

SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

April 10, 1997 Hearing Room 343

1:00PM Tapes 51-52

**MEMBERS PRESENT:**

Sen. John Lim, Chair

Sen. Joan Dukes, Vice-Chair

Sen. Bill Fisher

Sen. Gary George

Sen. Veral Tarno

**MEMBER EXCUSED:** Sen. Avel Gordly

**STAFF PRESENT:**

Jim Stembridge, Administrator

Julie Havel, Administrative Support

**MEASURE/ISSUES HEARD:**

SCR 4 Work Session

SB 940 Public Hearing

SCR 5 Public Hearing

SJR 41 Public Hearing and Work Session

**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.**

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 51, A</b>		
005	Chair Lim	Calls meeting to order at 1:07 pm.
012	Jim Stembridge	Committee Administrator, explains to members they mistakenly referred SB 314 to the floor, when it has a subsequent referral to the Revenue Committee.
026		Discussion held on how best to resolve the issue.

034	Stembridge	States he will make sure the language is clarified to reflect the subsequent referral to the Revenue Committee.
039	Chair Lim	Opens public hearing on SJR 41.
<b><u>SJR 41 - PUBLIC HEARING</u></b>		
068	Jim Stembridge	Committee Administrator, explains provisions of SJR 41.
075	Craig Honeyman	Senior Vice President, 1998 World Masters Games, testifies in favor of SJR 41 ( <b>EXHIBIT A</b> ).
106	Honeyman	Begins video on background of World Masters Games.
156		Video continues.
208	Honeyman	Explains that unlike the Olympics, this event does not involve a huge amount of capital, and uses sports venues around the state that are already in place. States the games will shine the spotlight on Oregon, and will bring significant economic benefits to the state.
258	Honeyman	Explains they are also organizing arts and cultural events, trade shows, food and entertainment to take place in conjunction with the games at a festival called "Celebration City" along the waterfront in downtown Portland. States they are in the process of securing major television contracts with ESPN, ESPN International, and ABC for up to 12 hours of various event coverage.
308	Honeyman	Explains they will have 25,000 athletes competing here, who will also be consuming Oregon products and visiting tourist destinations, and they expect it will pour at least \$113 million into Oregon's economy.
336	Chair Lim	States he is very excited about this opportunity.
341	Chair Lim	Asks why they have designated both August 9 of this year and August 9, 1998 as "World Masters Games Days" in Oregon.
352	Honeyman	Explains on August 9 of this year, they plan to hold a "one-year out" celebration to test some venues and generate publicity for the start of the games the following year.
375	Sen. Tarno	Asks if they are asking for any money from the state of Oregon for this event.
379	Honeyman	States they have been discussing the possibility with the Ways and Means Committee, and although they haven't formally asked any money, they would be happy to accept any contributions the state can offer.
402	Chair Lim	Asks what the total budget is for this event.
406	Honeyman	States their total budget is \$22 million in revenues, with an operating budget of about \$20 million, and they hope to generate \$22 to 23 million in revenues. They also hope to generate a two or three million dollar surplus to the state, and are doing it with a staff of only 35 people and contracting out the rest to local businesses.
431	Chair Lim	Asks about the lack of hotel accommodations in Portland.

438	Honeyman	States there are about 15,000 rooms in the greater Portland area, but not all the athletes will be there at the same times, and they are working to reserve hotel rooms all over the state to accommodate the athletes, as well as a "home-stay program," which will match up local hosts with athletes from all over the world.
<b>TAPE 52, A</b>		
033	Chair Lim	Notes the importance of working closely as partners with groups around the state regarding this event.
039	Honeyman	Explains they are already forging partnerships with groups all over the state and intend to continue doing so.
040	Chair Lim	Volunteers to serve as an interpreter if his skills are needed.
047	Rollie Wisbrock	Oregon State Treasury, testifies in favor of holding the World Masters Games in Oregon, and explains that Treasurer Jim Hill is also strongly in favor of what he feels will be a very good event for Oregon.
070	Chair Lim	Asks if Wisbrock remembers Hill's motion to hold the winter Olympics in Oregon .
077	Wisbrock	States this World Masters Games will help put Oregon on the map when it comes to holding events of that magnitude. States he still believes Oregon will be a contender for the winter Olympics in the future, and its hosting of the Masters Games will help prove that.
089	Chair Lim	Closes public hearing on SJR 41 and opens work session on SJR 41.
<b><u>SJR 41 - WORK SESSION</u></b>		
092	Sen. DUKES:	<b>MOTION: Moves SJR 41 be sent to the floor with a DO PASS recommendation.</b>
		<b>VOTE: 5-0</b>  <b>AYE: In a roll call vote, all members present vote Aye.</b>  <b>EXCUSED: 1 - Gordly</b>
	Chair Lim	<b>The motion CARRIES.</b>  <b>SEN. LIM will lead discussion on the floor.</b>
099	Chair Lim	Closes work session on SJR 41 and opens work session on SJR 5.
<b><u>SJR 5 - WORK SESSION</u></b>		
110	Jim Stembridge	Committee Administrator, begins explaining provisions of SJR 5.
111	Chair Lim	States they will come back to SJR 5, closes work session on SJR 5 and opens work session on SCR 4.
<b><u>SCR 4 -</u></b>		

<u>WORK SESSION</u>		
119	Chuck Ponder	Korean War Veterans Association, shares history of Korean War and Korea's involvement in World War II, and his personal experiences in the Korean War. Gives statistics on numbers of prisoners of war (POWs) and soldiers missing in action (MIAs) who remain unaccounted for <b>(EXHIBIT B)</b> . States based on this information, it does not sound like North Korea is very willing to forge a peaceful relationship with the United States.
169	Ponder	Continues presentation.
219	Ponder	Continues presentation, explaining North Korea has not extended anything to South Korea except submarines and combat ships.
253	Ponder	States there are currently 36,000 Americans in Korea, on line with the South Korean army. States again that they are not ready for peace.
298	Sen. Fisher	Asks for specifics on what Ponder would like to see happen in order for him to agree with this resolution.
	Ponder	States he only wants to see them lay down their arms, and apologize for their actions on June 26, 1950.
312	Sen. Fisher	Asks about the proposed revisions to the bill.
319	Sen. Dukes	Asks if Ponder has seen the revisions, and how he feels about the bill with these revisions.
321	Ponder	States they should proceed along the lines of total unification,, but South Korea will be the loser once they unify with the North, because they have a lot to lose, whereas North Korea has nothing to lose.
355	Sen. Dukes	Asks if he would rather see this resolution "just disappear."
357	Ponder	Replies no they wouldn't; they would actually like to see some things added to it, including language on the issue of MIAs and POWs. States again that he would like to see North Korea apologize to South Korea and to the world for the problems they've developed. States this is the longest negotiation in the history of wars, yet North Korea continues to "argue over the size of a flag."
373	Sen. George	Asks for a copy of Ponder's testimony, and reads re-wording of amendments "... urges the President and Congress to develop and expand humanitarian and economic cooperation with the Democratic People's Republic of Korea in direct proportion into the furtherance of human rights and disarmament and with a full accounting for all POWs and MIAs," and asks if he agrees with that new wording.
387	Ponder	States that sounds much better.
403	Chair Lim	Summarizes current situation in the Koreas and explains they discussed it with many Korean official and local groups for input, and asks what the State Department's official position is.
439	Stembridge	Explains the department has no official position but did mention concern about the statement regarding the Democratic People's Republic of Korea being a "peace-loving" country.

455	Chair Lim	States they got input from the University of Oregon and tried hard to come up with the best resolution possible and are not in any way trying to push it on the members. Adds Ponder's suggestions are good ones.
470	Sen. George	Asks if the Chair is comfortable with his revision of the opening statement.
<b>TAPE 51, B</b>		
028	Chair Lim	States some of that is already in the revised version.
058	Stembridge	Distributes proposed changes and revised copies of resolution to members, and a faxed letter from another Korean War Veteran, Don Barton. Explains provisions of the proposed changes, and adds they do not yet reflect some issues brought forth by Ponder such as laying down arms, or some of those mentioned in Sen. George's revised version ( <b>EXHIBITS C, D, E</b> ).
109	Sen. Dukes	Asks if they need to include prisoners of war in the language.
120	Chair Lim	Asks Ponder for update on POWs in North Korea.
124	Ponder	Explains there are still POWs in that country and uses example of a Lt. who escaped from North Korea in 1994 .
136	Chair Lim	Re-states question and clarifies he would like to know what the U.S. government's official position on POWs is.
145	Ponder	States he does not have the official position.
149	Sen. Dukes	States she'd like to tie the language of expanding humanitarian aid in with this resolution, and uses example of what happened with Vietnam.
170	Ponder	States there are many pilots whose planes go down at sea who remain missing in action, and they don't expect North Korea to know where those men are, and states he doesn't want to continue twisting their arms if they don't know where many of these bodies are.
197		Discussion continues on the issue of trying to find those soldiers.
207	Sen. Fisher	Asks about page two of the revision regarding joint searches for "Prisoners of War and American servicemen," rather than using the acronym "POW.".
214	Chair Lim	States the official position continues to be that there are no prisoners of war, but he personally believes there are.
225	Sen. Dukes	States she is not sure it is possible to separate the political issues from the rest of the issues in certain countries, and this is one of those instances.
236		Discussion continues between members on the pros and cons of placing some conditions on any future humanitarian aid to North Korea.
272	Sen. Tarno	Asks if North Korea really wants to "accept the olive branch."
280	Chair Lim	States he believes they do, it will just take time for them to express it and to open up.
291	Sen. Fisher	Clarifies they are just asking Congress to consider expanding relations, not to demand that they do.
310	Chair Lim	States he has received approval on this from our government and the

		South Korean government, but not North Korea.
327	Sen. George	States his concerns about North Korea's continuing "belligerent" attitude, aggressive behavior towards South Korea, and development of nuclear weapons, and states he cannot support this unless we make it clear that the country must be able to get along with its neighbors.
373	Sen. Dukes	States her concerns about North Korea spending money on expensive nuclear weapons when they could be spending it on rice.
385		Discussion held among members on issue of nuclear weapons development in North Korea.
<b>TAPE 52, B</b>		
005	Chair Lim	States he believes they are expanding too far on this issue, and much of it is a Federal Government issue, and he doesn't believe this resolution will harm anyone, and it will only do good for relations between the countries. States he does not intend to push this bill, but is concerned that soldiers will start off a war instead of starving to death because they know they will die either way.
050	Sen. Dukes	Acknowledges Sen. Lim does know more about this issue than they do, but in order for her to agree to this resolution she wants the following changes made:  * add Sen. Fisher's section dealing with POWs  * add language requiring economic aid to be tied to searches for soldiers' remains  * remove language about North Korea being a "peace-loving peoples"
063	Chair Lim	Closes work session on SCR 4 and opens public hearing on SB 940.
<b>SB 940 - PUBLIC HEARING</b>		
085	David Hooper	Public Affairs Manager, Oregon State Lottery, testifies the lottery has no position on this bill, but states it would rather pursue this policy change through contract negotiations with the retailers ( <b>EXHIBIT F</b> ).
145	Steve McCoid	Oregon Grocery Industry Association, testifies his association agrees with the concept of SB 940, but they have received assurance from Lottery Director Chris Lyons that this issue will be resolved between them, therefore they have a neutral position on the issue.
168	Sen. Dukes	States she knows of a tiny community grocery store that offered scratch-offs and megabucks, but didn't have the space for Keno, and was penalized because of it.
186	Sen. Tarno	Asks specifically who the negotiations would take place with.
190	McCoid	States they are just preliminary at this point, but in the past they have dealt directly with Lyons.
	Sen.	Asks for and receives clarification on the Lottery's current incapability of

198	George	the system to turn off just one game without eliminating them all.
210	Hooper	Explains they are striving for flexibility for the retailers so that they don't get forced to offer games they don't want to offer, and that it only enhances competition among them.
231	Chair Lim	States his respect for Chris Lyons and his appreciation for how she has worked to improve the Lottery.
238	Chair Lim	Closes public hearing on SB 940 and opens public hearing on SJR 5.
<b><u>SJR 5 - PUBLIC HEARING</u></b>		
260	Jim Stembridge	Committee Administrator, explains provisions of SJR 5.
270	Chair Lim	Noting no public testimony, closes public hearing on SJR 5 and opens work session on SJR 5.
<b><u>SJR 5 - WORK SESSION</u></b>		
283	Sen. Dukes	Asks for and receives clarification that the Secretary of State currently performs the duties of a Lieutenant Governor.
299	Chair Lim	Asks how many states currently have a Lieutenant Governor .
313	Stembridge	Explains there are 42 states which utilize this position.
319		Discussion held on financial impact of this bill.
322	Sen. Fisher	States the last thing he wants is another elected position in this state, and doesn't believe his constituents want to increase government by adding another office.
327	Sen. Tarno	Agrees with Sen. Fisher.
337	Chair Lim	States his believe that as we head into the next century, this could be an important public relations position which could help bring more economic development to our state.
338	Chair Lim	Closes work session on SJR 5, states they will try to re-visit the issue in the future, and adjourns meeting at 2:55pm

Submitted By, Reviewed By,

Julie Havel, Jim Stembridge,

Administrative Support Administrator

### **EXHIBIT SUMMARY**

**A - SJR 41, executive summary and brochures, Craig Honeyman, 85 pp.**

**B - SCR 4, written testimony, Chuck Ponder, 4 pp.**

**C - SCR 4, proposed revisions, staff, 1p.**

**D - SCR 4, revised resolution, staff, 4pp.**

**E - SCR 4, faxed letter, Don Barton, 5 pp.**

**F - SB 940, written testimony, David Hooper, 1p.**

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