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SENATE COMMITTEE ON INFORMATION MANAGEMENT & TECHNOLOGY

February 23, 2001 Hearing Room 357
1:00 PM Tapes 10 - 11

MEMBERS PRESENT: Sen. Verne Duncan, Chair
Sen. Peter Courtney, Vice-Chair
Sen. Rick Metsger
Sen. David Nelson

MEMBER EXCUSED: Sen. Jason Atkinson

STAFF PRESENT: Marjorie Taylor, Administrator
Pamela Johansen, Committee Assistant

MEASURE/ISSUES HEARD: SB 400 Public Hearing
SB 401 Public Hearing
SB 101 Public Hearing and Work Session
Public Hearing and Work Session
Session

SB 102
SJR 17 Public Hearing and Work

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.

TAPE/#	Speaker	Comments
TAPE 10, A		
004	Chair Duncan	Calls the meeting to order at 1:00 p.m. and opens public hearing on SB 400 and SB 401.
<u>SB 400 and SB 401 PUBLIC HEARING</u>		
007	Tracey Louden	Fiscal and Performance Manager for the Employment Department. Presents written testimony in support of SB 400 (EXHIBIT A) .
027	Louden	States SB 400 would change the current Shared Information System (SIS) to specify which agencies must participate and including stronger safeguards for handling information about

		<p>individuals. Comments this would also allow the department to establish a new performance information system that will eventually replace the SIS. The new system would provide required federal, state and local performance measure data. Asks how many agencies this will affect.</p>
036	Sen. Nelson	
038	Louden	<p>Responds that there are 6 agencies specifically listed and others may want to join. Research Manager for the Employment Department. Speaking on SB 401. Presents and refers to written testimony</p>
056	Graham Slater	
79	Slater	<p>(EXHIBIT B). References an example of the Oregon Labor Market Information System (OLMIS). Explains that SB 401 clarifies that the “oversight and control” of OPPS is the responsibility of the Director of the Employment Department. States this accurately reflects the current operation of OPPS and is consistent with the Director’s responsibility for Oregon’s entire “employment statistics” system, which, under ORS 657.730 includes the Department’s</p>
105	Slater	

115	Chair Duncan	Research Section and has not been given policy direction from the (now defunct) Oregon Occupational Information Coordinating Committee (which was a subcommittee of the Workforce Quality Council and also now defunct). The follow-up responsibilities of ORS 329.955 were absorbed into the more comprehensive Shared Information System, as defined in ORS 329.965. Asks what is the connection between OLMIS and Shared Information System (SIS).
122	Slater	Responds that the Oregon Automated Follow-up System was a pilot program set up by the Oregon Employment Department to track workers after leaving the workforce. This was a precursor to SIS.
150	Slater	States they have discussed this bill with representatives of the Oregon Department of Education and with the Governor's Workforce and Education Advisor, the Employment Department Advisory Council and the Governor's

153	Brad Swank	Workforce Policy Coordinator. All of these individuals reviewed early drafts of the language, and support the proposed changes. Representing the State Court Administrators Office. Expresses concerns of who the Custodian is for the type of information.
207	Chair Duncan	Asks Tracy Louden with the Employment Department to address this question.
209	Louden	States the information as it deals with statewide matters where the entire workforce system is being reported would have no custodian and/or owner, as the information is public knowledge. Comments that if the information being put together is aggregate to a specific agency then they would be the custodians of record for that information. States that is the ruling from the Attorney General's office.
222	Swank	States that the reasoning behind a custodian is to know whom to contact to get the information. Questions if there is no custodian, how can the information be retrieved by the public.

230	Louden	Responds that the Employment Department has a shared website where that information could be accessed. Details this is stated more clearly in the change proposes with SB 400 because it makes the Director of the Employment Department the Administrator of SIS.
249	Gattan Kerans	Director of Government Relations for the Oregon University System. Testifies in support of SB 400. Refers to written testimony. States the proponents of SB 400 will be looking at some of the language in the bill and will hold off on work session until they return with changes. Closes public hearing on SB 400 and SB 401.
256	Chair Duncan	Opens public hearing SB 101, SB 102 and SJR 17.
257	Chair Duncan	
<u>SB 101, SB 102 and SJR 17 PUBLIC HEARING</u>		
273	Sen. Tom Hartung	State Senator – District 3. Testifies in favor of SB 101, SB 102 and SJR 17.
293	Sen. Hartung	States the importance of having the technology available if we are going to develop some world class research and engineering universities
336	Diane Vines	Introduces

371 Vines

members of Oregon University System. Submits and refers to written testimony **(EXHIBIT C)**. States the focus of the group is to promote knowledge-based economic development in Oregon by coordinating the application of the State's Assets in higher education, business, industry and capital resources to achieve:

- Increased research and development.
- Expanded models for intellectual property rights and profit sharing.
- Increased technology and transfer of knowledge the state's private sector.
- Increased growth of technologically skilled workforce.
- Improved access to capital for investment in commercialization of technology developed by higher education.

393 Bill Scott

Director of the Oregon Economic Community Development Department. Details the Oregon Council for

TAPE 11, A

005 Scott

Knowledge and Economic Development.

States this has a Governor-appointed membership with 3 year staggered terms, staffed by the business community and all sectors of higher education and community colleges in the state. Comments that this would not need additional funding but could be done with current staff and resources.

014 Diane Vines

Explains research funding and how Oregon compares to other states.

056 Jim Coonan

Director of Business Alliances for the Oregon University System. Testifies in support of SB 102. References pages 12 and 13 of handout.

083 Coonan

Testifies in support of SB 101. Details the Higher Education Technology Transfer Fund.

States that transfer activities include not only patents, but feasibility studies, prototype development and marketing to companies.

103 Coonan

Explains that the fund can take dollars from multiple sources and distribute them to campuses to help them commercialize

110	Coonan	their research. Gives brief overview of the Higher Education Technology Transfer Fund.
155	Vines	References Building the Bonds of a Knowledge Economy
163	Don Vanlvanee	<p>(EXHIBIT D) and 2000 Evaluation of Performance (EXHIBIT E). CEO of Electro Scientific Industries and current President of the Oregon State Board of Higher Education. Comments that the cases for having a linked development of intellectual know-how and converting it into economic health for this state is well stated. States he believes we need to encourage the universities to commercialize their activity and to link into the investment capital that will encourage cooperation.</p>
217	Sen. Nelson	Asks what prohibits the public institutions from owning stock.
223	Vanlvanee	States he has just recently been made aware of this fact.
226	Don Krahmer	Partner with Black Helderline. States that law dates back to the 1900's when local governments were discouraged against investing in railroads. This was put into statute at that time but amended to allow

245	Krahmer	<p>universities to hold bequests and gifts. The area related to technology transfer is very new and nationally about 50% of the states have changed their constitution to allow this to happen. Comments that this is a very coordinated effort to move these bills forward. States that there are four agenda items that need to take place.</p> <ol style="list-style-type: none"> 1. We need to develop a top tier engineering school. 2. Dedicate efforts to world class education related to biotechnology. 3. Double the number of engineering degrees. 4. Further the area of technology transfer.
290	Jim Craven	<p>American Electronics Association. States that this bill removes some barriers. States that this is a multi year process and may take time to see the results but this is a good package to help the process move forward.</p>
312	Rep. Nelson	<p>Asks to clarify the importance of these bills.</p>
318	Vanluvanee	<p>States that the high tech and knowledge created</p>

		by industry is site independent. If people were not proud of where they live and raise their families then it would be impossible to do business here.
349	Krahmer	Comments that SJR 17 will be a positive vision statement.
375	William Newman	Fund Manager for Oregon Research and Technology Development Account. Testifies in support SB 101. Comments that 37% of employment in the San Francisco area can be traced to either technology out of Stanford University or founders from Stanford University.
405	Newman	States 60% of the high tech employment in Massachusetts traces its roots to MIT. Says if the economic impact was aggregated all the businesses founded out of MIT by faculty, researchers, students and technologies spawned by MIT, it would be within the top 30 world GNP's. Comments this resource needs to be managed and thoroughly understood by the state.
420	Newman	Comments that this is an integrated program to link economic development with

the educational infrastructure here in the state. States a quality higher educational system produces and creates knowledgeable workers and intellectual property.

TAPE 10, B

007 Newman

States that SB 101, SB 102 SJR 17 will enable the universities to transfer technology to the commercial sector and also reap some of the benefits.

017 Gordon Hoffman

Fund Manager with Oregon Research and Technology Development Account. Testifies in favor of SB 101, SB 102 and SJR 17. Discusses research by the Universities.

021 Hoffman

Relates personal anecdote. States that some of the peak years at Stanford University were over 60 million dollars in revenues. Says Oregon has some the highest quality researchers in the country. States the technology transfer offices need to educate the faculty and bring technologies along.

053 Rep. Nelson

Asks for a definition of technology transfer and intellectual property.

058 Hoffman

States that an intellectual property would be in the form of a

103	George Pernsteiner	patent based on research people have done and technology transfer would be a spin off business based on the research. Testifies in support of SB 101, SB 102 and SJR 17.
107	Orcilia Forbes	Vice President for University Advancement at Oregon State University. Testifies in support of SB 101, SB 102 and SJR 17.
121	Chair Duncan	Closes public hearing on SB 101, SB 102 and SJR 17 and opens work session on SB 101.

SB 101 WORK SESSION

128	Sen. Courtney	Let's work on the motion/vote - Atkinson was excused, so all votes are 4-0. For the votes at clicks 151 and 160, use option #4 in your vote macro. MOTION: Moves to ADOPT SB 101-2 amendm dated 2/23/01 (EXHIBIT F).
138	Sen. Metsger	Asks if anyone is excluded by the SB 101-2 amendments.
141	Vines	Responds that no one is excluded.
145	Chair Duncan	VOTE: 4-0-1 EXCUSED: 1 - Atkinson Hearing no objection, declares the motion CARRIED.
151	Sen. Courtney	MOTION: Moves SB

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155 Chair Duncan

Closes work
session on SB 101
and opens work
session on SB 102.

SB 102 WORK SESSION

157 Sen. Courtney

**MOTION: Moves
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amen
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2/22/(
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G).**

158

Chair Duncan

**VOTE: 4-0
EXCUSED: 1 -
Atkinson
Hearing no
objection,
declares the
motion
CARRIED.**

157 Sen. Courtney

**MOTION: Moves Si
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Means.**

162

Chair Duncan

**VOTE: 4-0
EXCUSED: 1 -
Atkinson
Hearing no
objection,
declares the
motion
CARRIED.**

165

Chair Duncan

Closes work session on SB 102 and opens work session on SJR 17.

SJR 17 WORK SESSION

167 Sen. Courtney

MOTION: Moves SJR 17 be sent to the floor with a BE ADOPTI recomme

171

Chair Duncan

Hearing no objection declares the motion CARRIED. SEN. NELSON will lead discussion on the floor.

175

Chair Duncan

Closes work session on SJR 17 and adjourns the meeting.

Submitted By,

Reviewed By,

Pamela Johansen,
Committee Assistant

Marjorie Taylor,
Administrator

EXHIBIT SUMMARY

A- Written testimony submitted by Tracey Loudon for Virlena Crosley, Cam Preus Braly _and Bobby Mink, 4 pp.

B – Written testimony submitted by Graham Slater for Virlena Crosley, OLMIS, OED Labor Market Information, 66 pp.

- C – OECDD printout on SB 101, SB 102 and SJR 17, Diane Vines, 24 pp.**
- D – Building the Bonds of a Knowledge Economy, Diane Vines, 49 pp.**
- E – 2000 Evaluation of Performance, Diane Vines, 26 pp.**
- F – SB 101-2 Amendments, Staff, 2 pp.**
- G – SB 102-1 Amendments, Staff, 3 pp.**