

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

May 24, 1991Hearing Room D 8:30 a.m.Tapes 145 - 146

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 Johanna Klarin, Committee Assistant

MEASURES CONSIDERED: SB 39 - Public Hearing

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TAPE 145, SIDE A

006 CHAIR DERFLER: Opens the hearing at 8:30 a.m.

PUBLIC HEARING, SB 39 (Exhibits A - G)

Witnesses:Mary Wendy Roberts, Bureau of Labor and Industries Joe Gilliam, National Federation of Independent Business Roger Auerbach, Governor's Office Joan Pasco, Chamber of Commerce, Gresham Scott Manchester, National Association of Social Workers Scott Stuart Jim Davis, Oregon State Council of Senior Citizens Kathryn Selnes Mary Ann Gest, Oregon School Employees Association Dave Barrows, Oregon League of Financial Institutions Frank Brawner, Oregon Bankers Association Ellen Lowe, Ecumenical Ministries of Oregon

CHAIR DERFLER: Opens public hearing on SB 39.

005 VICTORIA DOZLER: Describes the bill.

021 MARY WENDY ROBERTS, Commissioner, Bureau of Labor and Industries: Testifies in support of SB 39, Exhibits A.1 and A.2.

-This is not for casual absences, but for catastrophic family illnesses.

071 -She outlines the editorial support for this bill state-wide.

-Discusses the changing demographics of the work force.

-At the face of a shrinking work force, it is important to recognize the needs of the work force.

-Discusses the minimal costs this creates for employers compared to the costs of termination. Refers to the Small Business Administration study.

-84% employers in Oregon reported no problems in implementing parental leave.

-I hope you will pass this measure out of committee as it stands.

158 JOE GILLIAM, National Federation of Independent Business: Testifies in opposition to SB 39, Exhibits B and C.

-Small business owners need flexibility to adjust to economic needs and to employee needs.

-This benefit will restrict employers' ability to provide other benefits.

-Businesses need the ability to create their own policies.

-Small businesses, especially in the rural areas, cannot support all the benefits mandated by the federal government.

219 REP. EDMUNSON: This bill only applies for employers of 25 and more. There is more flexibility for those employers than for true small employers.

GILLIAM: Yes, there is more flexibility in a larger work force.

237 ROGER AUERBACH, Senior Policy Advisor, Governor Roberts: Testifies in support of SB 39 on behalf of Governor Roberts.

-Addresses the following topics:

Rising health care costs; Productivity at the work place; Family problems--mental health, alcohol, etc. Cost containment in health care; Gains to the society and to the state.

-We think this is a very well balanced bill and we urge you to pass it out so that Oregon, once again, can be a leader.

328 ROD JOHNSON: Discusses the problems in the timber industry.

360 REP. MANNIX: There should be a reserve of some amount of paid sick leave so that there is some sick leave left when the employee himself gets sick. What is your position?

AUERBACH: This bill doesn't truly change the usage of sick leave.

409 CHAIR DERFLER: Will this bill result that some employers would discontinue giving sick leave?

AUERBACH: Doesn't think so.

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010 REP. EDMUNSON: This is a policy of honesty. Presently employees need to say that they are sick themselves to care for a sick family member. Employees can be fired or disciplined if they stay home to take care of a sick child, that is truly throwing the baby out with the bath water. I have hard time seeing why the employers are opposing this.

AUERBACH: Replacing and training employees certainly costs more money. Loss of productivity is also tremendous when workers have to worry about their family members. This is good public policy and would be good for the employers on a long run.

033 JOAN PASCO, Executive Director, Chamber of Commerce, Gresham: Our business community has showed an overwhelming opposition to this particular measure. We oppose the mandate. Usually family crisis situations are handled at the work place in a very humane way.

-Discusses employers' concerns to replace the permanent employee with temporary employees.

076 REP. REPINE: What kind of businesses were involved in your survey?

PASCO: Most of the participants in our area are small businesses. The sentiment in our business community has been against this bill regardless the size of business.

091 REP. MANNIX: The businesses who want to do the right thing cannot do the right thing because the competition doesn't allow that. Don't we want a level playing field as to some sort of a basic social policy on family medical leave?

PASCO: Natural competition will bring the benefits up to a level.

117 REP. EDMUNSON: Wouldn't your employees overwhelmingly support this bill?

PASCO: I cannot speak to that, it is speculative.

138 SCOTT MANCHESTER, National Association of Social Workers: Testifies in favor of the bill, Exhibit D.

-It is necessary that public policy reflects the dramatic changes that have occurred in the American family in the recent years.

-This bill will help to improve productivity in the work place and provide a more dedicated work force.

172 SCOTT STUART, Small Business Owner: Testifies in opposition to SB 39. We cannot afford to offer the benefits. We are experiencing a shrinking labor force.

-We would do everything to protect our skilled work force.

-If two employees would use these benefits simultaneously, it would put my kind of business out of business.

-We cannot afford bringing unskilled workers to our business.

236 REP. MANNIX: How many employees do you have?

STUART: Twenty-one.

REP. MANNIX: How do you define a small business?

STUART: Under 50.

256 REP. REPINE: If you personally would need to take extended time off due to family crisis, I assume the operation would cover you? That is not something that you are willing to offer to your employees?

STUART: That is not true.

282 REP. EDMUNSON: Do you allow sick leave for your employees' dependents?

STUART: Yes.

303 JIM DAVIS, Oregon State Council of Senior Citizens: We are strongly in support of SB 39. Seniors often have no alternative but to rely on the care of family members.

347 KATHRYN SELNES: Testifies in support of SB 39.

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007 -Describes her personal experience in taking care of her aging mother-in-law.

-There is less stress when there is the support of the employer.

044 REP. DOMINY: Do you have sick leave in your place of employment?

SELNES: No. If I am under doctor's care for a week then an insurance would kick in.

060 MARY ANN GEST, Oregon School Employees Association: Introduces her son Michael Gest. Testifies in support of SB 39, Exhibit E. Describes her own personal experience in taking care of her son during a critical illness.

-My employer allowed me to take any time off I needed and allowed me to use my sick leave.

-SB 39 recognizes changes that have occurred in our society and attempts to strike a balance in recognition of the dual demands we now place on Oregonians: one to be a productive member of the work force and one to protect and support the family.

126 REP. WATT: How do you feel about your employer?

GEST: They have treated me very well.

-Rep. Watt and Ms. Gest discuss this issue further.

155 REP. MANNIX: I would like to hear more testimony from a family perspective. Where are the more conservative family oriented organizations today when we are talking about social legislation that will help to protect the family structure?

GEST: This is more than just business perspective. If we value our

society as a whole, taking care of children is a top priority.

REP. MANNIX: I suppose that 60 or 70 years ago we would have said, when we enacted the child labor laws, that good employers do not hire 10-year olds.

182 REP. WATT: Michael who is going to win the ball game tonight?

MICHAEL GEST: Blazers.

200 DAVE BARROWS, Oregon League of Financial Institutions: Introduces Frank

Brawner, Oregon Bankers Association.

-Discusses the 25 people threshold. Those 25 people are not always in the same locale.

221 BRAUNER: Testifies in support of SB 39 with proposed amendments, (Exhibit F).

-Addresses the usage of sick leave.

-We should call this for what it is--a paid family leave.

-Expresses concern that sick leave benefits will continue to shrink and disappear.

-Discusses the workers' rights to return to his/her job after the leave.

-Discusses the rights of an employee who might have to be replaced when the returning employee resumes her/his position.

393 ELLEN LOWE, Ecumenical Ministries of Oregon: Testifies in support of SB 39, Exhibit G.

-This bill honors families and workers.

-SB 39 is the right thing to do. It is an act of social and economic justice.

TAPE 146, SIDE B

-We wish to note that families are the major care providers for individuals with disabilities living in the community.

-Laws relating to all children and their families should be just, compassionate and protective.

-SB 39 is a response to the need of motivated Oregon workers who wish to serve their families. Their efforts in turn will serve all of us.

-A healthy family is a corner stone of a healthy society. We ask you to support families by supporting SB 39.

060 CHAIR DERFLER: Adjourns the meeting at 10:00 a.m.

Submitted by: Reviewed by:

Johanna Klarin Victoria Dozler Assistant

Administrator

EXHIBIT LOG:

- A.1 - Testimony on SB 39 - Mary Wendy Roberts - 6 pages. A.2
- Testimony on SB 39 - Mary Wendy Roberts - 29 pages.
- B - Testimony on SB 39 - Joe Gilliam - 4 pages.
- C - Testimony on SB 39 - Joe Gilliam - 5 pages.
- D - Testimony on SB 39 - Scott Manchester - 1 page.
- E - Testimony on SB 39 - Mari Anne Gest - 3 pages.
- F - Testimony on SB 39 - Frank Brawner - 8 pages.
- G - Testimony on SB 39 - Ellen Lowe - 3 pages.