

June 7, 1991Hearing Room D 8:30 a.m.Tapes 167 - 168

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 1174 SB 546 SB 656 SB 39

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 167, SIDE A

007 CHAIR DERFLER: Opens the meeting. (8:30 a.m.)

WORK SESSION ON SB 1174

010 MOTION: REP. MANNIX: MOVES TO REFER SB 1174 TO THE JUDICIARY  
COMMITTEE.

VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY. MEMBERS  
EXCUSED: REP. DOMINY, EDMUNSON & REPINE

WORK SESSION ON SB 546 Witnesses:Senator Peg Jolin, Senate District 22  
John Powell, Blue Cross Blue Shield of Oregon

020 DOZLER: Describes the bill and the proposed (-B4) amendments,  
(EXHIBIT A).

It has been suggested that we delete the newly created penalty  
provisions for the employers failure to give notice to employees.

040 SENATOR PEG JOLIN, SENATE DISTRICT 22: My understanding was that  
only the right of action provisions would be deleted, not all the civil  
penalties.

JOHN POWELL, BLUE CROSS BLUE SHIELD OF OREGON: It is the cause of  
action portion, subsection 3 or the amended sub 4.

055 MOTION: REP. MANNIX MOVES TO ADOPT THE (-B4) AMENDMENTS AS AMENDED  
TO SB 546.

062 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

072 MOTION: REP. DOMINY MOVES THE BILL AS AMENDED TO THE FLOOR WITH A  
DO PASS RECOMMENDATION.

074 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO:  
REP. WATT MEMBERS EXCUSED: REP. EDMUNSON & REPINE

PUBLIC HEARING ON SB 656 Witnesses:Bob Cantine, Association of Oregon Counties, (AOC) Dick Townsend, League of Oregon Cities, (LOC) John Lobdell, Oregon City

083 VICTORIA DOZLER, COMMITTEE ADMINISTRATOR: We have an actuarial report, (EXHIBIT B) & proposed (-A15) amendments, (EXHIBIT C).

095 BOB CANTINE, ASSOCIATION OF OREGON COUNTIES & DICK TOWNSEND, LEAGUE OF OREGON CITIES: Introduce themselves.

096 TOWNSEND: Submits joint testimony by AOC and LOC, (EXHIBIT D).

Discusses the fiscal impact statement provided by the Senate.

The first issue is fairness and equity in the bill; summarizes testimony.

CANTINE: Explains the impact this bill would have for the counties.

188 REP. JOHNSON: Do you have proposed language to address the problems?

TOWNSEND: We would like to leave the police and firefighters and non PERS people out of the bill.

252 REP. REPINE: How come you don't talk about legislation that has been helping to reduce costs to cities and counties?

CANTINE: Those things have been good, but we are taking big losses on the other side.

275 JOHN LOBDELL, OREGON CITY: Testifies in opposition to SB 656.

I urgently request you to defeat this bill; we need to change the threshold, taxing on the amount, not the source.

327 REP. DOMINY: When federal employees receive increased benefits, have state employees testified against that?

LOBDELL: I have no defense for what the federal government has done, it is spending us into bankruptcy.

WORK SESSION ON SB 656 Witness:Don Satchell, Oregon Education Association & Coalition of Public Employees

356 REP. EDMUNSON: Discusses the (-A15) amendments, see (Exhibit C).

Page 6 of the bill says that a petition for review may only be filed within 60 days of the act; contract law in Oregon generally allows 6 years to bring actions.

407 REP. EDMUNSON: Page 6 & 7 of the (-A15) amendments create section 16 & 17; I think that Legislative Council misunderstood that the pay-back provision to keep local government whole should apply to all benefits paid, not just those paid to the police and fire fighters.

423 REP. EDMUNSON: On page 6 line 8, delete "police officer and fire fighter", inserting "public employee".

On line 11 delete "section 11 of" with conforming amendments on lines 12, 17, 18 with the appropriation on line 28.

440 MOTION: REP. EDMUNSON MOVES THAT ON LINE 8 OF PAGE 6, DELETE "POLICE OFFICER AND FIRE FIGHTER", INSERTING "PUBLIC EMPLOYEE" AND THAT ON LINE 11 "SECTION 11 OF" BE DELETED, WITH CONFORMING AMENDMENTS ON LINES 12, 17 & 18 WITH THE APPROPRIATION ON LINE 28.

REP. MANNIX: We are making the point that we are giving the court special statutory jurisdiction to review this matter within the time frames established here.

475 DON SATCHELL, OREGON EDUCATION ASSOCIATION & COALITION OF PUBLIC EMPLOYEES: We agree that was the intent of the discussions.

487 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

TAPE 168, SIDE A

040 MOTION: REP. JOHNSON MOVES TO AMEND SECTION 2, PARAGRAPH 6 SO IT READS "THIS SECTION APPLIES ONLY TO MEMBERS WHO BECAME MEMBERS PRIOR TO JANUARY 1, 1991 AND WHOSE AFFECTIVE DATE OF RETIREMENT IS AFTER JANUARY 1, 1991".

REP. JOHNSON: We as the legislature should leave the issue of whether or not there is a contract up to the court and remain a neutral entity and we should make that clear by adding a sentence that would read "Nothing contained in this act shall be construed as evidence that the members either have or do not have any contractual rights to the benefits granted herein".

076 REP. DOMINY: That would send a message that this wasn't just a benefit bill, but was to try to resolve a tax issue.

The only issue before us today is what benefit levels we should pay public employees that retire.

125 REP. JOHNSON: Reiterates the motion, adding a new paragraph 7 to section 2 that reads "Nothing contained in this act shall be construed as evidence that the members either have or do not have any contractual rights to the benefits granted herein".

140 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO: REP. MANNIX & REP. DOMINY

147 MOTION: REP. EDMUNSON MOVES THAT ON PAGE 4, LINES 17 & 18 BE DELETED.

DOZLER: The rationale for those lines was that there is the likelihood that a court decision won't be back by December.

205 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO: REP. DERFLER

210 MOTION: REP. REPINE MOVES THE RECONSIDERATION OF THE ACTION ON THE AMENDMENT PUT BEFORE US BY REP. JOHNSON

VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO: REP. JOHNSON

222 MOTION: REP. EDMUNSON MOVES TO RECONSIDER THE AMENDMENT.

VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

REP. REPINE: I moved to reconsider because I felt that Rep. Edmunsons actions were misdirected at the time.

REP. EDMUNSON: I understand now that the affect of this is to deny benefits to future retirees and that certainly isn't my purpose.

274 REP. MANNIX: The motion before us is to amend the package to say it will only apply to past retirees, not future retirees; if you vote for this, it is to limit this to past retirees only.

277 VOTE: IN A ROLL CALL VOTE THE MOTION FAILS. MEMBERS VOTING NO: REP. DOMINY, REP. EDMUNSON, REP. MANNIX, REP. REPINE & REP. DERFLER

285 MOTION: REP. MANNIX MOVES THE (-A15) AMENDMENTS AS AMENDED TO THE BILL.

288 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

290 MOTION: REP. MANNIX MOVES TO RESCIND THE SUBSEQUENT REFERRAL TO WAYS AND MEANS AND SEND THE BILL TO THE FLOOR WITH A DO PASS RECOMMENDATION.

330 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO: REP. JOHNSON & REP. WATT

WORK SESSION ON SB 39

339 MOTION: REP. MANNIX MOVES THE (-A10) AMENDMENTS, (EXHIBIT E) TO SB 39.

356 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

360 MOTION: REP. DOMINY MOVES THAT IN SECTION 4 OF THE BILL THE NUMBER OF HOURS BE CHANGED TO (17) HOURS.

428 VOTE: IN A ROLL CALL VOTE THE MOTION FAILS. MEMBERS VOTING NO: REP. WATT, REP. JOHNSON, REP. MANNIX & REP. DERFLER

435 MOTION: REP. MANNIX MOVES THAT THE NUMBER OF OURS BE 20.

446 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS VOTING NO: REP. JOHNSON & DERFLER

455 MOTION: REP. DOMINY MOVES THAT ON LINE 6, PAGE 3, SUBSECTION B, THE NUMBER 12 BE CHANGED TO 18.

493 VOTE: HEARING NO OBJECTION THE MOTION CARRIES.

494 MOTION: REP. DOMINY MOVES THE BILL AS AMENDED TO THE FLOOR WITH A DO PASS RECOMMENDATION.

TAPE 167, SIDE B

040 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES UNANIMOUSLY.

045 REP. DERFLER: I would like to thank the members of the committee,

we will be closing the committee at this time.

047 REP. DOMINY: I appreciate the openness you've given us, giving us an opportunity to hear most of our bills; I appreciate it.

050 REP. DERFLER: The committee is adjourned.

Submitted by, Reviewed by,

Johanna Klarin Victoria Dozler Assistant Administrator

EXHIBIT SUMMARY:

A - SB 546: (-B4) amendments submitted by staff, pp 6 B - SB 656: Actuarial report submitted by WILSON, pp 3 C - SB 656: (-A15) amendments submitted by staff, pp 7 D - SB 656: Written testimony submitted by CANTINE/TOWNSEND, pp 2 E - SB 39: (-A10) amendments submitted by staff, pp 12