

# HOUSE COMMITTEE ON GENERAL GOVERNMENT

February 18, 2003 Hearing Room D  
8:30 AM Tapes 18 - 19

**MEMBERS PRESENT:** Rep. Jerry Krummel, Chair  
Rep. Donna Nelson, Vice-Chair  
Rep. Floyd Prozanski, Vice-Chair  
Rep. Derrick Kitts  
Rep. John Mabrey

**MEMBER EXCUSED:** Rep. Brad Avakian  
Rep. Kelley Wirth

**STAFF PRESENT:** Patrick Brennan, Committee Administrator  
Jeana Harrington, Committee Assistant

**MEASURE/ISSUES HEARD:** -Informational Meeting,  
Oregon Economic and Community Development Department  
-HB 2548 – Public Hearing

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These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>Tape 18, A</b>		
004	Chair Krummel	Calls meeting to order at 8:40 AM. Opens informational meeting.
<b><u>INFORMATIONAL MEETING</u></b>		
009	Sherry Sheng	Deputy Director, Oregon Economic and Community Development Department (OECDD). Refers member to <b>(EXHIBIT A)</b> . Overviews department functions. Highlights department organization.
082	Chair Krummel	Observes the reduction of jobs and poses related question.
084	Sheng	Concurs with the remarks.
086	Rep. Kitts	Inquires if people will lose the jobs cut by the 2003-2005 Governor's budget.
088	Sheng	Affirms.
091	Rep. Mabrey	Asks where Ms. Sheng's job falls with regard to these categories.
094	Sheng	Explains she is the deputy director. Overviews budget and staff. Breaks down budget by category.
166	Chair Krummel	Asks if the public works funds are part of the specified budget
169	Sheng	Answers yes and explains the chart represented in <b>(EXHIBIT A)</b> .
181	Chair Krummel	Comments on lottery bonds.
186	Sheng	Understand the state has around \$120 million lottery bonding capacity. Adds the department is authorized to sell bonds.
204	Chair Krummel	Poses questions about inclusion of rural and distressed areas in the statistics.
212	Sheng	Concurs and explains how the areas are included.
219	Rep. Mabrey	Requests Ms. Sheng to elaborate on the direction of the

		department in said areas.
223	Sheng	Explains the intentions of OECDD.
257	Sheng	Refers to the appearance of lottery funds and resources. Explains program services. Highlights the accomplishments of the department concerning industrial development. .
376	Chair Krummel	Asks if marketable industrial land is 'shovel-ready'.
378	Sheng	Explains that not all available land is 'shovel-ready'.
<b>TAPE 19, A</b>		
003	Chair Krummel	Inquires if there is an estimate of sites that could potentially be 'shovel-ready'.
005	Sheng	Responds that the information does not exist currently. Adds OECDD is working with agencies and regions to create it.
017	Rep. Kitts	Asks how the department works with other agencies on shared issues.
024	Sheng	Provides short and long term explanations of partnerships. Adds that the lack of industrial and commercial land has been noticed.
066	Rep. Kitts	Inquires if the department makes recommendations to other agencies.
078	Sheng	Responds that OECDD input is not required. Continues presentation on technical assistance and cycle time. Overviews job creation and retention.
130	Rep. Mabrey	Asks is she is referring to direct job-creation or indirect and induced.
133	Sheng	Explains the representation is of directly created jobs. Adds the department compares the initial job numbers with the end results.
175	Sheng	Continues presentation on project completion. Provides the focus of OECDD.
217	Chair Krummel	Makes observation on job data. Requests that Ms. Sheng discuss job retention issues.
222	Sheng	Elucidates the issue by employing Freightliner and Oregon Regional Alliance for Information and Network Security (RAINS) as examples. Points out the methods OECDD utilizes to provide assistance.
327	Chair Krummel	Relates her statements to Rep. Kitts earlier inquiry.
330	Sheng	Gives example of global company assistance provided by OECDD.
360	Chair Krummel	Presents two issues of concern with regard to programs.
382	Sheng	Discusses the microenterprise program.
006	Chair Krummel	Asks if Ms. Sheng sees the issue as something that could be instituted in the near future.
012	Sheng	Responds that the microenterprise system is not something that the department could fund with its current resources. Begins explanation of incubator investment with regard to small business. Points out the selected areas relating to incubators currently being instituted. Explains the general consensus on issues of incubators in Oregon.
058	Rep. Mabrey	Asks if a connection between small business development centers and OECDD exists.
062	Sheng	Responds there is a direct connection with regard to funding.
081	Chair Krummel	Encourages members to overview the report ( <b>EXHIBIT B</b> ). Inquires if OECDD has been audited recently.
087	Sheng	Responds there was an audit of OECDD performance.
095	Chair Krummel	Encourages members to view the audit.
101	Sheng	States she would like to help members with this.

105	Chair Krummel	Closes informational hearing. Opens public hearing on HB 2548.
<b><u>HB 2548 PUBLIC HEARING</u></b>		
110	Rep. Betsy Close	House District 15. Testifies in favor of HB 2548 B ( <b>EXHIBIT C</b> ). Explains the bill. Comments on a similar issue in California.
163	Doug Tindall	State Maintenance Engineer, Oregon Department of Transportation (ODOT). Testifies on HB 2548 ( <b>EXHIBIT D</b> ).
190	Chair Krummel	Asks about the wording of the bill being a safeguard from the standpoint of the federal courts.
198	Tindall	Responds that he is unsure of the constitutional impact of the bill.
220	Matt McDonald	Veteran of Foreign Wars (VFW), Disabled American Veterans (DAV). States the veteran organizations he represents do not oppose the bill. Voices concern about the condition of the flags displayed on the road. Adds the organizations would like to see something in the bill regarding desecration and preservation.
237	Andrea Meyer	Legislative Director, American Civil Liberties Union (ACLU). Voices concern with the bill limiting speech.
247	Rep. Kitts	Refers to the case in California with regard to federal constitutionality.
251	Meyer	Concurs Oregon law would then ‘trump’ the free-expression provision. Explains the Oregon Constitution would need to be amended.
274	Rep. Kitts	Refers to the information he has provided the committee regarding flag desecration and care.
287	Rep. Mabrey	Asks if the Capitol building is subject to the bill.
295	Meyer	Explains the situation concerning self-expression.
307	Chair Krummel	Poses question regarding flag display regarding fees. Inquires if the fee provides a sufficient barrier to those not serious about displaying flags.
336	Meyer	Responds that she is unsure about the permit process and the fee. Adds it is irrelevant due to its innate limitations. Comments on community forum aspects.
376	Rep. Kitts	Inquires of the existence of a memorial in the statutes.
391	Chair Krummel	Responds he is unsure.
<b>TAPE 18, B</b>		
002	Rep. Prozanski	References parameters within the statutes regarding the issue.
007	Tindall	Explains the only program would be of existing memorials in rest areas.
011	Rep. Mabrey	Questions the right-of-way categories of the issue.
027	Tindall	Explains regarding federal standards and allowances for signing.
042	Chair Krummel	Concludes that certain issues of the bill will be researched further. Closes public hearing of HB 2548. Adjourns meeting at 10:06 AM.

## **EXHIBIT SUMMARY**

- A – Informational, presentation, Sherry Sheng, 23 pp**
- B – Informational, Annual Report, Sherry Sheng, 38 pp**
- C – HB 2548, prepared testimony, Rep. Betsy Close, 1 p**
- D – HB 2548, prepared testimony, Doug Tindall, 1 p**