

HOUSE COMMITTEE ON LEGISLATIVE RULES AND REAPPORTIONMENT

June 28, 1991 Room H174 12:30 p.m. Tapes 66 & 67 House Committee on
Legislative Rules and Reapportionment June 28, 1991 Page

MEMBERS PRESENT: Rep. Greg Walden, Chair Rep. Ray Baum Rep. Margaret
Carter Rep. Ron Cease Rep. Beverly Clarno Rep. Carl Hosticka Rep. Fred
Parkinson Rep. Bill Markham

MEMBER EXCUSED: Rep. Peter Courtney, Vice-Chair

STAFF PRESENT: Greg Leo, Committee Administrator Carol Wilder,
Committee Assistant

MEASURES CONSIDERED: SB 1192 PH & WS SB 856 PH & WS SB
1204 PH & WS HCR11 WS

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 66, SIDE A

010 CHAIR WALDEN calls the meeting to order at 12:30 p.m. and opens a
public hearing on SB 119 2.

SB 1192 - ALLOWS CERTAIN COMMODITY COMMISSIONS TO CONTRACT WITH
INDEPENDENT CONTRACTORS FOR PERFORMANCE OF SERVICES. - PUBLIC HEARING

Witnesses: John McCulley, Oregon Cattlemens Association and tree fruit
growers Dave Nelson Barbara Carranza, Executive Department

009 JOHN MCCULLEY, Oregon Cattlemens Association and tree fruit growers:
For the record, I do work with two commodity commissions, the Oregon
Orchard Grass Commission and the Oregon Processed Vegetable Commission.
This bill would allow commodity commissions to continue a practice they
have pursued for several decades, that is, allowing them to hire
independent contractors to provide administrative services to the
commissions. Last year the Department of Justice, after reviewing the
contracts for several years, determined there could be some problems
with the commodity commissions contracting with independent contractors
to provide the administrative services. They suggested in August 1990
the practice should be changed, that commissions should either have
employees or else the Oregon Department of Agriculture should provide
the administrative services. If we were to continue to allow
contractors to continue to provide these services, the law would have to
be changed to permit that. Thus, you have SB 1192 before you.

It was amended in the Senate Trade and Economic Development Committee to
address some concerns that had been raised by the Employment Division.
We had a meeting with the Department of Justice, the Department of

Agriculture, Executive Department, Employment Division and administrators of commissions to put the bill together before the Senate Trade Committee. Another amendment was added in the Senate Labor Committee to give the Executive Department some oversight into the selection and screening process that would be used in determining how these contractors would be hired.

According to the Legislative Fiscal Analysis, the bill will cost 12 of the 28 commissions \$8,000 to \$10,000 more per year in employee-related costs than to have the current system of independent contractors. From the commissions' standpoint, that is \$8,000 or \$10,000 that cannot be used for research and marketing efforts. It is a very significant sum of money for these small commissions. They have only part-time administrators and they are seeking this bill to allow them to maintain the status quo. In the late 1980's the Department of Agriculture was encouraging the commissions to leave the department and become independent. This will allow that practice to continue.

047 DAVE NELSON: The bill came out of the Senate Labor unanimously, passed the Senate 27-3 and we hope you will approve it.

052 MR. MCCULLEY: The Attorney General says this must be taken care of by July 1, 1991. We forgot to add an emergency clause in the Senate. We have talked to the Chair of the Senate Labor Committee and he has agreed he would concur if the emergency clause were added on this side.

059 REP. CEASE: Who are the people who provide the administrative services?

060 MR. NELSON: John does the administrative services for two commissions, the Orchard Grass Seed Growers Commission and the Processed Vegetable Commission. I do administrative services for the Fine Fescue Commission and the Oregon Tall Fescue Seed Growers Commission. There are a number of other people who do the Caneberry Commission, etc.

068 MR. MCCULLEY: By and large, they are independent businesses. In our case we happen to do lobbying work in addition to administering the commissions. Others have other business activities in addition to working with the commissions.

075 REP. CARTER: If you want to maintain the status quo, why is this bill before us?

075 MR. MCCULLEY: Because the Attorney General says that in order to maintain the status quo, we have to change the statutes to specifically allow this. One of the issues is the discretionary functions of the commissions. There was a concern that the commissions may be delegating governmental authority to an independent contractor which would be unconstitutional.

111 BARBARA CARRANZA, Program Coordinator, Executive Department: I oversee personal services contracting and I am here to testify on behalf of the Executive Department against SB 119 2. She submits a prepared statement in opposition to SB 1192 (EXHIBIT A).

147 REP. BAUM: Is the Executive Department and the Governor still opposed to the bill with the Senate amendments?

146 MS. CARRANZA: Yes.

151 REP. CEASE: What are the specific concerns of the Executive Department?

150 MS. CARRANZA reviews the issues explained in her prepared statement (EXHIBIT A).

244 CHAIR WALDEN closes the public hearing and opens a work session on SB 119 2.

245 MOTION: REP. CLARNO moves that SB 1192 B-Eng. be amended to include an emergency clause.

251 REP. CARTER: I will be a no vote on this because I think you are either an independent contractor or an employee. I think a decision should be made which the person is going to choose. VOTE: REPS. CARTER and MASON object to the motion. All members are present.

CHAIR WALDEN declares the motion ADOPTED.

273 MOTION: REP. PARKINSON moves that SB 1192 B-Eng., as amended, be sent to the Floor with a DO PASS recommendation.

276 REP. HOSTICKA: I share the idea, but for a different reason. That is because the whole idea of commodity commissions is trying to fall between the cracks of what a government agency is and what a private organization is. I would be happy if they were totally private organizations. Then they could contract with whomever they wanted for whatever they wanted. I will be a no vote because I hope they go in that direction.

285 REP. MARKHAM calls for the question.

285 VOTE: In a roll call vote, REPS. BAUM, CLARNO, MARKHAM, MILLER, PARKINSON and CHAIR WALDEN vote AYE. REPS. CARTER, CEASE, HOSTICKA and MASON vote NO. REP. COURTNEY is EXCUSED.

291 CHAIR WALDEN declares the motion ADOPTED. REP. BAUM will lead discussion on the Floor.

298 CHAIR WALDEN opens a public hearing on SB 856.

(Tape 66, Side A) SB 856 - REPEALS DELAYED OPERATIVE DATE FOR "MOTOR VOTER" LAW. - PUBLIC HEARING

Witnesses: Nina Johnson, Secretary of State's Office Al Davidson, Oregon County Clerks Association Jim Hunter, Motor Vehicles Division Joel Ario, OSPIRG

The Legislative Fiscal Analysis, Budget Report and Measure Summary, Revenue Impact Analysis and Senate Staff Measure Summary are hereby made a part of these minutes (EXHIBIT B).

306 NINA JOHNSON, Executive Assistant to Secretary of State: The three of us (herself, Jim Hunter, DMV, and Al Davidson, Oregon Association of County Clerks) are here to be quick and efficient. SB 856 is an affirmation of something this Assembly did two years ago, that is, adopt the "motor-voter" registration. Two years ago the Assembly chose to make it effective when the federal government chose to mandate it. It looks like we are far away from the federal government mandating motor-voter registration, so this session the Senate approved and Ways

and Means appropriated to DMV the ability to do voter registration when a person applies for or renews his/her driver license or state identification card. It was overwhelmingly approved in 1989 and passed the Senate 28-1.

I have submitted written testimony (EXHIBIT C). The experience of other states with this kind of program is tremendous, especially in reaching young people. It also greatly expedites the ability to change addresses on voter registrations.

333 AL DAVIDSON, Marion County Clerk and President, Oregon Association of County Clerks: The county clerks strongly support this. We are the officials charged with the responsibility for voter registration and we see this as a very good thing and urge your support.

337 JIM HUNTER, Deputy Administrator, Motor Vehicles Division: We have worked with the county clerks and the Secretary of State's office to work out a procedure to make this work very effectively in our local offices. We support the amendments to the bill which will give information about what occurs after the bill passes. We believe we can implement this legislation.

366 JOEL ARIO, Director, OSPIRG: We would like to be recorded in favor of this bill. I think it is a particularly important bill for young people.

376 CHAIR WALDEN closes the public hearing and opens the work session on SB 856 .

379 MOTION: REP. MILLER moves that SB 856 be sent to the Floor with a DO PASS recommendation.

381 REP. MARKHAM calls for the question.

382 VOTE: In a roll call vote, all members present vote AYE. REP. COURTNEY is EXCUSED.

388 CHAIR WALDEN declares the motion ADOPTED. REP. MILLER will lead discussion on the Floor.

397 CHAIR WALDEN opens a public hearing on SB 1204.

(Tape 66, Side A) SB 1204 - REQUIRES CERTAIN EMPLOYERS TO SUBMIT REPORT TO EMPLOYMENT DIVISION WHEN PERSON IS HIRED, REHIRED OR RETURNS TO WORK.
- PUBLIC HEARING

407 CHAIR WALDEN closes the public hearing and opens the work session on SB 1204.

407 CHAIR WALDEN: We have had public testimony on this bill. Senator Yih is very interested in this bill. Rep. Markham pointed out during the discussion it appears that the department could collect about \$5 million with the existing program which is not being effectively used now.

417 REP. WALDEN: That is correct according to the audit performance by the Secretary of State's office. They could get about 80 percent of the pie without new law.

423 REP. CARTER: My phone has been ringing off the wall. My small

business people are saying that to burden them with more paper work is a problem and if the state would do their job, it would be less burdensome for them.

TAPE 67, SIDE A

008 REP. CLARNO: I have some conceptual amendments for consideration by the committee.

MOTION: REP. CLARNO moves that SB 1204 be amended as follows: On page 1, line 4, after "employer" insert "with over 50 full time employees" and in line 5, after "report" insert "within 30 calendar days" and in line 12, delete "250 hours during a continuous three-month period" and insert "an average of 25 hours per week" and in line 15, after "within" delete "15" and insert "30" and delete the word "working." On page 2, line 12, after "who" insert "intentionally refuses" and in line 14, after "civil penalty up to" delete "200" and insert "100." On page 3, line 29, delete "October 1, 1991" and insert "January 1, 1992."

These amendments are more in line with the family leave bill we are looking at.

057 REP. CEASE: In reference to any business "with over 50 full time employees," do you have any sense of how many there might be if the figure wasn't in there?

057 REP. CLARNO: I don't have a number in mind other than I think we are having a lot of small businesses that are calling saying this will cause them a lot of concern and paperwork.

062 REP. CEASE: The original version of this proposal was for a pilot project of five categories. The concern I have with the 50 in reference to what you are trying to do with the bill, that is, to get more money coming in for child support, based on the final goal of the bill. How do you justify making a distinction between 50 employees? It is an arbitrary figure that doesn't have anything to do with the bill.

072 REP. CLARNO: I think a pilot project would be a good way to go. Unfortunately, we are not going to have that. I think by utilizing this bill with the "50 employees" we will see a change in what is collected and I think it will be a process to encourage small businesses to be more supportive of this.

087 REP. MASON: I think the amendments are a good shot, but the bill is still a sow's ear. I don't want to burden someone who has a business having to report people who are working.

106 REP. CEASE: All they would be required to do is to send in the W-4 form. The goal of the bill is to get in more money for child support and I think that is a laudable goal.

140 CHAIR WALDEN: We need to vote on the motion before us.

143 REP. HOSTICKA: The bill does include some appropriation language which would have to be adjusted if the amendments are adopted.

148 CHAIR WALDEN: We can vote on the amendments and if they are adopted we can get a revised fiscal before the committee votes on passage of the bill.

151 REP. CLARNO calls for the question.

152 VOTE: In a roll call vote, members responding with an affirmative vote are REPS. CARTER, CEASE, CLARNO, HOSTICKA, MARKHAM, MILLER and CHAIR WALDEN. REP. COURTNEY is EXCUSED.

158 CHAIR WALDEN declares the motion ADOPTED.

160 CHAIR WALDEN declares the meeting in recess subject to call of the Chair.

165 CHAIR WALDEN reconvenes the meeting.

(Tape 67, Side A) HCR11 - IN MEMORIAM: RICHARD CELSI

165 MOTION: REP. CEASE moves that HCR11 be sent to the Floor with the recommendation that it BE ADOPTED.

168 REP. CEASE: This is a memorial for Dick Celsi, a long-term resident of my district in Portland, a long term citizen activist and a very active Democrat. He has been Chair of the Democratic Central Committee on more than one occasion and at one point, from 1979 to 1983, he was chairman of the State Democratic Party. He had been sick for some time and died yesterday morning. We appreciate his leadership and I urge the adoption of this resolution.

182 REP. MASON: This is kind of a passing of another era. If there ever was a man who should have served here, it was Dick Celsi.

201 REP. MARKHAM calls for the question.

201 VOTE: In a roll call vote, all members present vote AYE. REPS. BAUM, MILLER and COURTNEY are EXCUSED.

206 CHAIR WALDEN declares the motion ADOPTED. REP. CEASE will lead discussion on the Floor.

209 CHAIR WALDEN declares the meeting in recess.

REP. CLARNO reconvenes the meeting and immediately declares the meeting adjourned at 9:10 p.m.

Transcribed and submitted by,

Annetta Mullins Assistant

EXHIBIT SUMMARY

A -SB 1192, prepared statement, Barbara Carranza B -SB 856, Legislative Fiscal Analysis, Budget Report and Measure Summary, Revenue Impact Analysis and Senate Staff Measure Summary, staff C -SB 856, prepared statement, Nina Johnson