

SENATE COMMITTEE ON  
TRADE AND ECONOMIC DEVELOPMENT

February 14, 1995 Hearing Room 137  
8:30 a.m. Tapes 23-25

MEMBERS PRESENT: Sen. John Lim, Chair  
Sen. Bill Kenemer, Vice-Chair  
Sen. Bill Bradbury  
Sen. Gene Derfler  
Sen. Joan Dukes

MEMBERS EXCUSED:

STAFF PRESENT: Joseph Cortright, Executive Officer  
Jeri Chase, Office Manager  
Bobby Sullinger, Committee Assistant

WITNESSES: David Woolson, Oregon Film & Video Office  
Bill Scott, Director, Oregon Economic Development Department  
Jon Jaqua, Deputy Director, Oregon Economic Development

MEASURES HEARD: SB 167 - Creates Oregon Film and Video Office as  
semi-independent state agency - Possible Reconsideration WS

SB 357 - Allocates lottery funds to Department of Administrative  
Economic Development Department, Employment Department and Housing and  
Community Services Department for biennium beginning July 1, 1995, for  
specified purposes - 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 23, SIDE A

001 CHAIR LIM: Brings the committee to order at 8:37 a.m.

018 MOTION: SENATOR BRADBURY moves to SUSPEND THE RULES for the purpose of  
RECONSIDERING SB 167.

020 VOTE: PASSES In a roll call vote, all members present vote AYE. SENATOR  
DUKES is EXCUSED.

027 MOTION: SENATOR BRADBURY moves that the Committee reconsider the vote by  
which SB 167 was referred to the Senate Floor with a Do Pass  
recommendation.

034 VOTE: PASSES in a roll call vote, all members present vote AYE. All  
members are present.

038 CHAIR LIM: The motion CARRIES.

SB 167 - Creates Oregon Film and Video Office as semi-independent state  
agency - Work Session

039 CHAIR LIM: Opens WORK SESSION on SB 167.

042 SEN. DUKES: Overviews concerns regarding powers given to the Director  
rather than the Board of Directors for the new Oregon Film and Video Office  
and issues relating to personnel.

083 CORTRIGHT: Overviews SB 167-5 Proposed Amendments [EXHIBIT A], Summary of  
Amendments to SB 167 [EXHIBIT B]. Edited version of Senate Bill 167  
[EXHIBIT C].

089 SEN. DUKES: Overviews concerns relating to temporary employees.

114 CORTRIGHT: Overviews Oregon Revised Statutes 240.309 - State Personnel  
Relations [EXHIBIT D].

138 CORTRIGHT: Continues to overview [EXHIBIT B] and [EXHIBIT C].

180 SEN. DURFLER: I would not support the proposed amendments due to the  
addition of the personnel regulations.

187 SEN. DUKES: I think they will still have the flexibility they need  
relating to personnel.

196 DAVID WOOLSON: Presents comments testimony relating to proposed  
amendments to SB 167. All the proposed amendments are acceptable except  
the amendment regarding temporary employees because it would keep the  
department from making quick decisions.

258 WOOLSON: FOR THE RECORD we are committed to dealing fairly with any  
temporary employee or contractor with the office. The Oregon Film and  
Video Office assisted with the industry in developing a health plan for  
freelance workers.

275 SEN. DUKES: I am not concerned with the present Director of the agency  
but without being more specific regarding temporary employees the future is

uncertain as to how a new Director would administer similar situation with this type of flexibility.

295 SEN. KENNEMER: Comments that he wants to give the agency flexibility in decision making regarding temporary employees, but also realizes the need to have some oversight and thinks a compromise can be reached.

296 SEN. DERFLER: I agree that we can not pass laws based on personalities, and I would support the amendments if we deleted that part relating to temporary employees.

313 SEN. BRADBURY: I want to make a policy statements that the agency conform to Oregon Revised Statutes 240.309 subsection 1 and 2.

334 MOTION: SENATOR DERFLER MOVES to ADOPT the SB 167-5 amendments, excluding line 3 on page 1 of the amendments.

344 SEN. DUKES: Do you feel comfortable with deleting the second amendment relating to temporary personnel?

365 WOOLSON: I believe the amendments outlined in the motion are sufficient to cover what you want to achieve.

367 SEN. DUKES: Are you comfortable with the issues relating to the Board?

368 WOOLSON: There is a provision that will allow for a person to serve on the Board until a successor takes their place.

370 Committee discussion regarding clarification of the motion on the floor.

379 VOTE: CHAIR LIM: Hearing no objection, the amendments above are ADOPTED. All members are present.

384 CORTRIGHT: Overviews procedure to send SB 167 out of committee with amendments.

395 MOTION: SENATOR BRADBURY MOVES to ADOPT SB 167-4, and SB 167-5 as amendment above.

402 VOTE: CHAIR LIM: Hearing no objections the amendments above are ADOPTED. All members are present.

405 MOTION: SENATOR BRADBURY MOVES SB 167, AS AMENDED ABOVE, to the Senate Floor with a DO PASS WITH AMENDMENTS recommendation.

414 VOTE: PASSES in a roll call vote, all members present vote AYE. SENATOR DERFLER is excused.

420 SENATOR DUKES will lead discussion on the Senate Floor.

426 CHAIR LIM: Closed WORK SESSION on SB 167.

SB 357 - Allocates lottery funds to Department of Administrative Services, Economic Development Department, Employment Department and Housing and Community Services Department for biennium beginning July 1, 1995, for specified purposes - Public Hearing

432 CHAIR LIM: Opens PUBLIC HEARING on SB 357.

438 CORTRIGHT: Overviews allocations of lottery funds by SB 357.

TAPE 24, SIDE A

019 BILL SCOTT: Presents testimony in favor of SB 357, overviews Oregon Economic Development Department - Resource Information Presented to Trade and Economic Development Committee [EXHIBIT E], and Economic Development Department Comparison of Lottery Funds 1993-95 Budget to 1995-97 Governor's Recommended Budget [EXHIBIT F].

054 SCOTT: Continues overview of [EXHIBIT E] (Budget).

057 SCOTT: Continues overview of [EXHIBIT F] (Effect of reorganization).

097 SCOTT: Continues overview of [EXHIBIT F] (Central Operations).

152 SCOTT: Continues overview of [EXHIBIT F] (Regional Development).

205 SCOTT: Continues overview of [EXHIBIT F] (Positions request).

253 SEN. KENNEMER: What was the reduction in employees?

257 SCOTT: Responds to committee question.

263 SEN. KENNEMER: What is the difference between the two budgets?

264 SCOTT: Responds to committee question.

268 SCOTT: Continues overview of [EXHIBIT E] (Budget).

332 SEN. LIM: Do you know what the Strategic Reserve Fund balance will be used for?

335 SCOTT: Responds to committee question.

338 JON JAQUA: Responds to committee question regarding current projects that

are expected to deplete the Strategic Reserve Fund balance.

360 SEN. BRADBURY: I would like a report of where the fund were used.

368 JAQUA: Responds to committee question.

378 SCOTT: Continues overview of [EXHIBIT E] (Budget).

402 SEN. BRADBURY: What can you tell us about the proposed Multimedia Center.

416 SCOTT: Responds to committee question.

459 SEN. BRADBURY: Did the Sound Stage Business Park representatives suggest the 3 million dollar public investment in the project?

464 SCOTT: Responds to committee question.

TAPE 23, SIDE B

026 JAQUA: Continues to respond to committee question regarding operating expense of the proposed sound stage project.

029 SCOTT: Continues to respond to committee question regarding operating cost.

032 SEN. BRADBURY: There would be, or there would not be a subsidy of the operating cost?

034 SCOTT: Responds to committee question.

036 SEN. KENNEMER: What is included in the budget for the Regional Development Officers.

044 SCOTT: Responds to committee question.

056 SEN. KENNEMER: What are the figures associated with a salary grade 3?

061 JAQUA: Responds to committee question.

083 Committee discussion regarding travel cost of Regional Development Officers.

088 JAQUA: Responds to committee question.

109 SCOTT: Continues to responds to committee question regarding cost of the Officers.

114 SCOTT: Continues overview of [EXHIBIT E] (Industry Development).

142 SEN. BRADBURY: Where are OEDD's overseas offices?

148 SCOTT: Responds to committee question.

152 Committee discussion regarding international marketing structure.

158 SCOTT: Responds to committee question.

191 CHAIR LIM: Do we have adequate personnel in our overseas offices?

199 SCOTT: Responds to committee question.

217 SCOTT: Continues overview of [EXHIBIT E] (Industry Competitiveness).

239 SEN. DERFLER: What kind of a program is available to get employees involved in the current training programs.

244 SCOTT: Responds to committee question.

275 SEN. DERFLER: Comments we need to get employees involvement in training programs?

283 SCOTT: Responds to committee concerns regarding training programs.

301 Committee discussion regarding tax credits for training programs, other benefits for employees to get involved in training, and possibility of getting a detailed presentation on Targeted and Key Industry Training.

325 SCOTT: Continues overview of [EXHIBIT E] (Industry Competitiveness).

374 SEN. DERFLER: Will the 1 million dollars be used for planning?

381 SCOTT: Responds to committee question.

TAPE 24, SIDE B

016 SEN. DERFLER: Explain where the 1.5 million dollars went?

018 SCOTT: Responds to committee question.

038 SEN. DERFLER: What is the cost to benefit ratio to subsidize these businesses?

050 SCOTT: Responds to committee question.

058 SCOTT: Continues overview of [EXHIBIT E] (Small Business Assistance).

109 SCOTT: Continues overview of [EXHIBIT E] (Budget Section - Business financing).

133 SEN. DUKES: One the average how long does it takes for a small business

to obtain a loan?

139 JAQUA: Responds to committee question.

165 SEN. DUKES: Can a high-risk small business obtain a loan?

183 JAQUA: Responds to committee question.

219 SCOTT: Continues overview of [EXHIBIT E] (Dislocated Worker Program).

254 SEN. DERFLER: The federal funds for dislocated workers are more flexible now, but are you sure we will not stop funding this program.

260 SCOTT: Responds to committee question.

277 Committee discussion regarding funding of the dislocated workers program.

288 SCOTT: Continues overview of [EXHIBIT E] (Expansion/Retention/Recruitment).

324 SCOTT: Overviews Developing Communities in Oregon [EXHIBIT G].

357 SCOTT: Continues overview of [EXHIBIT E] (Special Public Works).

436 SEN. DUKES: Are you aware of any discussion going on to eliminate the Rural Investment Fund?

440 SCOTT: Responds to committee questions.

457 SCOTT: Continues overview of [EXHIBIT E] (Targeted Community Assistance).

460 SCOTT: Overviews Rural Investment Fund Briefing Paper [EXHIBIT H].

TAPE 25 SIDE A

025 SCOTT: Continues overview of [EXHIBIT E] (Water Fund).

049 SEN. BRADBURY: Comments that he would like additional information regarding the Strategic Reserve Fund, Target Key Industry Training, and the Multimedia Program.

049 CHAIR LIM: Closed PUBLIC HEARING on SB 357.

050 CHAIR LIM: Adjourns committee meeting at 10:41 a.m.

Submitted by

Bobby Sullinger  
EXHIBIT LOG

EXHIBIT A - SB 167-5 Proposed Amendments, Presented by Joseph Cortright, 2 pages.

EXHIBIT B - Summary of amendments to SB 167, Presented by Joseph Cortright, 1 page.

EXHIBIT C - Edited version of Senate Bill 167, Presented by Joseph Cortright, 6 pages.

EXHIBIT D - Oregon Revised Statutes 240.309 - State Personnel Relations, Presented by Joseph Cortright, 2 pages.

EXHIBIT E - Oregon Economic Development Department - Resource Information Presented to Trade and Economic Development Committee, Presented by Bill Scott, 109 pages.

EXHIBIT F - Economic Development Department Comparison of Lottery Funds 1993-95 Budget to 1995-97 Governor's Recommended Budget, Presented by Bill Scott, 1 page.

EXHIBIT G - Developing Communities in Oregon, Presented by Bill Scott, 107 pages.

EXHIBIT H - Rural Investment Fund Briefing Paper, Presented by Bill Scott, 1 page.