

SENATE COMMITTEE ON LABOR

June 19, 1991 Hearing Room 50 10:00 a.m. Tapes 140 -141
MEMBERS PRESENT: Sen. Grattan Kerans, Chair Sen. Larry Hill, Vice
Chair Sen. Peter Brockman Sen. Bob Shoemaker MEMBERS EXCUSED: Sen.
Bob Kintigh STAFF PRESENT: Annette Talbott, Committee Counsel Roberta
White, Committee Assistant MEASURES HEARD: SB HB 3584 - AUTHORIZES
POSTPONEMENT OF 15-DAY DEADLINE BY ADDITIONAL 60 DAYS IF WITHIN 15 DAYS
DEPARTMENT OF INSURANCE AND FINACNE MAILS ORDER ALLOWING REVIEW BY
MEDICAL ARBITER EXECUTIVE APPOINTMENTS Diane Lovell Patrick J. Mosey
Lisa M. Trussell Anthony R. Palermini J. Edward Schroeder Peter A.
Ozanne Patty G. Riggs Mary T. Feldbruegge PUBLIC CONTRACTING REPORT -

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001 CHAIR KERANS: Calls the meeting to order. (10:16 a.m.)

EXECUTIVE APPOINTMENTS - See (EXHIBIT A - H) 010 DIANE LOVELL, OREGON
ASFCME, COUNCIL 75: I am assigned to work with employees at the Health
Scieences University and am also responsible for coordinating state
employee activities.

· About 7,000 of our members receive benefits from the State Employee
Benefits Board, (SEBB).

· Wellness is a primary interest of mine; SEBB is moving in that
direction and I see good opportunity for those kinds of programs. Senate
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023 MOTION: SENATOR HILL moves the approval of the Governors
appointment of Diane Lovell to the SEBB with a "do pass" recommendation.

025 VOTE: Hearing no objection, the motion carries. Members excused:
Senator Kintigh

PATRICK MOSEY, EXECUTIVE APPOINTMENT

ANNETTE TALBOTT, COMMITTEE COUNSEL: Due to the fact that this is a
reappointment, Mr. Mosey is not present. 030 MOTION: CHAIR KERANS
moves the reappointment of Patrick Mosey to the Employment Relations
Board with a "do pass" recommendation. CHAIR KERANS: Does anyone wish to
speak for or against the reappointment? 034 VOTE: Hearing no
objection, the motion carries. Members excused: Senator Kintigh

LISA TRUSSELL, EXECUTIVE APPOINTMENT

CHAIR KERANS: Who will you be replacing? 040 LISA TRUSSELL, HUMAN
RESOURCE MANAGER, NOR PAC FOODS: Karen Blithe.

· I want to sit on this committee in part because of my experience
managing our self insured, self administered workers' compensation
program since 198 6.

· I would like to see a system fair to both employees and employers;
communication between labor and managment can lead to some good things.

063 MOTION: SENATOR SHOEMAKER moves the nomination of Trussell to the
Workers' Compensation Managment Labor Advisory Committee with a "do
pass" recommendation. 066 VOTE: Hearing no objection, the motion

carries. Members excused: Senator Kintigh

EXECUTIVE APPOINTMENTS OF PETER OZANNE, PATTY RIGGS, AND J. EDWARD SCHROEDER TO THE PERS BOARD

082 PATTY RIGGS: Continuity on the board is important, even more with Measure 5.

094 J. EDWARD SCHROEDER: My role originally was to be the first representative of the retirees and I think it is important that they be represented in the PERS program.

103 PETER OZANNE, PORTLAND, OREGON: I have worked with the last two Governors on

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public policy and I've found it is closest to my heart.

· I have professional experience and educational background in the area and I have been a member of PERS for ten years.

126 MOTION: CHAIR KERANS moves the reappointment of Patty G. Riggs, J. Edward Schroeder and Anthony Palermini to the Public Employment Retirement Board and the appointment of Peter Ozanne to the PERS Board.

135 VOTE: Hearing no objection, the motion carries. Members excused: Senator Kintigh

MARY T. FELDBRUEGGE, EMPLOYMENT APPEALS BOARD, APPOINTEE

140 MARY FELDBRUEGGE, EXECUTIVE DIRECTOR, EMPLOYMENT APPEALS BOARD: I wish to have the appointment to the board itself because I have strong capabilities to ensure that all appellants to the board receive an objective and impartial analysis of the case before the board.

151 SEN. HILL: Would you continue as the Director of the Board?

FELDBRUEGGE: No, I wouldn't continue in that capacity.

190 MOTION: CHAIR KERANS moves the appointment for the unexpired term and the reappointment for a full term to the Employment Appeals Board.

195 VOTE: Hearing no objection, the motion carries. Members excused: Senator Kintigh

PUBLIC HEARING ON HB 3584 - POSTPONEMENT OF 15 DAY LAW BY AN ADDITIONAL 60 DAYS

WITNESSES: R.C.A. MOORE, OREGON TRIAL LAWYERS LARRY YOUNG, DEPUTY ADMINISTRATOR, WORKERS' COMPENSATION DIVISION

207 R.C.A. MOORE, OREGON TRIAL LAWYERS & OREGON WORKERS' COMPENSATION ATTORNEYS: Testifies in support of HB 3584-A.

· We wanted a bill that said 15 means 15 and must means must if the legislature says it.

· Currently, if you don't like the determination order you get, before you take it to hearing, you must go and have it reconsidered by the department; to make it simple, the legislature asked that the work be done within 15 days.

264 MOORE: The department has been saying they can't do this work in 15 days and we have a growing backlog so there is a 4 to 6 month wait for a hearing.

· We believe that the intent of the legislature was to get simple errors corrected within 15 days

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or the court would step in.

307 MOORE: Unless this bill is passed, my clients are going to be obliged to go back to Circuit Court and have the court say there is the option to go to the Hearings Division.

333 LARRY YOUNG, DEPUTY ADMINISTRATOR, WORKERS' COMPENSATION DIVISION, DEPARTMENT OF INSURANCE AND FINANCE, (DIF): Testifies in opposition to the bill. · Currently we are getting reconsideration orders out within 30 days plus and we expect that with our process, that will be down close to the 15 day time frame. · We didn't get an opportunity to speak to these amendments on the House side; this legislation will have a negative impact on injured workers. · If the work is not completed within 15 days, DIF loses their jurisdiction, and then the worker has to start over again; the average length for a hearing now is 162 days. · This will also cost the worker more money.

400 CHAIR KERANS: How far away are you from 15 days at this point. YOUNG: We are close; with the additional staff from Ways and Means, we will be able to get there. · Our problem is with the notice of closure situation; we don't have the file that the insurer uses to issue notice of closure so we have to ask for the file and the mail time alone takes 10 days. 422 SEN. HILL: What about FAX machines or electronic

processes? YOUNG: We have other processes in place so that isn't going to be a problem. · We talked to representatives of defense lawyers and trial lawyers when developing this and they all said that there must be due process so we put in the process to allow the other parties at least 10 days to give us their input. · We can cut that out, and we eventually will. 454 YOUNG: These amendments require us to issue an order saying

we are going in to arbitration and that is additional work load for us and it doesn't address how we handle the unrepresented worker.

464 SENATOR HILL: You didn't have a chance to testify in the House at all? YOUNG: No; we had a hearing on the original bill and we even proposed amendments, but when they went into work session they brought out these amendments before you and didn't afford the opportunity for anyone to testify.

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SENATOR HILL: Have you talked to Mr. Moore about your concerns?

CHAIR KERANS: We are going to have to go to the floor and we do have another hearing coming up. · I will delegate Mr. Young and Mr. Moore and

Senator L. Hill to look at a method of moving the 15 day period to an appropriate day period, leaving the 60 days for the medical arbitrator report.

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040 SENATOR SHOEMAKER: The original bill authorizes either party to request a hearing if within 15 days the reconsideration isn't decided; we can add 60 for the arbitrator.

· Why isn't that an acceptable arrangement?

YOUNG: We supported that but wanted to make clear what the completed record was and how much time it took. 070 MOTION: CHAIR KERANS moves the adoption of the committee's report on Public Contracting, (EXHIBIT I). TALBOTT: I added a table of contents, tabs for the appendix and a conclusion on page 56 that basically summarizes the report saying that financially there is no current statutory requirement that an upfront and thorough examination of cost and benefits be undertaken before contracting is performed and it also points out that other considerations than cost savings might necessitate contracting therefore contracting standards need to take that into account as well as the legal ramifications of contracting. · The conclusion also talks about the fact that social implications of contracting are difficult to quantify and therefore one way to deal with that is to provide public input and process to address those social implications. · The basic recommendation is that public entities evaluate cost and benefits before contracting and circulate the comparison to members of the public, providing an opportunity to debate the decision itself. 100 CHAIR KERANS: Included in my motion is the adoption of the report and it's transmission to the appropriate parties. · I would add that we have an appropriation from the office of the Senate President of some session expenditures for the printing of the report. 105VOTE: Hearing no objection, the motion carries. Senator Kintigh is excused.

CHAIR KERANS: The meeting is adjourned. (10:55 a.m.)

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Submitted by: Reviewed by:

Roberta White Annette Talbott Assistant Administrator

EXHIBIT LOG: A - Executive appointment information on Lovell submitted by Governor's Office, pp B - Executive appointment information on Mosey submitted by Governor's Office, pp 12 C - Executive appointment information on Trussel submitted by Governor's Office, pp 10 D - Executive appointment information on Palermini submitted by Governor's Office, 12 E - Executive appointment information on Schroeder submitted by Governor's Office, pp 12 F - Executive appointment information on Ozanne submitted by Governor's Office, pp 27 G - Executive appointment information on Riggs submitted by Governor's Office, pp 17 H - Executive appointment information on Feldbruegge submitted by Governor's Office, pp 15 I - Report on Providing Public Services submitted by staff, pp 223

These minutes contain material which paraphrases and summarizes the proceedings during this session. Only text enclosed in quotation marks reports the speaker's exact words. For complete contents of the proceedings, please refer to the tapes.