

COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

February 20, 1997 Hearing Room 343

1:00PM Tapes 22 - 23

**MEMBERS PRESENT:**

Sen. John Lim, Chair

Sen. Joan Dukes, Vice-Chair

Sen. Bill Fisher

Sen. Gary George

Sen. Avel Gordly

Sen. Veral Tarno

**MEMBER EXCUSED:**

**STAFF PRESENT:**

Jim Stembridge, Administrator

Julie Havel, Administrative Support

**MEASURE/ISSUES HEARD:**

Informational Meeting

Oregon Economic Development Commission

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 22, A</b>		
010	Vice-Chair Dukes	Calls meeting to order at 1:06pm.
007	Jim Stembridge	Committee Administrator, states the Oregon Economic Development Commission will be presenting its biennial report today.
<b><u>INFORMATIONAL MEETING - OREGON ECONOMIC</u></b>		

<b><u>DEVELOPMENT COMMISSION</u></b>		
014	Chuck Armstrong	Chairman, Oregon Economic Development Commission, presents commission's biennial report ( <b>EXHIBIT A</b> ).
064	Armstrong	Explains how the Commission visited communities all around the state and heard first-hand what their respective economic development needs were.
128	Armstrong	Continues presentation, ( <b>EXHIBIT B</b> ), referring to page 7 of report and citing the call for new directions for economic development.
173	Sen. Gordly	Asks Armstrong how he defines "better jobs".
179	Armstrong	Replies the commission defines better jobs as those that pay more, have a better chance of being sustainable, and those which people can actually build careers on.
191	Sen. Gordly	Asks for and receives clarification on follow-up question regarding definition of a "family wage."
200	Sen. Gordly	Shares concerns about how the affordable housing crisis in the state ties in with the economic development strategy Armstrong has presented in the report.
211	Armstrong	States the report addresses that issue, and talks about the Community Solutions program.
235	Sen. Gordly	Asks where the commission wants to be in five and ten years when it comes to developing strategies in national and international markets.
252	Armstrong	States they haven't looked quite that far ahead, but they plan to focus on foreign trade and on strengthening ports throughout the state, which are both areas in which they hope to grow.
284	Sen. Gordly	Asks for time frame on this set of recommendations.
300	Armstrong	States it's really aimed at the next biennium, but could also apply five years down the road. States report is mainly about focusing on the areas of the state without the Fujitsus and other big corporations which have helped those regions prosper.
358		Discussion continues on long term vision for economic development in the state.
<b>TAPE 23, A</b>		
004	Sen. Dukes	Asks for more specific information regarding education and sustainable development.

019	Armstrong	Clarifies and uses example of their visit to Tongue Point in Astoria, and states the commission has tried to meet with the higher education board, and to go out and forge alliances with such partners--but states they haven't been as successful as they would like to be.
039	Sen. Dukes	Shares concerns using example of global recruiting for engineers in the high-tech industries, and the problem of them having to work with antiquated computer equipment.
077	William Scott	Oregon Economic Development Department, testifies on how the Department is working to build those alliances.
136	Scott	Continues sharing goals for targeting smaller, rural communities to help them capitalize on high tech industries that locate in their region, but states it is only in the "middle-planning stage" right now.
166		Discussion continues on sustainable development with regard to locating or recruiting a business that will still be viable in 25 years.
216	Sen. Gordly	Asks if they consider longer term impacts to a community when they recruit for projects or potential employers.
239	Scott	States quality of life, livability and sustainability of the environment, efficiency of infrastructures, etc. are all taken into consideration -- the checklists are in place, and local leaders widely share those values.
290	Scott	Continues explaining that Oregon has a special role in the world since it's phenomenal economic success over the years. States other countries are looking to Oregon as a role model because of our leadership in practicing sound environmental policies.
336	Chair Lim	Commends commission members for their efforts, and states Oregon's growing economy isn't happening by accident, it is the result of intentional and hard work.
350	Chair Lim	Shares concerns that in the future, Oregon's economy will slow down, and enter a "rainy season," and asks for commission's ideas on how to best prepare for this time.
<b>TAPE 22, B</b>		
014	Armstrong	States education, sturdy work ethic, worker training, infrastructure opportunity, and diversification are the keys to a resilient economy.
39	Scott	Adds their big thrust right now is local diversification, with a focus on planning and the development of sites which would attract other businesses.

48	Chair Lim	States he hopes we can diversify our export markets to include Africa and other countries to lessen our dependence on countries like Japan and Taiwan.
073		Discussion continues on the need for diversification, and the likelihood that we will continue exporting many more products to Japan.
135	Scott	States the Oregon Economic Development Department is not in the expanding mode, and it may not be realistic to expect it to make new thrusts that will drastically affect Oregon's outlook because of budget constraints.
160	Sen. Dukes	Shares Sen. Gordly's concerns about the need for business opportunities in both South Africa and the Soviet Union--and the fact that there may be missed opportunities here. Urges commission to have those conversations so that those possibilities may flourish.
207	Chair Lim	Shares example of Russian delegation that visited here yesterday, and states concerns that other legislators' knowledge regarding trade with foreign countries may be limited because they have not traveled overseas.
245	Chair Lim	States his belief for the need for liaison offices in China, Africa and Southeast Asia.
295	Chair Lim	Continues discussing issue.
365	Scott	Replies the committee is raising some very good questions, and he hopes they will re-visit the issue again before the International Trade Advisory Commission.
408	Sen. Dukes	Asks how much the feasibility study will cost.
420	Scott	States it should be in the area of \$20,000.
427	Sen. Dukes	Suggests he also consider conducting such a study for South Africa as well.
<b>TAPE 23, B</b>		
033	Sen. George	Asks for and receives clarification about specific cuts from the Governor's budget
058	Sen. George	Asks whether we have the flexibility to make those decisions--uses example of ports and tourism.
075	Scott	Responds.
117	Stembridge	Explains various parts of this department will be making presentations to the committee in the near future.
140	Chair Lim	Adjourns meeting at 2:40pm.

Submitted By, Reviewed By,

Julie Havel, Jim Stembridge,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A - Oregon Economic Development Commission written testimony, Chuck Armstrong, 7 pp.**

**B - Oregon Economic Development Commission Biennial Report, Chuck Armstrong, 38 pp.**

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