

SENATE COMMITTEE ON LABOR .

March 13, 1991 Hearing Room 50 03:00 p.m. Tapes 34 - 35 MEMBERS  
PRESENT: SEN. GRATTAN KERANS, CHAIR SEN. LARRY HILL, VICE-CHAIR SEN.  
PETER BROCKMAN SEN. BOB KINTIGH MEMBER EXCUSED: SEN. BOB SHOEMAKER

STAFF PRESENT: ANNETTE TALBOTT, COMMITTEE COUNSEL ROBERTA WHITE,  
COMMITTEE ASSISTANT MEASURES CONSIDERED: SB 368 - PROVIDES  
SUPPLEMENTAL BENEFITS FOR WOOD PRODUCTS WORKERS UNEMPLOYED AS RESULT OF  
RESTRICTED TIMBER SUPPLY (PUBLIC HEARING) SB 369 - CREATES TASK FORCE  
ON TIMBER ADJUSTMENT APPOINTED BY GOVERNOR (PUBLIC HEARING) SB 370  
- ESTABLISHES FAMILY SUPPORT FUND TO PROVIDE BENEFITS TO DISLOCATED  
TIMBER WORKERS AND FAMILY MEMBERS WHO PARTICIPATE IN DISLOCATED TIMBER  
WORKER TRAINING PROGRAMS. (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 34, SIDE A

WITNESSES: BILL BRALY, ECONOMIC DEVELOPMENT DEPARTMENT, JOB TRAINING  
PARTNERSHIP ACT RICHARD CHASM, CONSTITUENT (EXHIBIT A)

001 CHAIR KERANS called the meeting to order at 3:10 p.m.

SB 368 - PROVIDES SUPPLEMENTAL BENEFITS FOR WOOD PRODUCTS WORKERS  
UNEMPLOYED AS RESULT OF RESTRICTED TIMBER SVPPPLY - PUBLIC HEARING SB 369  
- CREATES TASK FORCE ON TIMBER ADJUSTMENT APPOINTED BY GOVERNOR - Senate  
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PUBLIC HEARING SB 370 - ESTABLISHES FAMILY SUPPORT FUND TO PROVIDE  
BENEFITS TO DISLOCATED TIMBER WORKERS AND FAMILY MEMBERS WHO PARTICIPATE  
IN DISLOCATED TIMBER WORKER TRAINING PROGRAMS - PUBLIC HEARING

WITNESSES: RICHARD CHASM, CONSTITUENT (EXHIBIT A) BILL BRALY, ECONOMIC  
DEVELOPMENT DEPARTMENT, JOB TRAINING PARTNERSHIP ACT

013 RICHARD CHASM, WINSTON, OREGON (EXHIBIT A): > Testifies in favor  
of passage of all three bills. > Details Exhibit A. 363 CHAIR KERANS:  
Are we helping anybody by stringing them out and getting them into a no  
win situation? What if we make a realistic assessment of certain areas  
and saying there aren't too many opportunities here, and people are  
going to have to be thinking about how you are going to give people a  
decent interval between where they are now and when they have to leave,  
and prepare them for that psychologically and also vocationally? Aren't  
we really faced in some areas with people simply saying that's it, the  
trees will be here, but the people won't. 398 CHASM: That's a  
difficult and honest question. I don't know. CHAIR KERANS: If the "bias"  
can't make it and are retrenching and giving up, how can we finance the  
"smalls" and independent entrepreneurs in forest management?  
453 CHASM: I think there are some answers, but they're not simple.  
The key is land based. I would like to see some stewardship arrangements  
with the Bureau of Land Management, where there is a long term  
relationship established to jointly co-manage grounds where we're not  
clear cutting or it's very carefully thought out clear cutting.

TAPE 35, SIDE A

001 CHASM, CONTINUED > Continues to detail Exhibit A. 311 BILL  
BRALY, ECONOMIC DEVELOPMENT DEPARTMENT, JOB TRAINING PARTNERSHIP ACT,  
(EXHIBITS B & C): > Details Exhibit B.

TAPE 34, SIDE B

001 BRALY, CONTINUED > Continues to detail Exhibit B. 046 TALBOTT: Can you give us some information about the kinds of occupations they are training for?

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BRALY: I have some data at the office. We find it all across the board, driven very much by the individual's needs and how they assess out.

CHAIR KERANS: Could you collapse those categories into general categories and do that over time? It would be worth while taking a look at longitudinal data, the kinds of things that have happened over the years, where we are now, and how those break out.

BRALY: > I'll get that put together for you. > Our eligibility criteria do consider whether or not occupations are on a decline. Then we discourage placing people in training for occupations which are not steady or increasing. 081 CHAIR KERANS: A successful placement represents somebody who left the program with a job and held it for how long? How long does a person have to hold a job to be considered a placement? BRALY: > In order to be considered a placement, the person has to get the job. We also have follow-up standards which are measured at 13 weeks. The rate of retention has been quite good for these programs. They drop 10% - 15% from the point of placement to the 13 week level. > Continues to detail Exhibit B. 186 TALBOTT: Tell us a little bit about the readjustment services, and how that would or would not dovetail with SB 369. It seems like the task force would be duplicating services that JTPA is already providing. BRALY: > The act requires the State to set up a dislocated worker unit with us responsible for dislocated worker activities. This involves working with individuals prior to the plant being closed, the assessment, the remediation of basic skills in many cases, providing job search training, the actual training, etc., and the Feds are very clear that our responsibility is to all dislocated workers. The concern that I have about 369 is that if a portion of this is taken out to work with timber workers, I suspect we're going to have some difficulty with the federal government.

227 SENATOR HILL: That's an example of the changes that seem to be occurring at the federal level with JTPA to reduce state initiative and flexibility and to centralize and bureaucratize the JTPA system. It's a real dangerous trend. Unless it's reversed, we will be forced to continue the bureaucratized system that doesn't meet our needs well.

BRALY: You're absolutely right, the federal program is in a recapture phase in terms of their ability to manage programs. 251 CHAIR KERANS: > There is a concern about drawing the definition to the point where you haven't done yourself as much good as you could have, even by saying "timber workers" when you've got structural unemployment which occurs right next to that mill. People whose lives and occupations were based on industries, businesses and trades that fed only that one customer. > Introduces the structural unemployment draft (EXHIBIT E) which could replace SB 368. . 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. - Senate Committee on

348 SENATOR HILL: It is my concern that we not adopt a definition that is inconsistent with the working definition used by the PIC's. CHAIR  
KERANS: That's correct, and that is subsumed within the definition that you have here. 359 TALBOTT: The only adjustment to the JTPA definition that the Chair directed me to make was on line 16, page 2 of the draft, which was to add under paragraph C, the term "structural unemployment" in that particular area. That would foreseeably narrow who could apply as an eligible dislocated worker under that paragraph. 386 CHAIR  
KERANS:I want the committee to see whether it wants to go with this new definition as opposed to rifle-shotting a class of people, with a strategy for dislocated workers in an industry that leaves a lot of other people in those same communities unemployed. We need to examine this. 406 TALBOTT:I notice on your program services that you talk about your average weeks, and one of the average weeks for both training and readjustment is 26 weeks. This bill draft would propose that people who met the JTPA definition or something very similar would get additional supplemental benefits to continue retraining. But it looks like they are already falling into what would be normal regular unemployment benefits, so I'm wondering how we could find out who falls outside that average. Are these people in retraining programs that are taking two years? That's what we were hearing from some of the people in Lane County.  
BRALY: > One issue here is that some people do not get into training programs immediately upon becoming unemployed, which is a concern I had when I saw ten weeks. That may be pushing reality just a little bit in terms of whether or not we can get the bulk of people into training programs in the first ten weeks. TAPE 35 SIDE B 013 SENATOR HILL: Can you provide us with a wait list of those persons eligible for dislocated worker services who are waiting to be admitted to various programs?  
BRALY:I would have to go to the SGA's to get that. I think Lane County told me they had 600 people on a waiting list. They are attempting to recall them now as a result of getting this last \$1 million, and I think they have been able to contact 300 of them. 021 SENATOR HILL: Can you call through and find out how many are on the waiting lists of all the PIC's, just to give us an idea of current demand? CHAIR KERANS: What did we think it was - how many thousand? SENATOR HILL: We think it will be around 9,000 over the next two years. Those are timber workers, not counting the other people who are impacted by their unemployment. 028  
BRALY:

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> My understanding is that about one-third of the people who are eligible are actually admitted to programs. Again, that does not necessarily say that we have a mechanical problem. There are people within that group who obtain new jobs, retire, move out of state, etc. SENATOR HILL: The current funding level we are talking about is about 3,400 two-year slots. We could purchase that training with the \$20 million lottery funds. 039 BRALY: > There are a couple of points with SB 370 that caused me concern. > Section 3 appears to want to track dollars from the fund source to the individual client. That would be problematic for us in that our accounting system is not set up that way at this point and would need to be set up. Title III is a program which tracks against expenditure as opposed to individual client or allocation. This is just about the opposite of what the bill wants. >

Section 4 speaks to JTPA providers being reimbursed for the services they provide. That would definitely cause us trouble under federal law. 073 CHAIR KERANS: As an adjunct to the measures we are considering, where does it fall as far as the dislocated worker services were concerned on a scale of one to ten? BRALY: I would say it would fall in the high sixes or sevens. 090 TALBOTT: What, if any of those services do you already provide? It looks like one of the retraining services available is cost of relocation, which it appears you already provide. BRALY: To the extent that we do have money, we can assist with relocation. In real life, that support is minimal at best. TALBOTT: So other than that relocation issue, the other services are not provided by JTPA for dislocated workers. BRALY: We have the ability to do some child care, but it is very minimal. 114 TALBOTT: Regarding the 10 weeks and when people would actually enroll in a program, if you can provide any sort of information or a better estimate of how long that would actually take, it would help. Also, the people from Oak Ridge were especially concerned about the task force being able to coordinate programs specifically for timber workers. BRALY: If I remember correctly, they are from an area that is in an earlier stage of the process other areas have already gone through. The response up there has not been as well organized as it might be. It is our responsibility to make sure these services are available, and we work very closely with the PICs to make sure they have the support they need to do it. 190 SENATOR HILL: What is the funding mechanism for SB 370? CHAIR KERANS: Right now, it is General Fund. 230 The meeting was adjourned at 4:46 p.m.

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Submitted by: Reviewed by: Roberta White Annette Talbott  
Assistant Committee Counsel

EXHIBIT LOG:

A - Testimony on SB 368, SB 369 and SB 370 - Richard Chasman - 1 page  
B - Testimony on SB 368, SB 369 SB 370 - Bill Braly - 8 pages  
C - Title III - Employment and Training Assistance for Dislocated Workers - Public Law - 10 pages  
D - Testimony on SB 368, SB 369 and SB 370 - Diane Rosenbaum - 1 page  
E - Structural Unemployment Draft - Staff - 2 pages  
F - Fiscal Analysis of SB 369 - Legislative Fiscal Office - 6 pages  
G - Staff Measure Summaries on SB 368, SB 369 and SB 370 - Staff - 3 pages  
H - Letter submitted on SB 368, SB 369 and SB 370 - Irv Fletcher - 1 page

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