

HOUSE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

February 17, 2003 Hearing Room D
1:00 PM Tapes 13 - 14

MEMBERS PRESENT: Rep. Patti Smith, Chair
Rep. Vicki Berger, Vice-Chair
Rep. Mary Gallegos, Vice-Chair
Rep. Mark Hass
Rep. Dave Hunt
Rep. Steve March
Rep. Dennis Richardson

STAFF PRESENT: Kimberly A. Medford, Committee Administrator
Linda K. Gatto, Committee Assistant

MEASURE/ISSUES HEARD: HB 2252 – Work Session
Informational Meeting
The Oregon Business Plan – Duncan Wyse

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<u>TAPE 13, A</u>		
004	Chair Smith	Calls the meeting to order at 1:06 p.m. and opens the work session on HB 2252.
<u>HB 2252 – WORK SESSION</u>		
006	Kim Medford	Committee Administrator. Reviews HB 2252 and HB 2252-3 amendments, (EXHIBIT A) .
018	Rep. March	MOTION: Moves to ADOPT HB 2252-3 amendments dated 02/10/03.
020	Rep. March	Clarifies that the reason for the amendments is to delete possible overlaps with the Bureau of Labor and Industries, the Community College Workforce Board, and other Boards.
029		VOTE: 7-0
	Chair Smith	Hearing no objection, declares the motion CARRIED.
031	Rep. Berger	MOTION: Moves HB 2252 to the floor with a DO PASS AS AMENDED recommendation.
032		VOTE: 7-0
	Chair Smith	Hearing no objection, declares the motion CARRIED. REP. BERGER will lead discussion on the floor.
037	Chair Smith	Closes the work session on HB 2252 and opens the informational meeting.
<u>INFORMATIONAL MEETING</u>		
038	Duncan Wyse	Oregon Business Council, President. Provides an overview of the Oregon Business Plan. Explains that the Business Council is an organization of 40 CEO's throughout the state that focuses on policy issues.
090	Wyse	Begins Power Point presentation (EXHIBIT B) and reviews the

		objectives to be covered:
		<ul style="list-style-type: none"> • Changes that face Oregon’s economy • Long-term economic success • Identifying opportunities and setting priorities • Strengthening the partnership between businesses and the public sector
128	Wyse	Reviews the four P’s of prosperity <ul style="list-style-type: none"> • Pioneering Innovation • People • Productivity • Place
138	Wyse	Discusses public finance and summarizes that a strong economy supports public services.
148	Wyse	Discusses Oregon’s employment trends. Explains that the main reason for the recession is the dependence on durable goods manufacturing.
167	Wyse	Notes that there are clusters of industry that are strong – restaurants, grocery stores, hospitals, and beauty salons but firms known as the “traded sectors” drive the economy and represent about one-third of the jobs.
244	Wyse	Reviews Oregon’s major industries: <ul style="list-style-type: none"> • High Technology • Forestry and Wood Products • Agricultural/Food Processing • Metals/Transportation Equipment
250	Wyse	Identifies five key trends: <ul style="list-style-type: none"> • Change • Restructuring • Globalization • Cost Competitiveness • Marketing and Value Added
287	Rep. Richardson	Asks what is the Gross Domestic Product of Oregon.
317	Wyse	Answers approximately \$60 – \$70 billion.
328	Wyse	Referring to global competition; notes that apples from China are competing with apples and pears in Medford, Les Schwab’s tire recycling center in Prineville can not compete with new tires being produced in China.
402	Wyse	States that innovation is critical in a competitive environment. Comments on the quality of education and the role that talented, educated people have in high technology.
415	Wyse	Discusses attracting businesses; quality of life and natural resource needs for industry. Notes productivity, regulations, and costs – especially in health care and energy.
TAPE 14, A		
025	Wyse	Comments that overall the business community commented that they felt neglected in regard to how they fit in with Oregon’s

052	Wyse	economy. Refers to page nine, Proposed Initiatives, (EXHIBIT C) noting that the full report is available on the internet.
065	Wyse	States the first priority is public services financing and budgeting. Reviews each recommendation.
099	Wyse	Rhetorically asks, what does Oregon want for an image.
126	Rep. Hunt	Refers to the initiatives that require some investment and inquires where the resources will come from.
143	Wyse	Recommends looking for what can make a difference in the next biennium, provides transportation as an example. Suggests the tourism marketing package as a consideration. Recommends looking at the OCKED recommendations. Notes that the question is what that does to the revenue forecast. Suggests a range that budgets starting at the low end and add additional investments if additional revenue comes in.
190	Wyse	Suggests focusing on regulatory and land use initiatives, higher education and K-12 investments
180	Rep. Richardson	Asks what can Oregon do to provide goods and services for China's needs.
209	Wyse	Responds that international trade needs to be part of the picture. States that China will have a huge demand for products from all over the world.
236	Chair Smith	Closes the informational meeting and adjourns the committee meeting at 1:45 p.m.

EXHIBIT SUMMARY

A – HB 2252-3 amendments dated 2/10/03, staff, 1 p

B – Power Point Presentation, Duncan Wyse, 27 pp

C – Informational Materials, Duncan Wyse, 103 pp