

HOUSE COMMITTEE ON
COMMERCE
SUBCOMMITTEE ON
TRADE AND ECONOMIC DEVELOPMENT

March 23, 1995 Hearing Room H170
2:00 p.m. Tape 34-35

MEMBERS PRESENT: Rep. Chuck Carpenter, Chair
Rep. Gail Shibley, Vice-Chair
Rep. Michael Fahey
Rep. Cynthia Wooten

MEMBERS EXCUSED:

STAFF PRESENT: Joseph Cortright, Executive Officer
Bobby Sullinger, Committee Assistant

WITNESSES: Cynthia Wooten, Representative, District 41
J. Rick Evans, Executive Director, Organization for Economic
Sandy Cutler, State Director, Oregon Small Business Development

Network Jon Jaqua, Deputy Director, Oregon Economic Development

MEASURES HEARD: HB 3080 -- Allows lottery financed economic development
programs to assist retail businesses and food service facilities -- PH &
PWS

HB 3004 -- Allocates lottery revenues for operation of small business
development centers -- PH & PWS

These minutes contain materials which paraphrase and/or summarize
statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings,
please refer to the tapes.

TAPE 34, SIDE A

001 CHAIR CARPENTER: Brings the committee to order at 2:20 p.m.

HB 3080 -- Allows lottery financed economic development programs to assist
retail businesses and food service facilities -- Public Hearing

002 CHAIR CARPENTER: Opens PUBLIC HEARING on HB 3080.

004 CHAIR CARPENTER: Overviews Proposed Amendments To House Bill 3080-1
[EXHIBIT A].

013 REP. SHIBLEY: At the next hearing on this measure I would like to know
the reaction of the Governor and the Oregon Economic Development Department
relating to the proposed amendments.

032 CHAIR CARPENTER: Closed PUBLIC HEARING on HB 3080.

HB 3004 -- Allocates lottery revenues for operation of small business
development centers -- Public Hearing

032 CHAIR CARPENTER: Opens PUBLIC HEARING on HB 3004.

033 CORTRIGHT: Overviews Staff Measure Summary of HB 3004 [EXHIBIT B].

052 REP. WOOTEN: Presents testimony in favor of HB 3004. Provides
background information relating to Small Business Development Centers
(SB DC).

104 REP. WOOTEN: Continues to present testimony relating to volume and
quality of services offered by the SB DC.

110 REP. SHIBLEY: Can you explain how you arrived at 3.2 million dollars in
funding for the SB DC.

112 REP. WOOTEN: FOR THE RECORD: The 3.2 million dollar figure was arrived
at by adding the SB DC, the Government Contract Acquisition Program (GCAP),
and the Oregon Marketplace budgets together to get a rough estimate.

129 REP. SHIBLEY: What influence does our committee have as it relates to
the allocation of lottery funds?

134 Committee discussion relating to the processes involved once the measure
is passed from committee.

147 REP. SHIBLEY: Can we expect to see other lottery allocation measures
before us?

149 CHAIR CARPENTER: There are a number of lottery allocation bills for
this committee.

155 REP. WOOTEN: Overviews measures relating to block grants and how they
might effect SB DC.

181 RICK EVANS: Presents written testimony against HB 3004 [EXHIBIT C].

208 EVANS: Continues to presents [EXHIBIT C] (Reason for opposition).

245 EVANS: Continues to presents [EXHIBIT C] (Cuts in personnel).

285 EVANS: Continues to presents [EXHIBIT C] (Oregon Marketplace database).

321 REP. WOOTEN: What is the total budget for OEI?

322 EVANS: The budget is approximately 1.5 million dollars.

332 REP. WOOTEN: How much of the 1.5 million dollars is lottery money?

333 EVANS: Responds to committee discussion.

335 REP. WOOTEN: What is your fee structure based on and how much is it?

337 EVANS: Responds to committee discussion relating to fees assessed by OEI?

355 REP. WOOTEN: In 1994 what percentage of your budget was fee based?

357 EVANS: Approximately 30 to 50 thousand dollars per biennium.

373 REP. WOOTEN: What is the combined FTE involved in your program?

374 EVANS: There are currently 10 FTE in the programs.

376 REP. WOOTEN: Do you know the total amount of lottery funds that have been invested in OEI, Oregon Market Place, and GCAP since its inception in 1985?

388 CORTRIGHT: Oregon Market Place has been funding at \$750,000 dollars for the last three biennium's, and GCAP has received \$150,000 to \$315,000 dollars.

406 CHAIR CARPENTER: Do you think some of your services could be used to coordinate international trade programs?

TAPE 35, SIDE A

004 EVANS: Responds to committee discussion relating to international trade services and coordination with other programs.

023 REP. FAHEY: What is the largest completed sale that you have negotiated?

024 EVANS: Responds to committee discussion.

043 SANDY CUTLER: Presents written testimony relating to SB DC and programs [EXHIBIT D].

076 CUTLER: Continues to presents testimony relating to SB DC in rural Oregon.

099 CUTLER: Continues to presents testimony relating to SB DC high quality services and how to redesign the programs.

138 CUTLER: Continues to presents testimony relating to key industries and rural Oregon.

166 CHAIR CARPENTER: Could your services be shifted to the private sector?

179 CUTLER: Responds to committee discussion.

196 JON JAQUA: Presents testimony relating to the SB DC budget.

236 JAQUA: Continues to present testimony relating to contracting for services through the private sector.

252 JAQUA: Continues to present testimony relating to SB DC efforts in timber dependent communities.

285 JAQUA: Continues to present testimony relating to coordinating and consolidating the many services available to small business.

317 CHAIR CARPENTER: Has the Economic Development Commission developed recommendations for consolidations within programs?

319 JAQUA: Responds to committee discussion.

330 REP. WOOTEN: It is important to have an in-depth overview of the programs.

341 JAQUA: Responds to committee discussion.

359 REP. WOOTEN: Can you give us recommendations for consolidating OEDD?

383 JAQUA: Responds to committee discussion relating to consolidation recommendations.

TAPE 34, SIDE B

001 JAQUA: Continues to responds to committee discussion relating to OEDD's budget.

026 CHAIR CARPENTER: Closed PUBLIC HEARING on HB 3004.

031 CHAIR CARPENTER: Adjourns committee meeting at 3:20 p.m.

Submitted by

Bobby Sullinger
EXHIBIT LOG

EXHIBIT A - Proposed Amendments To House Bill 3080-1, Presented by Chair
Carpenter, 2 pages.

EXHIBIT B - Staff Measure Summary of HB 3004, Presented by Joseph Cortright,
1 page.

EXHIBIT C - Written testimony against HB 3004, Presented by Rick Evans, 1
page.

EXHIBIT D - Written testimony relating to SB DC and programs, Presented by
Sandy Cutler, 6 pages.