

## SENATE COMMITTEE ON GENERAL GOVERNMENT

March 25, 1999 Hearing Room C

3:00 p.m. Tapes 45 - 46

**MEMBERS PRESENT:** Sen. Verne Duncan, Chair

Sen. Cliff Trow, Vice-Chair

Sen. John Lim

Sen. Marylin Shannon

Sen. Frank Shields

**STAFF PRESENT:** Jim Stembridge, Administrator

Patrick Brennan, Administrative Support

**MEASURE/ISSUES HEARD:** SB 974 Work Session

-For the Purpose of Referral to Health and Human Services

SB 776 Public Hearing and Work Session

SB 522 Public Hearing and Work Session

Review of the Benchmark Progress Report

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 45, A		
003	Chair Duncan	Calls the meeting to order at 3:07 p.m.
005	Sen. Lim	Introduces student guests from Panama who are currently attending Mount Hood Community College.
014	Chair Duncan	Welcomes the visitors from Panama. Opens a work session on SB 974.

**SB 974 WORK SESSION**

024	Chair Duncan	States that SB 974 was assigned to the committee by accident and says that the bill belongs in the Committee on Health and Human Services.
035	Sen. Trow	Asserts that there should be a follow-up discussion with Sen. Tony Corcoran, who is the sponsor of the bill. Asks if such a discussion took place between Sen. Corcoran and Committee Administrator Marjorie Taylor.
042	Jim Stembridge	Committee Administrator. Replies that he is unaware of any such conversation taking place between Ms. Taylor and Sen. Corcoran.
045	Sen. Trow	States that he understands that Sen. Corcoran wanted SB 974 to be assigned to the General Government Committee because he has confidence that the committee will take action on the bill. Indicates that Sen. Corcoran has concerns that the bill would not receive a hearing in the Committee on Health and Human Services.
050	Sen. Shields	Mentions that he has similar concerns and indicates that Sen. Corcoran should be consulted, given the seriousness of the issue.
054	Chair Duncan	States that the bill will remain in the committee for the time being, out of consideration to the concerns raised by Sen. Trow and Sen. Shields. Opens a public hearing on SB 776.

**SB 776 PUBLIC HEARING**

065	Jim Stembridge	Committee Administrator. Gives a brief description of the bill.
073	Steve Rhodes	Administrator, Clackamas County. Testifies in support of SB 776. Says that the bill clarifies the issue of making county records available on the internet. Adds that the bill does not apply to standard requests for records. Says that the bill would allow the county to customize records for customer use. Mentions that statute is currently unclear with regards to whether such services are mere provision of records or if it is a "value added" situation. Offers the example of an engineering firm needing information on a particular site. Indicates that such information could be packaged for a nominal fee.
120	Rhodes	Explains that an eventual goal is to set up a subscription service on the internet for the purpose of providing personalized information. Says that there is a question as to whether statute allows charging fees for the provision of records, especially in relation to unincorporated areas of the county. Mentions that there are several other entities that charge for similar information.
141	B.J. Smith	Director of Public and Government Relations, Clackamas County. Testifies in support of SB 776. Explains that the bill deals with voluntary requests for information. Mentions that Legislative Counsel was asked if such a bill was necessary and that the reply indicated that it would be helpful for clarification.

		Says that counties with charters would overrule the terms of the bill should the two be in conflict and adds that Clackamas County has no charter, which is why the bill is necessary. Asserts that the service in question is an "intellectual product" which makes it a valuable source of information. Says that fees could be set according to market value, competitive bids, or standards. Submits that the idea is not new except as how it relates to counties.
195	Sen. Trow	Wonders why the service would not be valuable for individual cities.
198	Smith	Replies that it would be beneficial for cities. Says that cities would have the authority to provide such fee-for-services under their respective charters.
204	Chair Duncan	Asks how many counties in Oregon operate under "home rule."
206	Smith	Replies that there are nine such counties.
208	Sen. Lim	Inquires whether the program would be opened up to other counties. Asks if people would be upset that they would have to pay for public records. Wonders how much money such a program would raise.
219	Rhodes	Replies that there is a need to keep records current and that it would be beneficial for counties to be able to recoup the investment necessary to do so. Says that the charge relates not to the records themselves but to the service of compiling them in a unique manner. Says that the public would retain the ability to look up records as before. Says that it is reasonable for counties to be compensated for such services.
236	Sen. Lim	Asks if the issue could be resolved without legislation.
239	Chair Duncan	Replies that the Clackamas County Council suggested that there was a need for authority to be granted by the legislature.
242	Sen. Shields	Says that counties with home rule charters, such as Multnomah, could take action independently. Adds that statutory counties, such as Clackamas, require state authorization to take any action.
250	Smith	States that a letter from Legislative Counsel indicated that Clackamas County did not have sufficient authority to implement the program <b>(EXHIBIT A)</b> .
259	Sen. Lim	Asks if other counties without home rules were contacted regarding SB 776.
261	Smith	Replies that the proposal was presented to the Legislative Committee of the Association of Oregon Counties (AOC), which endorsed the bill.
266	Sen. Trow	Inquires whether there is any known opposition to the bill.

268	Smith	Replies that there is no record of opposition.
272	Chair Duncan	Closes the public hearing on SB 776 and opens a work session on SB 776.
<b><u>SB 776 WORK SESSION</u></b>		
277	Sen. Shields	<b>MOTION: Moves SB 776 to the floor with a DO PASS recommendation.</b>
281		<b>VOTE: 4-0-1</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 1 - Shannon</b>
	Chair Duncan	<b>The motion CARRIES.</b>  <b>SEN. DUNCAN will lead discussion on the floor.</b>
292	Chair Duncan	Closes the work session on SB 776 and opens a public hearing on SB 522.
<b><u>SB 522 PUBLIC HEARING</u></b>		
300	Jim Stembridge	Committee Administrator. Gives a brief description of the bill. Indicates that the ñ1 amendments have been submitted ( <b>EXHIBIT B</b> ). Mentions that the bill was heard previously on 3-2-99.
340	Sen. Shannon	Wonders why the bill was not referred to the Water and Land Use Committee.
345	Sen. Trow	Asks how the bill affects localities such as Corvallis, where the city votes on all annexations.
350	Stembridge	Replies that SB 522 applies only to special districts and not to cities.
370	Art Schlack	Representative, Association of Oregon Counties (AOC). Testifies in support of SB 522. Indicates that the ñ1 amendments have been presented on behalf of all interested parties. Says that the amendments clarify that the local governments will be required to work with all special districts. Explains that the original bill stated that the county "shall" approve if there is a property benefit, which has been changed to say that the county "may" approve. Mentions that other changes made by the amendments include the addition of Section 3 for the purposes of adding corresponding language.

412	Sen. Trow	Asks for a description of Section 3 within the ñ1 amendments.
415	Burton Weast	Representative, Special District Association (SDA). Says that the reason that Section 3 was added was that there was an opportunity to clarify other language that has needed to be changed. Says that Section 3 states that counties will look at their plan and existing statute for basing their decision regarding annexation.
<b>TAPE 46, A</b>		
036	Chair Duncan	Asks if the property being annexed must be contiguous to the district.
037	Weast	Replies that it does.
040	Sen. Trow	Asks if the county has to accept the annexation.
042	Weast	Replies that the county currently must approve the annexation if the property is benefited. States that the amendment would allow counties to consider the plan before determining whether to allow the annexation.
050	Sen. Trow	Asks if there is any opposition to the bill by land use groups.
052	Weast	Replies that there is none. Says that the bill is primarily a procedural matter, which is why it did was not assigned to the Water and Land Use Committee.
068	Sen. Lim	Asks why a property owner would wish to be annexed into a district.
071	Schlack	Replies that a property owner would seek annexation in order to receive a service from the district.
080	Sen. Shields	Asks which specific types of districts would be most likely to receive requests for annexation.
090	Weast	Replies that fire and water districts would receive approximately 70-80 percent of the requests. States that some sanitary districts may also receive a significant number of requests.
098	Sen. Shields	Says that the bill would therefore primarily affect water and fire districts.
101	Weast	Concurs and states that the bill was designed to ease the process for an individual to annex a single piece of property to a particular district.
107	Sen. Trow	States that the single piece of property in question could be very large.

109	Weast	Concurs and states that SB 522 would not remove the requirement for a public hearing on annexation.
112	Sen. Shields	Asks if the bill has an effect on current land use law.
113	Schlack	Replies that it has no such effect and that the amendment will make the bill consistent with current land use laws.
117	Sen. Lim	States that the bill appears to be designed to merely simplify the process of annexation for individual property owners.
118	Schlack	Concurs with Sen. Lim.
125	Chair Duncan	Closes the public hearing on SB 522 and opens a work session on SB 522.
<b><u>SB 522 WORK SESSION</u></b>		
127	Sen. Shannon	<b>MOTION: Moves to ADOPT SB 522-1 amendments dated 3/18/99.</b>
	Chair Duncan	<b>Hearing no objection, declares the motion CARRIED.</b>
137	Sen. Shannon	<b>MOTION: Moves SB 522 to the floor with a DO PASS AS AMENDED recommendation.</b>
145		<b>VOTE: 5-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b>
	Chair Duncan	<b>The motion CARRIES.</b>  <b>SEN. SHIELDS will lead discussion on the floor.</b>
154	Chair Duncan	Closes the work session on SB 522. Opens an informational meeting on the Oregon Progress Board Report.
<b><u>REVIEW OF THE BENCHMARK PROGRESS REPORT</u></b>		
160	Jeffrey Tryens	Executive Director, Oregon Progress Board ( <b>EXHIBIT C</b> ). States that the Progress Board has organized its analyses around key elements of state

		government. Explains that the unified vision is embodied in the "Oregon Shines" plan, a process created by the legislature in 1989 and re-instituted in 1997 ( <b>EXHIBIT D</b> ). Says that the benchmarks that have been developed reflect results achieved, rather than efforts made. Describes how benchmarks are measured.
215	Tryens	<p>Describes how benchmarks are developed. Explains that there are overall grades given in each category as well as benchmarks therein. Lists the seven categories and the grades assessed for each:</p> <ul style="list-style-type: none"> <li>• Economy: C+</li> <li>• Education: C</li> <li>• Civic Engagement: D</li> <li>• Social Support: C</li> <li>• Public Safety: D+</li> <li>• Community Development: D+</li> <li>• Environment: C+</li> <li>• <b>OVERALL: C-</b></li> </ul>
238	Sen. Trow	Requests an explanation of how grades are determined.
248	Tryens	Replies that grades are established by comparing targets set in 1991 to the current results. Explains that if the state is on track to meet the goal then the state receives an "A" for that benchmark. Says that if the result is lower than where the state was in 1991 then the state receives an "F." Adds that all grades between reflect the range between "A" and "F."
267	Sen. Trow	Submits that the public will probably not understand the grading system and will think that the grade is a comparison to other states.
275	Tryens	Replies that the major newspapers have done a fairly good job of explaining the grading system. Says that they have reported that the state is doing an average job but that it has not met its own expectations.
282	Sen. Trow	Asserts that a poor grade does not indicate that Oregon is behind other states and that it in fact may be ahead of all other states, even though the grade is "below average."
287	Tryens	Says that there are other analytical programs available, such as the one used in the "Camelot Index," but that the board chose the target-setting method. Argues that the chosen method is fair.
293	Sen. Trow	Indicates that the method is acceptable but that it is important to make the public aware of the method which is used.
298	Tryens	<p>Discusses the grades given in the Economy category:</p> <ul style="list-style-type: none"> <li>• Employment is growing more slowly outside of the Willamette Valley</li> <li>• The professional services sector has grown rapidly in the 1990s</li> </ul>

350	Sen. Trow	Indicates that there has been some job dispersion, but that the growth has been very large in the Willamette Valley due to economic factors. Asks how the process could be turned around without dampening growth in one area to counterbalance for another.
363	Tryens	Replies that there has been an attempt to facilitate growth in rural areas which would have otherwise occurred in the Willamette Valley. States that Oregon has historically enjoyed high rural employment and that it is changing.
376	Sen. Trow	Argues that the "F" may be interpreted to mean that there has been no dispersion. Says that in reality there has been job dispersion but that it has been below expectations.
385	Tryens	States that each grade is explained within the full report. Continues to discuss the grades given within the Economy category: <ul style="list-style-type: none"> <li>• Oregon's rank in new companies is high</li> <li>• Private research and development is growing, slowly</li> <li>• Per capita income relative to the U.S. has flattened out since 1996</li> </ul>
420	Chair Duncan	Mentions that the state had to recoup from the early 1980s.
422	Tryens	Says that the state dropped from 100 percent to 90 percent of per capita income relative to the nation as a whole during the 1979-1981 period, and remained at that level until 1990.
424	Chair Duncan	Explains that the 1979-1981 period was a time of crisis.
425	Sen. Trow	Adds that there were problems related to the timber industry during that period.
<b>TAPE 45, B</b>		
015	Tryens	Discusses the grades given in the Education category: <ul style="list-style-type: none"> <li>• Fewer than 2/3 of children come to school "ready to learn"</li> </ul>
028	Chair Duncan	Argues that there could be improvement in that category with some early learning activities. Says that the number is surprising, given the availability of learning tools such as "Sesame Street."
036	Tryens	Explains that if a child fails to meet any one of a set of six characteristics they are considered to be not ready to learn.
043	Chair Duncan	Mentions that the six characteristics are sitting still, taking turns, cognition, enthusiasm, language, and physical well-being. Says that modern society provides many poor examples for meeting those standards.



048	Tryens	<p>Continues to discuss the grades given in the Education category:</p> <ul style="list-style-type: none"> <li>• 8<sup>th</sup> grade reading skills increased dramatically in the early 1990s but have since flattened; 8<sup>th</sup> grade math skills have shown little improvement recently</li> <li>• The cumulative, 4-year high school dropout rate is 25 percent, compared to 24 percent in 1991 and the target of 19 percent</li> </ul>
070	Chair Duncan	Says that a study of continuation in school would show that the state is doing as well as it ever has. Says that concentration on the dropout rate ignores the fact that in the past there were many who dropped out before high school.
084	Tryens	States that the category measures dropouts over the last 4 years of school and that uncounted dropouts would need to leave school by the 8 <sup>th</sup> grade in order to not be counted. Explains that the dropout rate is correlated to the economy in that a good economy leads to more students leaving schools to enter the workforce.
094	Sen. Lim	Notes that the dropout rate among Latinos is higher than average.
100	Tryens	Concurs with Sen. Limís statement and says that the rate among Latinos is twice the state average.
101	Sen. Lim	Says that dropout rates are not always accurate, since Latinos are counted as two people rather than one.
105	Tryens	States that he is not an expert in that area and is unaware of any such discrepancies. Says that the Progress Board no longer counts those who drop out but achieve a GED certificate.
115	Chair Duncan	Says there was a time that those who got their diploma early were considered as dropouts.
120	Sen. Shields	Mentions that the picture on the cover of the Oregon Progress Board booklet contains no minorities. Argues that the state should be careful of such a "sin of omission."
131	Tryens	Concurs with Sen. Shieldsí statement. Explains why the photo on the cover was chosen.
149	Sen. Lim	Says that education is important in Korea. Says that the predominance of white-collar jobs has created an aversion to blue-collar labor.
158	Tryens	<p>Continues to discuss the grades given in the Education category:</p> <ul style="list-style-type: none"> <li>• The percentage of college graduates in the population has increased significantly, surpassing the national average</li> </ul>

173	Sen. Trow	Wonders how Oregon compares to other states in regards to percentage of college graduates.
176	Tryens	<p>Replies that Oregon is now in the top 15 as opposed to the top 30. Says that half of immigrants to the state are college graduates, coming mostly from California and Washington. Continues to discuss the grades given in the Education category:</p> <ul style="list-style-type: none"> <li>• Adult literacy is good but needs to increase to meet Oregon's needs</li> </ul>
200	Chair Duncan	Mentions that a study in the 1980s ranked Oregon second in the nation in adult literacy.
203	Tryens	Discusses the study mentioned by the chair. Says that the survey will be re-fielded in 2002.
214	Tryens	<p>Discusses the grade given in the Civic Engagement category:</p> <ul style="list-style-type: none"> <li>• Volunteerism has not increased during the 1990s</li> </ul> <p>Reiterates that the grade of "D-" reflects the concerns voiced earlier by Sen. Trow. Says that Oregon continues to rank high nationally with regards to volunteerism but that it has failed to meet the targets set by the Progress Board.</p>
224	Sen. Trow	Asserts that the "D-" gives the wrong impression. Submits that the state may not be able to improve on its already high volunteerism rate.
230	Tryens	States that the benchmark could be adjusted so that remaining at current levels would merit an "A."
235	Sen. Shields	Discusses the phenomenon of "compassion fatigue" in modern society.
244	Chair Duncan	States that today's generation has less time to volunteer, since most are members of the workforce.
259	Sen. Shields	Indicates that most volunteers that he comes into contact with today are retirees. Says that college graduates volunteer more often than those without a college education.
265	Tryens	Notes that there was a statewide reduction in volunteerism in 1998, although it was statistically insignificant.
274	Sen. Trow	Says that the drop in volunteerism is disturbing, considering that it coincides with a loss of the belief that government should deal with problems in the public sector. Argues that the combination of the two means that there are problems which are being ignored.

290	Tryens	<p>Discusses the grades given in the Social Support category:</p> <ul style="list-style-type: none"> <li>• Teen pregnancy appears to be falling slowly</li> <li>• Student alcohol and drug use may have both decreased somewhat, recently</li> </ul> <p>Mentions that 20 percent of students indicate that they have used an illegal drug recently and that 6<sup>th</sup> graders are now being surveyed.</p> <ul style="list-style-type: none"> <li>• Student cigarette use is tracking drug use and has also decreased</li> <li>• Child abuse jumped in 1997</li> </ul> <p>Suggests the increase in reported child abuse may be a good thing, since it means that more abuse is being confirmed</p>
345	Sen. Trow	Replies that any increase in child abuse reporting is not a good thing
350	Tryens	Explains that those who deal with child abuse believe that more cases being reported is a good thing, since there is a certainty that abuse is occurring either way.
356	Sen. Trow	Argues that the grade is acceptable but that the abuse is not.
360	Tryens	<p>Continues to discuss the grades given in the social support category:</p> <ul style="list-style-type: none"> <li>• Poverty has not gone down during the 1990s despite a robust economy</li> <li>• Health insurance improved dramatically during the early 1990s</li> </ul>
393	Tryens	<p>Discusses the grades given in the public safety category:</p> <ul style="list-style-type: none"> <li>• Reported crime reached an all time high in 1997, with person crimes decreasing slightly and property crimes up substantially</li> </ul>
412	Sen. Trow	Wonders if property crimes relate to drug and alcohol use.
418	Tryens	Replies that there is a relation in that property crimes are often committed to raise money to purchase drugs. Says that drug crimes are considered behavior crimes, which have also increased.
<b>TAPE 46, B</b>		
003	Chair Duncan	Suggests that the Year 2000 (Y2K) problem may result in a dramatic increase in burglary and robbery, since many people will be keeping cash in their homes rather than in financial institutions.
015	Tryens	<p>Continues to discuss the grades given in the public safety category:</p> <ul style="list-style-type: none"> <li>• Juvenile arrests have remained near the 1996 all time high</li> </ul>

022	Tryens	<p>Discusses the grades given in the Community Development category:</p> <ul style="list-style-type: none"> <li>• Urban highway congestion is increasing</li> <li>• Housing affordability has worsened during the 1990s</li> </ul>
040	Tryens	<p>Discusses the grades given in the Environment category:</p> <ul style="list-style-type: none"> <li>• All Oregonians live where the air meets government standards</li> <li>• Wetland losses are being mitigated by replacements</li> <li>• Agriculture lands are diminishing slowly</li> <li>• Forestry land preservation has held steady throughout the 1990s</li> <li>• Wild salmon and steelhead populations have dropped precipitously</li> </ul> <p>Indicates that the salmon benchmarks will be changed to better reflect the climate-sensitivity of the indicators.</p>
074	Tryens	<p>Indicates that looking at all of the benchmarks, rather than simply the key benchmarks, shows the state is doing better than previously indicated. Says that the state has received 28 "A" and 21 "F" grades overall. Mentions that Oregonians indicated that most public services are being provided adequately, with community colleges rated highest. Indicates that the areas that received the lowest rating were programs dealing with drug problems. Notes that the largest improvement since 1994 has been in dealing with crime, with the largest decrease related to roads and bridges. Concludes that Oregonians appear to have finally accepted that the recession is over.</p>
135	Chair Duncan	<p>Adjourns the meeting at 4:40 p.m.</p>

Submitted By, Reviewed By,

Patrick Brennan, Marjorie Taylor,  
Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ SB 776, letter, BJ Smith, 1 p.**

**B ñ SB 522, -1 amendments, staff, 2 pp.**

**C ñ Oregon Progress Board, report, Jeff Tryens, 109 pp.**

**D ñ Oregon Progress Board, report, Jeff Tryens, 17 pp.**