

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 22, 1991Hearing Room D 8:30 a.m.Tapes 111 - 114

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

MEMBER EXCUSED: Rep. Bob Repine

VISITING MEMBER:Rep. Carl Hosticka

STAFF PRESENT: Victoria Dozler, Committee Administrator Johanna Klarin, Committee Assistant

MEASURES CONSIDERED: HB 3095 - Public Hearing HB 2746 - Public Hearing

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TAPE 111, SIDE A

003 CHAIR DERFLER: Opens the meeting at 8:30 a.m.

PUBLIC HEARING, HB 3095

CHAIR DERFLER: Opens public hearing on HB 3095.

006 DOZLER: Describes the bill.

022 CHAIR DERFLER: Closes the hearing on HB 3095.

INFORMATIONAL HEARING- GOVERNOR'S WORKFORCE AGENDA (Exhibits A & B)

034 MARILYNNE KEYSER, Governor's Policy Advisor on Work Force Development: Presents an overview of the Governor's Workforce agenda.

-Explains the organizational chart in Exhibit A, page 1.

-Very little coordination between the different policy setting bodies with regard to education.

-We don't have a cohesive strategy for delivering an educated work force. We don't have overall state goals and policies that would guide the way we are delivering these services.

087 CHAIR DERFLER: Could we combine and reduce the amount of people who are involved in this?

KEYSER: Yes. I will describe a bill proposed by the Governor addressing that issue.

-We need a broader body where everybody comes together to discuss whether the delivery of services makes sense.

-Refers to Exhibit A, page 2 explaining the proposed coordinating mechanism for Oregon's Workforce Agenda.

-Describes the councils that are going to be dissolved and incorporated into the Workforce Development Council.

215 REP. MANNIX: Have you considered using the "Bush education policy option" and to tie it in with the program proposed by Vera Katz?

KEYSER: You have a very good point. I think the time is right.

REP. MANNIX: We need to look at the staffing levels of these councils.

KEYSER: We will be asking support from the staffs of these various councils.

REP. MANNIX: Discusses the consolidation of council and board staffing.

263 CHAIR DERFLER: I have concerns about the size of the council.

KEYSER: Explains the size and the composition of the Workforce Development

Council.

303 REP. DOMINY: How do you address the concern about possible loss of local control, that Portland will become the rubber stamp deciding what is best for other areas of the state?

KEYSER: We are adding a regional work force committee, this allows the local councils to come to a larger table to do planning. It does not diminish the role of your constituents, the opposite.

379 REP. DOMINY: This would result in a loss of local autonomy?

KEYSER: You are right. There is a certain amount of giving up to a broader state strategy.

422 REP. JOHNSON: How does this proposal, as far as coordinating the work force, overlap and interrelate with the efforts to provide jobs in these communities where they are losing significant portions of their industrial base?

TAPE 112, SIDE A

009 KEYSER: This council concentrates primarily on the training aspect. I agree that there is a flip side that has to be considered. That is

one reason why HB 3133 was amended to include the Director of Economic Development Department as a member of the council.

034 REP. WATT: How many regions do you anticipate having a work force committee? What are those regions?

KEYSER: That is left to the Work Force Development Council to decide. Outlines the current local planning regions and service delivery areas.

062 REP. MANNIX: Proposes a sunset on all the commissions. They should come up with a comprehensive plan for the next session.

KEYSER: You are right. There is going to have to be some letting go. This is not going to be easy to do.

088 Refers to Exhibit A, page 3 explaining the Program Board Benchmarks.

-Refers to Exhibit A, page 4 describing some of the strategies that are being pursued during this session to achieve the benchmarks.

118 CHAIR DERFLER: We need to build a partnership between business and education.

KEYSER: Yes, you are correct.

-She comments on the proposed displaced timber worker programs.

159 REP. JOHNSON: The case management; is that a counseling type of service?

KEYSER: It is more in line with making sure that they know where all the resources are and can get access to those resources, combined with some aggressive placement efforts.

-Explains further what is in the Governor's budget with regard to the education programs for displaced workers.

-Refers to Exhibit B, outlining the workforce legislation in the 1991 legislative session.

-We are trying to create a strategy to build on the existing system and not to create something new.

-We should not create new training systems but coordinate what we have.

PUBLIC HEARING, HB 3095 (Exhibits C,D,E,F)

Witnesses:Gerald E. Larsen, Lutheran Church, Hood River Carl Hosticka, State Representative, District 40 Lynne Swift, Lane Community College Irv Fletcher, Oregon AFL-CIO Jack Kalinoski, Oregon-Columbia Chapter of the Associated General Contractors Dee Martin, Oregon-Columbia Chapter of the Associated General Contractors Austin Colcord Vera darriger, Department of Revenue

CHAIR DERFLER: Reopens public hearing on HB 3095.

266 GERALD E. LARSEN, Chairman of Lutheran Church in Hood River: Testifies in support of HB 3095 (Exhibit C).

-Your definition of a dislocated worker and a distressed community need

some clarification.

TAPE 111, SIDE B

-Dislocated workers in this state have been insulted by various decisions which are not in the normal course of economic cycles.

-Attention needs to be given to the social implications of these traumas.

029 REP. WATT: What is the church's role in aiding in these programs?

LARSEN: We have received an initial grant about \$8000 to begin the administrative start of a volunteer counseling program. Describes how this programs is going to function and the way it is governed.

REP. WATT: This bill would add another level of government bureaucracy by creating another commission. How do you feel about that?

LARSEN: State agencies are fine as long as they have in their charter a real relationship with local communities.

075 CARL HOSTICKA, State Representative, District 40: Discusses the check off portion of the bill and explains how that works.

116 REP. WATT: We had heard this before. The commission budgets seem to grow larger and larger every year. What is there to keep that kind of thing happening?

HOSTICKA: Your longevity in the service of the Committee on Ways and Means would be the best thing to prevent that. Discusses mechanisms that can be put in the bill to prevent large administrative costs.

144 -Rep. Dominy discusses the fiscal impact statement with Rep. Hosticka. Inquires about the additional Full Time Equivalent. Rep. Hosticka indicates that the fiscal impact would be absolutely minimal.

175 LYNNE SWIFT, Counselor, Lane Community College: Describes how their Dislocated Worker Program works (Exhibit D).

-Describes the demographics of the clientele served.

-Discusses the Lane Community College program.

-Discusses the results from that program.

220 REP. JOHNSON: How long would it take to provide the remedial math and reading training in order to enter the college level retraining program?

SWIFT: It depends where the person is at. On the average, one term of intensive work would be sufficient.

-Describes the 40-hour intensive career-life planning class.

-Discusses the program that the participants go through in Lane Community College--career guidance, counseling, etc.

-Most people go through a two-year program.

293 REP. DOMINY: When did you start your program?

299 SWIFT: This program has been in effect since 1983.

324 CHAIR DERFLER: How does your program interface with the proposed bill, HB 3095?

SWIFT: This would supplement federal money. Discusses additional funding sources and scheduling of the programs.

CHAIR DERFLER: Can't you reschedule your classes to accommodate those people's needs? You should be able to start programs as they are needed.

-He expresses frustration about the inflexible scheduling of college classes.

385 SWIFT: We have tried to address that in the dislocated worker program. It is very frustrating when the Department of Labor doesn't seem to understand that this is very important to us. Discusses the critical aspect of timing.

404 REP. JOHNSON: What percentage of the 709 are retrained in jobs that are available now in there respective communities? Gives an example of Oak Ridge.

SWIFT: There are not very many jobs in Oak Ridge.

TAPE 112, SIDE B

007 REP. JOHNSON: Where do these people have to go to get jobs?

SWIFT: There are jobs in Lane county but it involves a long commute.

009 REP. WATT: Are you in favor or in opposition to this bill?

SWIFT: I am here to support this bill.

REP. WATT: How would setting up this commission benefit the things that you are trying to do?

SWIFT: I have not studied that part of the bill. I don't know how that would work. On the surface it seems like a good idea.

027 REP. JOHNSON: What are the major categories of training that these people receive?

SWIFT: We don't have any huge categories. Heaviest enrollment is in industrial technology, welding, mechanics and clerical jobs.

040 CHAIR DERFLER: What do you find most frustrating, other than lack of money? What would you like to see done differently?

SWIFT: We would like to be more responsive in a timely way. We need flexibility in our ability to access funds.

055 REP. DOMINY: How about a slush fund that people could borrow from while waiting for the JTPA money coming?

SWIFT: That would work better. Provides an example how that would benefit the workers.

-In July we will know what kind of placement rate we will have when the class of 1989 will finish their two-year training.

110 IRV FLETCHER, Oregon AFL-CIO: Testifies in support of HB 3095.

-We are moving too slow to create a package for displaced workers, especially timber workers.

-Addresses needs for health care, counseling and other types of assistance.

-We don't need to be wedded into setting up our own particular governing board on this; it may well be appropriate to be part of JTPA.

-We need to look within the state to provide funds.

CHAIR DERFLER: We are anxious to get moving with this program, but we need to get direction from the Executive Department as to what they want to do.

170 REP. JOHNSON: Do you have a bill that you are most fond of relating to developing jobs and industry to the disadvantaged communities so people don't have to leave their homes?

FLETCHER: No I don't have one. You are talking about economic development. I don't know how to answer that.

REP. JOHNSON: Expresses appreciation for the work that Mr. Fletcher is doing relating to this issue.

195 JACK KALINOSKI, Executive Director, Oregon-Columbia Chapter of the Associated General Contractors: Testifies in support of the bill (Exhibit E). Discusses the following topics:

-Failure of the country's leaders to respond to the changes occurring in the work force; -Reorganization of vocational education; -Partnership between the educational system and industry; -Apprenticeship programs; -The role of women and minorities in the work force;

321 -He outlines a twelve-point program that should be enacted during this session of the legislature (Exhibit E, page 3).

384 CHAIR DERFLER: Why are the apprenticeship programs not functioning?

KALINOSKI: Apprenticeship is not widely known among the students in high school. Apprenticeship starts out at a 65% of journey worker scale and out of that wage they are required to pay their own books and tuition. That does not leave them very much money.

CHAIR DERFLER: Why don't employers help out there?

KALINOSKI: That is a good question. Lastly it has to be recognized that single parents cannot support their children, pay the cost of day care and go into a training program. Whatever tax benefits there are, they are not enough to encourage single parents to get into these programs.

430 REP. DOMINY: How do you suggest these programs are going to be funded?

TAPE 113, SIDE A

013 KALINOSKI: We are suggesting with our testimony that all public work contractors and subcontractors be required to pay the training fringe in prevailing wages to a special fund for training construction industry workers. That would amount to \$1.8 million.

CHAIR DERFLER: Would that be paid by the employer?

KALINOSKI: Yes. We need the legislature to tell us what we have to do. The open shop apprenticeship programs are doing a horribly bad job, with the exception of those two who require licensing. Most open shop contractors refuse to hire apprenticeships or pay into the fund. We cannot get our own people to contribute money into these programs and hire apprenticeships.

058 REP. JOHNSON: You are implying that it is hard for one contractor to step out and do something that his competitors are not required to do, thereby making himself less competitive in the market place?

KALINOSKI: That is a very nice way of saying it.

066 DEE MARTIN, Director of Education and Training, Oregon-Columbia Chapter of the Associated General Contractors: Echoes Mr. Kalinoski's sentiments on this issue. We are at a point where something has to be done. We can work with community colleges and skill centers in providing an industry-driven curriculum.

080 REP. JOHNSON: In general, where would these apprenticeship jobs be?

KALINOSKI: The jobs are located all over the state.

126 AUSTIN COLCORD: Testifies in support of HB 3095 (Exhibit F).

-There is a lot of support in my district for the check offs for funding training programs for dislocated timber workers.

-This provides some funding continuity for the existing community college programs. I don't see this as another layer of bureaucracy.

-This helps to coordinate existing programs.

180 REP. WATT: Do you really need to have that commission to make this program work?

COLCORD: Absolutely not.

190 REP. EDMUNSON: We shouldn't wait until people are unemployed but help people who are employed to become better employed.

COLCORD: I agree. Provides an example of a worker from the Mill City community.

269 VERA CARRIGER, Department of Revenue: Recommends a minor change relating to the check off portion of the bill, section 9. Either this language needs to be made part of ORS 316 or ORS 305.749 needs to be amended to include chapter 344 which this language is made a part of.

CHAIR DERFLER: Could you give us the suggested changes in writing?

CARRIGER: Yes.

PUBLIC HEARING, HB 2746 (Exhibits G and H)

Witnesses: William Street, International Woodworkers of America

CHAIR DERFLER: Opens public hearing on HB 2746.

314 DOZLER: Describes the bill.

339 WILLIAM STREET, Director of Research and Education, International Woodworkers of America: Describes his organization. Testifies in support of HB 274 6, Exhibit G.

-Discusses the proposed amendments (Exhibit H)--providing for emergency medical assistance.

CHAIR DERFLER: Could you explain what that entails?

371 STREET: Describes a hypothetical situation.

-The amendments provide the dollars to fill the gaps in the existing dislocated woodworker program through three criteria which are covered in my testimony (Exhibit H).

-Currently the state's response to woodworkers in their communities is inadequate. It is unfunded and dominated by federal regulations.

TAPE 114, SIDE A

007 -The primary purpose of the Timber Assistance Fund is as follows (Exhibit G):

-Provides additional funding for dislocated woodworkers; -Generates state dollars which could be used to augment existing federal training dollars; -Promotes the coordination of displaced woodworker training programs; -Encourages innovative program design; -Encourages leverage of dislocated funds with other state and federal dollars.

111 CHAIR DERFLER: Adjourns the meeting at 11:00 a.m.

Submitted by: Reviewed by:

Johanna Klarin Victoria Dozler Assistant Administrator

EXHIBIT LOG:

A - Oregon's Workforce Agenda - Marilynne Keyser - 7 pages.
B - Oregon's Workforce Agenda - Marilynne Keyser - 2 pages.
C - Testimony on HB 3095 - Gerald E. Larsen - 4 pages.
D - Testimony on HB 3095 - Lynne Suift - 1 page.
E - Testimony on HB 3095 - Jack Kalinoski - 4 pages.
F - Testimony on HB 3095 - Austin Colcord - 2 pages.

- G - Testimony on HB 2746 - William Street - 13 pages.
- H - Amendments for HB 2746 - William Street - 1 page.