

SENATE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

April 19, 1999 Hearing Room B

3:00 p.m. Tapes 57-58

MEMBERS PRESENT: Sen. John Lim, Chair

Sen. Avel Gordly, Vice-Chair

Sen. Verne Duncan

Sen. Tony Corcoran

Sen. Bill Fisher

MEMBER EXCUSED:

STAFF PRESENT: Carol Rives, Administrator

Paula Merritt, Administrative Support

MEASURE/ISSUES HEARD: SB 404 Public Hearing

SJR 19 Public Hearing and Work Session

SJR 22 Public Hearing

SB 1221 Public Hearing

SB 1132 Public Hearing

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 57, A		
000	Chair Lim	Opens meeting at 3:10 p.m. Opens public hearing on SB 404.
<u>SB 404 PUBLIC HEARING</u>		
017	Mike Burton	Assistant Director, Oregon Economic Development Department. States he has very little to add since the last hearing. Explains the phrase "in collaboration with counties" would change section 11, page 2.
025	Gordon Fultz	Association of Oregon Counties. The counties agree with the language proposed by Burton and want to move forward.
027	Ken Armstrong	Oregon Public Ports Association. He has looked at the amendments and agrees the bill should move forward.
053	Sen. Ferrioli	States he wants to reaffirm the need to focus attention for economic development to distressed communities. He hopes that the bill
086	Chair Lim	Compliments Sen. Ferrioli on his work in eastern Oregon.
088	Sen. Gordly	Asks Sen. Ferrioli if he is comfortable with the bill, as is.

098 Sen. Ferrioli Answers that he is in the process of working up a set of amendments that everyone can look at as a plan B. Wants to make sure th

108 Sen. Gordly Asks Sen. Ferrioli if he will work toward the language used by OEDD.

115 Sen. Ferrioli Answers that he has asked direction from OEDD and they have been meeting with the Governor's staff on the agenda.

123 Burton States that he shares Ferrioli's concerns. Says that he has not been part of the discussion, but he is concerned in bringing Oregon i

156 Sen. Ferrioli States there is a Ways and Means Committee consideration to be made on SB 404 and that may be the appropriate place to deal v

162 Chair Lim States that he will not convene a work session on SB 404 until he discusses it with Sen. Ferrioli.

Closes public hearing on SB 404 and opens public hearing on SJR 19.

SJR 19 PUBLIC HEARING

180 Carol Rives Administrator. Explains SJR 19 is a resolution that declares Portland to be an international city for the twenty-first century. This l name, but it would not be objectionable. This information came from the International Manager for the National League of Cities

204 Carol Winkel Mayor Vera Katz's office. Submits and reads from **(EXHIBIT B)**. Supports SJR 19.

233 Chair Lim Closes public hearing and opens work session on SJR 19.

SJR 19 WORK SESSION

236 Sen. GORDLY: **MOTION: Moves SJR 19 be sent to the floor with a BE ADOPTED recommendation.**

237 **VOTE: 4-0**

EXCUSED: 1 n Fisher

Chair Lim Declares the motion CARRIED.

SEN. GORDLY will lead discussion on the floor.

264 Chair Lim Closes work session on SJR 19 and opens public hearing on SJR 22.

SJR 22 PUBLIC HEARING

302 Rives Explains SJR 22. This is a measure to direct the Department of Transportation to place a sign at each highway entrance to Oregon been issued. The fiscal impact is noted at \$88,000. \$66,000 for the initial installation of signs and \$2,000 per year, per sign, for n

No referral from Ways and Means. Submits and reads from **(EXHIBIT C)**.

355 Julie Curtis Assistant Director, Oregon Tourism Commission. (OTC) Opposes SJR 22. Submits and reads from **(EXHIBIT G)**. OTC is respo slogan, "Things look different here." States that this slogan was changed in the late 1980s from, "Oregon, you are more than wel the new slogan would be friendlier. Mentions the OTC is still fighting Tom McCall's legacy, "You can visit but don't stay." Feel

455 Sen. Gordly Asks which groups have cancelled trips to Oregon as she stated.

TAPE 58, A

022 Curtis Answers she has heard specifically from the Convention of Visitor Bureau in Corvallis, Oregon. Several calls from individual tra calls from individuals saying that they felt this was arrogant and they would not come to our state.

031	Sen. Gordly	Asks about a Newsweek article in the April 12 th issue.
034	Curtis	Answers that the article is in the "Perspectives" section of Newsweek.
037	Chair Lim	Asks Curtis to read the April 12 th article.
038	Curtis	Curtis reads Newsweek article.
042	Sen. Gordly	Asks Curtis if the OTC is doing damage control because of the press.
045	Curtis	Answers yes.
053	Sen. Duncan	Comments this should not be Oregonis message and wishes to put this behind us as soon as possible. States that he welcomes pec
097	Chair Lim	Questions Curtis about the damage control she mentioned and if she had any specific statistics.
101	Curtis	Answers no, she has no statistics. States that this statement does not feel friendly or Oregonian. Believes that it would set Oregon
120	Chair Lim	He believes that Tom McCall was using the slogan as a marketing tool. States that he is trying to use the slogan as an advertisem
131	Roy Jay	Oregon Convention and Visitors Services. Opposes SJR 22. Comments on Sen. Limis statements. States that it is their job to invi
166	Sen. Gordly	Asks Jay about Oregonis past image and what the Oregon Convention and Visitor Services has done to overcome this.
177	Jay	Answers that they have tried to restructure the image with videos, brochures, and media.
196	Joe DiAlessandro	President and CEO, Portland Oregon Visitor Association. Refers to exhibit. Believes this measure will and already has caused ha Oregon. Oregon cannot afford to do anything that will affect the long-term growth of this state.
208	Chair Lim	States that according to the growth study in the Willamette Valley, Oregon may be in trouble in the future and he believes this sig
246	DiAlessandro	Answers that we cannot confuse population growth with tourism.
264	Sen. Duncan	Comments on the population growth. Agrees that Oregon needs to act on population growth now, but not in this manner.
306	Scott West	Oregon Lodging Association. Represents over 1,100 hotels, motels, resorts, and R.V. parks throughout the state of Oregon. State: would bring Oregonis business to Memphis.
340	Sen. Gordly	Thanks the panelists for their participation.
351	Chair Lim	Comments on the mail and correspondence that he has received on this issue. States that he has received much support for SJR 22.
374	Sen. Gordly	Comments on the irony of SJR 19 and SJR 22. One declares Portland as the international city for the 21 st century, yet in SJR 22,
428	Robert Liberty	Director, 1000 Friends of Oregon. States that 1000 Friends is neutral on this bill. Comments that he recognizes the work that ever population growth. He supports what Tom McCall was trying to do to population growth. Believes there is no correlation between population growth at this time.

TAPE 57, B

112	Sen. Duncan	Comments on Mr. Libertyis capturing Tom McCallis thoughts and comments. Asks Liberty how he can be neutral on this issue.
128	Liberty	Answers that his organization has conflicting emotions on the future of Oregon, and wants to plan growth, not stop growth. State:
131	Sen. Duncan	Asks Liberty again if he is sure that he is neutral to SJR 22.

134	Liberty	Answers that he does not have a position on this bill because he believes it is directed to population growth and he is neutral on p
146	Sen. Gordly	Comments on Oregonis growth in the past few years. States that she is struggling with how 1000 Friends of Oregon can be neutr
161	Liberty	Answers that Oregon needs to focus on planning and this would avoid and solve any future problems. Believes in managing grow
191	Sen. Corcoran	Comments on SJR 22 . States that he does not agree with Chair Lim on this bill. Opposes SJR 22.
234	Liberty	States that all Oregonians share concern for the future growth of Oregon.
239	Chair Lim	Questions Libertyis statements on Oregonis population.
274	Liberty	States four major points explaining why he feels Oregon is not ready for population growth at this time: <ul style="list-style-type: none"> 1. Oregon has not changed the pattern of urban development. 2. Oregon is still financing transportation. 3. Oregon should be protecting farm and forestland. 4. Enforcement is needed.
302	Chair Lim	Closes public hearing on SJR 22. Will have no work session at this time. Opens public hearing on SB 1221.

SB 1221 PUBLIC HEARING

330	Sen. Corcoran	Testifies on SB 1221. Tells the story of a Linn County child murdered by his parents two years ago. Parents were methamphetam I-5 corridor is becoming a hotbed for methamphetamine production. States that Oregon needs funding in the system for at-risk ch total commissions paid to video lottery retailers is \$270 million dollars. Wants to reduce compensation so that it does not affect tl which pays 35 percent on the first \$300,000 and is reduced to 10 percent as sales increase. This would capture \$30 million dollar eradication through grants to inner agency narcotics teams around the state. One quarter of the dollars would go to D.E.Q. to assi The other quarter of this money would go to cities and counties for after school programs.
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TAPE 58, B

051	Sen. Duncan	Asks about the revenue raised and whether the revenue question should be raised in the House.
053	Sen. Corcoran	Responds it is not revenue raising. States that the funds are already raised through video lottery, the bill distributes revenue.
076	Chris Lyons	Director, Oregon Lottery. Submits and reads from (EXHIBIT E) . States that the compensation to video lottery retailers was redu Oregonis 32 percent is at the bottom of the pay spectrum. Explains that we must pay retailers fairly. Mentions the fiscal impact o committee about making these changes.
191	Sen. Corcoran	States that Lyons if Oregonis video lottery is basically different from other states, making it difficult to compare.
207	Lyons	Answers that every state has a different structure, range, and variety.
217	Sen. Corcoran	Asks Lyons if Oregon could construct amendments that would change the dollar amounts of the revenue that is being moved ove
218	Lyons	Answers yes, Oregon could do that at no additional cost.
219	Sen. Corcoran	Reiterates again his percentage ranges. Mentions that this would only impact 40 percent of retailers.
236	Lyons	Suggests that was only an estimate.
237	David Cooper	Public Affairs Manager. States that Sen. Corcoranis figures are based on a change of compensation that would affect all retailers
257	Sen. Corcoran	Asks Cooper where it is stated that it would create a two-part pay out.

258	Cooper	States he is reading Section 6, lines 39-41.
263	Sen. Corcoran	Asks if it is Cooper's opinion that the U.S. Constitution Prohibition against impairment of contracts precludes the reduction of cu
266	Lyons	Answers that based on legal counsel, this is correct.
281	Mike Swaim	Mayor, Salem. Submits (EXHIBIT F) .
297	Linda Ludwig	League of Oregon Cities. Introduces Mayor Swaim.
323	Swaim	Member of the board of League of Oregon Cities. Supports SB 1221. Reads from the exhibit. Comments on the value system of t most critical period of time for keeping kids off the streets and out of trouble. The community needs to spend more money on the
369	Sen. Duncan	Explains appreciation for the Mayor's involvement.
382	Chair Lim	Closes public hearing on SB 1221 and opens public hearing on SB1132.

SB 1132 PUBLIC HEARING

398	Chair Lim	Closes public hearing on SB 1132.
399	Sen. Gordly	Explains to the individuals in the hearing room that Chair Lim will bring SB 1132 back at a later date.
405	Chair Lim	Adjourns meeting at 5:00 p.m.

Submitted By, Reviewed By,

Paula Merritt, Carol Rives,
Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SJR 19, letter, Port of Portland, staff, 1 p
B ñ SJR 19, letter, Carol Winkel, City of Portland, 1p
C ñ SJR 22, letter, Governor Victor Atiyeh, staff, 2 pp
D ñ SB 1221, -1 amendments, staff, 1 p
E ñ SB 1221, written testimony, Chris Lyons, 3 pp
F ñ SB 1221, written testimony, Mike Swaim, 2 pp
G ñ SJR 22, written testimony, Julie Curtis, 2 pp
H ñ SB 404-2, -2 amendments, Mike Burton, 14 pp.