Would have no problem with that. -The key  
to a successful program is cost effective medical care. -Private health  
care doesn't have the restrictions that are placed in workers'  
compensation. -He appreciates the concern we have safeguards in the  
system. -He has no problem with the rules talking about health care  
being provided. The problems are the restrictions allowing only certain  
people certification. -He continues with the last paragraph, page 1 of  
his testimony.

-By changing the law you will invite more parties to stimulate the  
formation of MCO's resulting in a more competitive market, producing  
better products and results. There will be savings in the systems

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and the cost of workers' comp insurance will come down without adversely  
affecting injured workers.

-This is the centerpiece where most of the savings were to come from,  
yet we're not getting any.

-You can't rewrite the rules, you have to rewrite the law.

304 CHAIR DERFLER: Under the present circumstances are you considering using an MCO? FERRONATO: The present circumstances are unclear. -In the current environment, Liberty Northwest can't establish a cost effective relationship with an MCO. CHAIR DERFLER: If the rules and law stays the way it is you don't anticipate using an MCO? FERRONATO: No. -If the rules change, the decision will change.

-The rules can't be rewritten and ignore the law. 325 REP. JOHNSON: This bill makes a simple change. -Will this bill cure the problem or are there related changes that need to be made? FERRONATO: The bill will get the job done. 341 REP. MANNIX: What about a requirement that any statewide MCO have at least 500 physicians available? FERRONATO: Has no problem with that. We had over 2,000 providers participating. -You are trying to establish a relationship with the providers that improves the interaction and flow of communication. -Many physicians don't understand workers' compensation, they don't have time to read the pages of rules. -If they sign with the MCO they've made a commitment to learn about industrial injuries and the workers' comp system. REP. MANNIX: What about regionally: If you operate less than state-wide, you have to have at least 25 percent of the attending physicians within the region, where you are certified, on your panel? FERRONATO: That's fine. -He'll defer to the Department of Insurance and Finance to determine the appropriate number, to insure workers have sufficient selection of physicians for treatment. - House Committee on Labor April 1, 1991- Page 5

REP. MANNIX: Was thinking of a minimum number statewide, because we could look at the providers and come up with a number.

-He'd hate trying to guess the number of physicians in some regions.

-He was thinking of percentages so there is some guarantee of choice and a guarantee against the "company doctor syndrome". FERRONATO: Has no problem with that.

405 REP. DOMINY: This is a fairly new concept and has not been given a chance to work.

-Have you brought the idea of expanding this before the Management-Labor Advisory Committee?

FERRONATO: Testified before them several weeks ago.

-They were concerned about the company doctor situation.

-They feel they are bound by the Mahonia Hall agreement.

REP. DOMINY: We made a lot of changes in the Mahonia Hall bill.

FERRONATO: He is not sure the Management-Labor Advisory Committee feels that way. REP. DOMINY: Maybe this is a good concept, but wouldn't it be better to see how the smaller model works before this concept is expanded?

TAPE 84, SIDE A

021 FERRONATO: There are only three certified programs and very few individuals have signed up.

-He doesn't see how it can work effectively to produce the kind of savings the legislature was anticipating.

-Time won't change what we are seeing. The rules need to be rewritten.

-MATT HENNESSEE asked him to serve on a couple of committees. Everyone complained about the rules saying they were too restrictive and didn't allow any flexibility.

-MR. HENNESSEE and his staff said the rules started out to be strict, but would be loosened when ~e permanent rules came out.

-The permanent rules become more restrictive and made it virtually impossible to create a viable program.

-The rules can be changed, but you can't do enough through rule changes.

055 DIANE ROSENBAUM, Oregon State Industrial Union Council and Oregon AFL-CIO: Testifies in House Committee on Labor April 1' 1991- P - e C

opposition to HB 2719.

-This bill represents a major policy change.

-The language in the law addresses real concerns of labor and worker advocates.

-There were a couple of major changes to the law in how medical care was provided to injured workers.

-1. The definition of who can be a treating physician was changed.

-2. The permission for organizations to be formed specifically for providing medical care to injured workers and requiring people hurt on the job to go to that source for medical care.

-The concept of company doctors was discussed.

-There was a lot of suspicion among the labor people during the last legislative session when this concept was proposed.

-Medical care for workers' comp is fundamentally different than medical care in any other setting.

-Workers' comp is still a very adversarial area of the law.

-Workers' comp is fraught with more dispute than before. Injuries need to be established as job related.

-Employers or insurance companies will try to prove that injuries aren't job related.

-It's important the doctors are independent.

-There was good reason why MCO's were limited to medical providers and excluded employers and insurance companies.

113 REP. WATT: Is having trouble with the company doctor syndrome.

-Don't some of the unions deal with one health care organization?

-The law doesn't provide that this concept can occur.

-Any medical clinic can establish an MCO and contract with one company to treat that company's injured workers.

ROSENBAUM: That's correct and it is happening.

REP. WATT: Why the concern?

ROSENBAUM: There is a danger that the medical opinion of the doctor could be influenced.

-There is more of a danger if a direct proprietary relationship is set up between an insurance company or self-insured employer and a doctor, because they are selecting who the doctors will be. House Committee on Labor April 1, 1991- Page 7

142 CHAIR DERFLER: Would your fears be alleviated if labor was included in approving the providers?

ROSENBAUM: That would be good under the present circumstances, but wouldn't limit my objection to changing the law.

-The law was written to satisfy both sides.

CHAIR DERFLER: Under present-circumstances, because of the limited number of MCO's, some of the medical providers are not available because the MCO's are not functioning properly.

-The labor-management groups have told us they are not satisfied with the lack of progress of the MCO's.

ROSENBAUM: The Management-Labor Advisory Committee has resoundingly rejected this change and has urged the department to work with the administrative rules to refine some of the glitches.

-Even though there are only three MCO's that have been certified, they are enrolling some of the major employers in the state.

-You may find the majority of the workers will end up being covered without the changes in the rules.

-We recommend you take a cautious approach. It's a radical change in the way medical care has been provided and they will have a good track record.

183 REP. MANNIX: We already know how it's not working.

-It seems people are ignoring that certified MCO's can offer attending physician status for certain providers.

-There was an assumption that MCO's would be actively involved in this process.

-Those who weren't allowed to be attending physicians would be given an opportunity through MCO's to again be attending physicians.

-Instead we have a limited number of MCO's.

ROSENBAUM: That's a valid point.

-Certain providers are supporting this legislation, because they are being left out.

-She has not talked to any labor people who would like this change to be made in order to make it easier for them to see alternative physicians.

-Our concern outweighs what we see as temporary problems in the formation of MCO's

208 REP. MANNIX: What if we put in a requirement that there be a limited number of physicians on the panel to be able to give the worker a choice? Aren't we accomplishing your major objective? ROSENBAUM: Numbers won't satisfy our concerns. House Committee on I - or April 1, 1991- Page 8

-We're concerned that specific providers are being excluded or selected, because they are being more responsive or less responsive to the will of those paying the bill.

-That happens in HMO's, like Kaiser, because doctors are perceived as being too sympathetic to injured workers and are not responding to the will of the organization paying the bill.

REP. MANNIX: It seems the only way to satisfy your concerns would be that there will be no MCO's and workers go to anyone they want?

ROSEMBAUM: That's quite a radical change to propose.

-My concerns would be addressed by allowing MCO's to be run by medical providers and not insurance companies or employers who may be advocating on the opposite side of a claim.

244 REP. DOMINY: Your main concern is that right now there is one more check and balance. If Weyerhaeuser, for example, provides it's own insurance and is the MCO, there is no check and balance.?

ROSENBAUM: That is a good way of putting it.

-She quotes from a response to an editorial in The Oregonian that opposed HB 2719.

-The letter suggests that it may not be healthy for cost containment to remove the slight tension between insurance companies and medical providers.

281 CHAIR DERFLER: Liberty Northwest would not use an MCO under the present circumstances, which would preclude a lot of injured workers from using the types of medical providers they would prefer. -The committee is concerned that injured workers be treated with the best possible medical care. ROSENBAUM: Was not suggesting that any of the members did not have that as their primary concern. -She finds it odd that a major insurance carrier in the state wouldn't use the existing MCO's. REP. MANNIX: The present rules were the reasons they wouldn't use MCO's. 309 ROSENBAUM: Those rule changes are in the works. REP. MANNIX: Has asked DIF for the proposed rule changes and has yet to see them. 316 JEANINE MEYER RODRIGUEZ, Oregon Public Employees Union: Presents testimony in opposition to HB 2719 (EXHIBIT B). 395 REP. JOHNSON: The current law says that only health care providers can be

MCO's. -You're saying that if we adopt this bill insurance companies will become MCO's. -Aren't there many groups that aren't insurance companies that might want to establish MCO's? What would be wrong if that happens?

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RODRIQUEZ: This bill allows any person to create an MCO, including insurance companies and employers.

REP. JOHNSON: What if we put in the bill that insurance companies were not allowed to become MCO's?

RODRIQUEZ: My concern is with insurance companies and employers.

-She doesn't know what other parties would be interested in forming MCO's.

REP. JOHNSON: Do you mean any self-insured employers?

RODRIQUEZ: An employer able to set up an MCO for his/her employees.

REP. JOHNSON: That would mean they were a self-insured employer.

RODRIQUEZ: True.

451 REP. MANNIX: There is the potential of an employer who is not self-insured wanting to set up an MCO and telling the insurance company they have to use his MCO. -What if we prohibited that unless they were self-insured? -Or should we prohibit any employer from creating an MCO for their own employees? ROSENBAUM: Would be more comfortable if it extended to any insurance company. REP. MANNIX: That gets to the nub of the bill. ROSENBAUM: One of the limiting factors on the number of MCO's is that there is a huge start-up cost, which would limit labor from creating their own MCO's. CHAIR DERFLER: Closes the Public Hearing.

TAPE 83, SIDE B PUBLIC HEARING ON HOUSE BILL 2547-EXHIBIT C to H  
Witnesses: Donna Hunter, Vice-Chair, Employee Suggestion Awards and Productivity Improvement Commission Jack Van Wye, Oregon State System of Higher Education

CHAIR DERFLER: Opens the Public Hearing.

030 VICTORIA DOZIER: Describes the bill.

041 DONNA HUNTER, Vice Chair, Employee Suggestion Awards and Productivity Improvement Commission: Presents testimony from DONALD SANDERS (EXHIBIT C) and testimony in opposition House Committee on Labor April 1,1991- Page 10

to HB 2547 (EXHIBIT D). 061 CHAIR DERFLER: \$11 per employee per month goes into the Governor's budget? HUNTER: Yes. CHAIR DERFLER: That's used for these types of programs? HUNTER: Out of that \$11, 10 cents per month funds our programs.

-She continues with the end of paragraph 3, page 1, of her testimony, "Over the past ten years...." CHAIR DERFLER: Does the 10 cent fee support that program? HUNTER: It funds both our programs.

-She continues with page 1, "Non-Cash". CHAIR DERFLER: How many loans

were there out of the \$200,000? HUNTER: Two loans. REP. MANNIX: What happens to the program if we kill this bill? HUNTER: We would continue to run a successful program at minimal cost. -She continues with the disincentives on the bottom of page 2 of her testimony.

-She refers to the charts, pages 4 and 5 of her testimony.

-She concludes with the benefits of a centralized program, page 3 of her testimony. 232 CHAIR DERFLER: What's the makeup of the commission?

HUNTER: Explains. 241 JACK VAN WYE, Employee Suggestion Coordinator, Oregon State System of Higher Education: Presents testimony in opposition to HB 2547 (EXHIBIT K). CHAIR DERFLER: Closes the Public Hearing. Also submitted for the record:

-Letter from DONALD SANDERS, Chairman, Employee Suggestion Awards & Productivity Improvement Commission to GOVERNOR BARBARA ROBERTS (EXHIBIT F). -Letter from JAMES MCINTOSH, Deputy Administrator, Personnel Labor Relations Division to REP. WATT (EXHIBIT G). House Committee on Labor April 1, 1991 - Page 11

-Current Status of Productivity Improvement Fund (EXHIBIT H).

PUBLIC HEARING ON HOUSE BILL 3018-EXHIBIT I, J & K Witnesses: Gary Wright, U.A. Local 290 Michael Ditty, Mechanical Systems, Inc. Terry Swisher, Building Codes Agency CHAIR DERFLER: Opens the Public Hearing. VICTORIA DOZLER: Describes the bill (The Fiscal Analysis is filed as EXHIBIT J). 313 GARY WRIGHT, U.A. Local 290: Presents testimony in support of HB 3018 (EXHIBIT J) and presents a proposed amendment for HB 3018 (EXHIBIT K). 338 CHAIR DERFLER: What's the problem?

WRIGHT: Once a plumber gets their state license that's the last you see them.

-There have been problems with the code changes and keeping plumbers up to speed.

-There needs to be continuing education to keep people up to speed.

CHAIR DERFLER: Don't the sales people educate the plumbers?

WRIGHT: There is some continuing education.

-There needs to be a push for continuing education.

-Most plumbers are responsible and proud of what they do.

361 CHAIR DERFLER: How would the program work?

WRIGHT: It would be patterned after the electrician's program.

-He explains how the program would work.

CHAIR DERFLER: It would be administered by the Plumbing Board?

WRIGHT: Yes.

CHAIR DERFLER: You would have to attend a certain number of hours of classes?



WRIGHT: Whatever the board establishes.

-It wouldn't be a tremendous amount.

-It's an opportunity to maintain high standards. . House Committee on Labor April 1,1991- Page 12

CHAIR DERFLER: How do the plumbers feel about it?

WRIGHT: The majority are in favor of the program.

-The employers also seem to be in favor of it. 403 REP. MANNIX: Are the dynamics of plumbing changing so much that the plumbers need to be updated?

WRIGHT: Yes.

REP. MANNIX: The license is saying they are certified "smart." Your concern is that they be certified "still smart"?

WRIGHT: Yes.

416 REP. REPINE: Will employers defer some of the costs of ongoing education or grant time away or is all the cost bourn by the plumbers?

WRIGHT: It's bourn by the plumbers, unless the employer grants some time off to attend a class.

-We would like to see the employers do some training.

REP. REPINE: My concern is that there would be a labor contract where people could take time off to attend classes and the employer becomes responsible for the loss of pay.

WRIGHT: Our contracts state; no work, no pay.

REP. REPINE: Last session there was a piece of legislation that said no work, but still pay. That causes a dilemma between employers and employees.

WRIGHT: We're trying hard to work with the employers so it won't cause a hardship.

458 REP. WATT: Would this include pipe fitters?

WRIGHT: Not the way it is written. It would fall under the Plumbing Board.

REP. WATT: Is there a Plumbing Board and what do they do?

WRIGHT: Yes; they watch the licensing. As long as it's renewed every year that's all that's necessary.

REP. WATT: How many locals do you have?

WRIGHT: There are three in Oregon.

-He describes the locals and the areas they cover.

TAPE 84, SIDE B House Committee on Labor April 1,1991- e 13

026 REP. WATT: If we enact this, wouldn't it give you bargaining power like REP. REPINE suggested?

WRIGHT: To maintain membership in Local 290 you are required to take a certain amount of journeyman training hours.

REP. WATT: Once your contract was up, you would have the capability of bargaining with your employer to bear the costs of training or being away from the job.

WRIGHT: You can always bargain for anything.

-We're trying to work together.

036 CHAIR DERFLER: Are there any fees currently being assessed?

WRIGHT: There may be a small fee for some classes.

-The fee for the amendment is for the Building Codes Agency to charge a fee to track the program.

CHAIR DERFLER: It's \$25 just to track the program?

WRIGHT: That's the maximum, hopefully it wouldn't be that much.

CHAIR DERFLER: Do you have any idea how much that would bring in?

WRIGHT: No.

CHAIR DERFLER: Legislative Fiscal estimates the program would cost about \$43,000 for 1991-1195 and \$40,539 for 1993-1995.

-Would the \$25 fee generate that much?

WRIGHT: There are about 2,500 licensed plumbers.

057 MICHAEL DITTY, Mechanical Systems, Inc.: Testifies in support of the amended version of HB 3018.

-He presents biographical information.

-Plumbers get out of touch with the codes and need to be updated on all the changes.

-Required continuing education would better educate plumbers.

-Continuing education programs could easily be implemented.

-More knowledgeable plumbers will maintain the health and safety of the public.

138 TERRY SWISHER, Chief Plumbing Inspector, Building Codes Agency: Testifies in support of HB 3018 and amendments.

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144 REP. REPINE: Can you give us an idea of what the ongoing education for electricians is like? SWISHER: Can only speak for the Plumbing Section.

-He believes their program is successful.

REP. REPINE: Do they have a fee structure?

SWISHER: Is not aware of their fee structure, but he knows that fees are required.

REP. REPINE: Is it your intent that this program mirror the structure of the ongoing educational program for the electricians?

SWISHER: The intent of the agency is to develop a continuing education program to upgrade plumbers' abilities.

REP. REPINE: Do you believe it will be similar to the electricians program?

SWISHER: Yes.

176 REP. WATT: Should fitters be included?

SWISHER: No, they're not licensed by the Plumbing Board.

REP. WATT: How many plumbers will be affected?

SWISHER: There are 2,425 licensed plumbers and inspectors.

REP. WATT: Has there been a fiscal review to determine whether or not the fees will cover the cost of the program?

SWISHER: Yes. At \$25, the first year of the program will produce \$55,000.

CHAIR DERFLER: How many people will object to this?

SWISHER: Has talked to a lot of plumbers and they are willing. CHAIR DERFLER: Have you sent out any kind of questionnaire out to see what the reactions would be?

SWISHER: He has not had one plumber say they were against it.

CHAIR DERFLER: How many have you spoken to?

SWISHER: About 100.

CHAIR DERFLER: You think 100 percent would be in favor? House Co littee on Labor April 1, 1991 - PaBe 15

SWISHER: Believes the majority would be in favor.

CHAIR DERFLER: Closes the Public Hearing.

PUBLIC HEARING ON HOUSE BILL 2876-EXHIBIT L

Witnesses: Rep. Ray Baum, District 58 Sen. Wayne Fawbush, District 28

CHAIR DERFLER: Opens the Public Hearing.

VICTORIA DOZIER: Describes the bill.

237 REP. RAY BAUM, District 58: Presents testimony in support of HB 2876 (EXHIBIT L).

286 CHAIR DERFLER: You're talking about one cent of the existing payroll tax?

REP. BAUM: Yes.

CHAIR DERFLER: Wouldn't that reduce the need for monies going into the unemployment benefit package?

REP. BAUM: The funds would be used to retrain people to bring them back into the payroll.

CHAIR DERFLER: The savings generated by retraining would be offset by-

REP. BAUM: There will be performance based contracts. Once the employee has been on the job 90 days the trainer gets their payment in full. It is performance oriented.

-We would be trying to reduce the overall cost to the system by using some of those dollars so there is no lengthy unemployment.

-We can't do anything about dysfunctional workers and seasonal unemployment.

CHAIR DERFLER: Do you plan to set up a labor management group to come up with a program they would recommend?

-Do you anticipate doing that this session?

REP. BAUM: Would do the former, but settle for the latter.

-Business is the ultimate consumer. The employees are the ultimate users.

-This goes hand in hand with the educational reform we need to accomplish.

-There is a certain urgency with our dislocated worker situation.

-European governments are helping businesses become more competitive. Our government has yet to governments are helping businesses become more competitive. Our government has yet to House Committee on Labor April 1, 1991- P - e 16

do that.

345 REP. REPINE: The state spends \$264 million per biennium in a variety of jobs programs. Is there any relationship between those dollars and the delivery process of this?

-Have you looked at the jobs programs?

BAUM: We've reviewed them. \$40 million to \$45 million is discretionary the rest is targeted.

REP. REPINE: At least \$50 million is not tied up?

REP. BAUM: That's part of the workforce concept the Trade Committee is working on.

377 SEN. WAYNE FAWBUSH, District: There is a minor overlap of the programs.

-Basically, all of the existing programs are for the hardcore unemployed.

-We're trying to look at a fund that is employer generated and controlled that deals with the existing workforce, people on unemployment or people who have just lost their jobs.

-European businesses dedicate two to three percent of their gross to training.

-It's less than .8 percent in this country.

REP. DOMINY: Section 12 talks about how much employers' taxes will increase and how the program is funded.

-What will the increase be and what will this program cost?

SEN. FAWBUSH: That's to be determined.

-You don't have to increase it. You can dedicate a piece of the existing unemployment tax.

-This is not a short-term cost. Hopefully it will be a cost savings in the long-term.

-The people who pay are the people who control it.

REP. REPINE: You mentioned the panel's similarity to the Mahonia Hall group.

-How empowering will this Business and Labor Training Panel be?

TAPE 85, SIDE A

017 REP. BAUM: We can't abdicate our legislative responsibility.

-It's beneficial to give those who are paying and receiving the benefits the first opportunity.

-A third industry of training providers would spring up out of this and they would have to be controlled. House Committee on Labor April 1, 1991  
- PaBe 17

-There are not as many interested parties involved in this as there are in workers' comp.

035 SEN. FAWBUSH: We're trying to establish a council that controls it's own money and training.

-It has nothing to do with Mahonia Hall.

REP. BAUM: The comparison is only structural.

SEN. FAWBUSH: Neitha this committee nor the Legislature had much control over Mahonia Hall. We are not recommending you establish anything like that.

-There are a group of people on both sides who are interested in this.

CHAIR DERFLER: We are going to hear several job training bills the week of the 24th.

-Maybe you could make a presentation at an evening meeting?

SEN. FAWBUSH: Appreciates the opportunity getting this issue before you.

-Our prepared testimony gives most of the information.

-We're available at your convenience.

CHAIR DERFLER: Adjourns at 10:27 A.M.

Submitted by: Victoria Dozler, Committee Assistant  
Administrator

Reviewed by: Edward C. Klein,  
Committee

EXHIBIT LOG:

A - Testimony on HB 2719 - Tony Ferronato - 2 pages B - Testimony on HB 2719 - Jeanine Meyer-Rodriguez - 1 page C - Testimony from Donald Sanders on HB 2547 - Donna Hunter - 1 page D - Testimony on HB 2547 - Donna Hunter - 5 pages E - Testimony on HB 2547 - Jack Van Wye - 2 pages F - Letter from Donald Sanders to Gov. Roberts - Donna Hunter - 4 pages G - Letter to Rep. Meek from James McIntosh - Jack Van Wye - 2 pages H - Current Status of Productivity Improvement Fund - Donna Hunter - 7 pages a Hunter - 7 pages I - Fiscal Analysis on HB 3018 - Staff - 1 page I - Fiscal Analysis on HB 3018 - Staff - 1 page J - Testimony on HB 3018 - Gary Wright - 1 page K - Amendments to HB 3018 - Gary Wright - 1 page L - Testimony on HB 2876 - Sen. Wayne Fawbush/Rep. Ray Baum - 20 pages