HOUSE COMMITTEE ON RULES AND REORGANIZATION

May 28, 1993 Hearing Room E 1:30 p.m. Tapes 70 - 71

MEMBERS PRESENT: Rep. John Watt, Chair Rep. Dave McTeague Rep. Cedric Hayden Rep. Michael Payne Rep. Fred Girod Rep. Delna Jones

MEMBER EXCUSED: Rep. Lonnie Roberts, Vice-Chair Rep. Eldon Johnson Rep. Avel Gordly

STAFF PRESENT: Adrienne Sexton, Committee Administrator Kenneth Brady, Committee Clerk

MEASURES CONSIDERED: INFORMATIONAL MEETING - Governor's Task Force on State

Government. HB 2459 - Amendments relating to the JOBS plus

program. HB 3641 - Abolished Oregon Ed-Net Board. SB 68 - Requires Ed-Net Board to report to governor. HB 3658 - Reorganizes Economic Development Dept.

WITNESSES: Charles Vars Ray Steinfeld, Jr. Jim Neely, Adult and Family Services, HB 2459 Cindy Becker, Executive Department, HB 2459 Rep. Gene Derfler, HB 2459 Ray Lewis, Oregon Ed-Net, HB 3641 Bob Burns, Public Instruction, HB 3641 Rep. Ted Calouri, HB 3658 Rep. Lee Beyer, HB 3658 Char White, Task Force Staff, HB 3658 Bill Scott, HB 3658 [---Unable To Translate Graphic ---]

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. [--- Unable To Translate Graphic ---]

TAPE 70, SIDE A

003 REPRESENTATIVE JOHN WATT, COMMITTEE CHAIR: Convenes meeting at 1:36 p.m. as a subcommittee.

008 ADRIENNE SEXTON, COMMITTEE ADMINISTRATOR: Explains Governor's Task Force on State Government.

022 RAY STEINFELD, JR.: Explains what the Task Force's responsibilities were. -Explains recommendations of the Task Force.

077 WATT: Will this decentralization save more money?

089 STEINFELD: This isn't really a decentralization. This is a one-stop-shopping concept.

110 CHARLES VARS, MAYOR OF CORVALLIS: Explained what the Task Force accomplished and who made up its members. -Focus of the Task Force was to make government work better for the people of the State of Oregon.

179 WATT: Opens work session on HB 2459.

WORK SESSION - HB 2459

200 JIM NEELY, ADULT AND FAMILY SERVICES: Discusses amendments to section 11.

216 REPRESENTATIVE DAVE MCTEAGUE: What's the policy on that?

220 NEELY: Only applies to self-insurers, such as the state.

236 MCTEAGUE: Why does this need to be done at all?

240 NEELY: To make the program attractive to employers. -Discusses amendment on page 54, section 22, relating to community work experience program.

252 WATT: The other insurance company would be Medicaid?

250 NEELY: Medicaid and another insurance.

293 WATT: They will be covered though?

299 NEELY: Yes.

301 WATT: Section 22, excludes anyone who is a part of this program as workers.

312 NEELY: That relates to the community work experience program not the JOBS plus program.

318 WATT: This section has nothing to do with the JOBS plus program?

322 NEELY: Correct. Deals with Community Work Experience. - Sections 21 to the end.

333 WATT: Community work experience covers all 36 counties?

340 MOTION: Rep. Girod moves the -4 amendments as amended. VOTE: AYE: Girod, Hayden, Jones, Payne, Watt

NAY: McTeague

EXC: Gordly, Johnson, Roberts

MOTION: Rep. Girod moves HB 2459 as amended to the Floor with a do pass recommendation.

VOTE: AYE: Girod, Hayden, Jones, Payne, Watt NAY: McTeague EXC: Gordly, Johnson, Roberts

MOTION: Rep. Hayden moves to reconsider the vote on HB 2459. Rep. Girod moves HB 2459 as amended to the Appropriations Committee

with a do pass as amended recommendation.

VOTE: AYE: Girod, Hayden, Jones, Payne, Watt NAY: McTeague EXC: Gordly, Johnson, Roberts

422 WATT: States for record his appreciation to Rep. Derfler.

432 REPRESENTATIVE GENE DERFLER: This is a good opportunity.

440 WATT: Closes work session on HB 2459. -Opens public hearing on HB 3641 & SB 68.

PUBLIC HEARING - HB 3641 & SB 68

442 SEXTON: Explains HB 3641 & SB 68.

TAPE 71, SIDE A

030 WATT: We had a work group that discussed HB 3641 and SB 68. The changes made will be incorporated into SB 68. HB 3641 will not be heard.

049 CINDY BECKER, EXECUTIVE DEPT.: Discusses Ed-Net and its relationship to education and the public. Discusses Telecommunications Division within

new Dept. of Administrative Services. Discusses closer relationship between Ed-Net and the Executive Dept. (EXHIBIT A)

080 REPRESENTATIVE DELNA JONES: What are the -A3 amendments?

083 SEXTON: Amendments that were originally asked for by the Department of Education.

096 RAY LEWIS, OREGON ED-NET: Discusses points agreed upon between Dept. of Education, Ed-Net, and Executive Dept. Three amendments: 1) Add term

"education" to existing purposes of Ed-Net. 2) Adds to Ed-Net board two designated members. 3) Specifies relationships between Ed-Net and

others. (EXHIBIT B) 130 BOB BURNS, PUBLIC INSTRUCTION: In support of all the points noted, but would also like members of the board to be confirmed by the Senate. -Confused about the appointment of a director.

145 WATT: We didn't have any discussion about the appointment of a director. That won't be addressed today.

160 REPRESENTATIVE FRED GIROD: Who does the Ed-Net board report to now?

164 LEWIS: The Governor now, but this would have the person report through the director of the Executive Department.

168 WATT: SB 68 is part of the Governor's reorganization package that will move Ed-Net to the Executive Department.

178 GIROD: Shouldn't reporting be changed to the Executive Dept?

181 BECKER: Ed-Net is one of the few stand alone agencies. The Governor wants fewer stand-alone agencies. - activities could be better

managed. -We are opposed to Senate confirmation of board members.

200 GIROD: Why are you opposed to that?

202 BECKER: It doesn't currently happen. Don't want to add processes and procedures.

207 GIROD: Discusses checks and balances system.

211 BECKER: Not all boards now have Senate confirmation.

213 GIROD: It seems you would want confirmation.

220 BECKER: It's important for the board to have public representation.

228 BURNS: The new board should have more authority over the appointment of the director.

230 GIROD: You would prefer it that way?

239 BURNS: Yes.

245 LEWIS: Proposes additional language "from among persons recommended by the Oregon Ed-Net Board".

269 WATT: Basically, this designates two members of the board and requires cooperation with business and education. -Closes public hearing on HB 3641 & SB 68. -Opens public hearing on HB 3658.

PUBLIC HEARING - HB 3658 301 SEXTON: Explains HB 3658.

355 REPRESENTATIVE TED CALOURI: Discusses the Task Force and what was done. -Explains written testimony (EXHIBIT C).

415 MCTEAGUE: What do you think about the idea that there should be clearcut ways for appointing board directors?

TAPE 70, SIDE B

040 CALOURI: Some agencies must handle it differently than others.

066 REPRESENTATIVE LEE BEYER: Economic Development Dept. has been in constant change. EDD has had five directors in seven years.

099 DERFLER: The Governor still has control over those positions, but a strong board stabilizes an agency.

129 CALOURI: Notes testimony about the number of copies.

143 WATT: The committee needs time to evaluate these.

153 MCTEAGUE: What about Issue # 13? -Is that all the grant and loan programs?

165 CHAR WHITE, TASK FORCE STAFF: That is an existing provision in statute.

175 JONES: Is puzzled by changes from what was originally proposed.

180 WATT: Today's meeting is to summarize the main points of the bill.

185 BILL SCOTT, OREGON ECONOMIC DEVEL. DEPT.: The Task Force handouts are explanatory. We have no problems with them.

206 WATT: Next session we expect to see a reorganized department instead of just plans.

214 SCOTT: I agree. Governor prepared to support a strong commission.

260 MCTEAGUE: Why do directors keep leaving this agency?

278 SCOTT: Submits information (EXHIBITS D & E) describing agency and personnel changes.

346 MCTEAGUE: Mr. Scott gets high marks for honesty.

358 JONES: Comments on the legislature micro-managing the Economic Development Department.

378 SCOTT: Agrees with the problems of the task force.

403 HAYDEN: Comments on administrative forum of Economic Development Department.

416 SCOTT: Comments on organization structure.

427 WATT: Summarizes the point of authority for the director.

433 SCOTT: Yes, task force agrees.

443 CALOURI: Suggests that key points be dealt with and amendments decided upon. Feels bill allows maximum flexibility for the Economic

Development Department.

TAPE 71, SIDE B

37 WATT: Comments on the skills of a good manager.

42 MCTEAGUE: Asks if this bill will go on to the Appropriations Committee?

48 CALOURI: Doesn't believe this will go to Appropriations.

53 WATT: Don't want to micro-manage.

57 CALOURI: Refers to task force decisions.

60 MCTEAGUE: What about the dislocated worker program?

62 CALOURI: That is not part of this plan.

68 MCTEAGUE: Comments on many of the programs. Discusses giving department permission to administratively cut out a program.

77 WATT: Closed public hearing on HB 3658 Adjourns meeting at 3:00pm

Submitted by: Re

Reviewed by:

Betina Rothauser Adrienne Sexton Coordinator

EXHIBIT LOG:

A - Testimony on SB 68 - Executive Dept. - 3 pages B - Testimony on SB 68 - Oregon Ed-Net - 1 page C - Testimony on HB 3658 - Task Force - 12 pages D - Testimony on HB 3658 - Bill Scott - 1 page E - Testimony on HB 3658 - Oregon Ed-net - 6 pages F - Testimony on HB 3658 - Robert Buchanan - 2 pages