SENATE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

March 10, 1993 Hearing Room B 8:00 a.m. Tapes 45 - 47

MEMBERS PRESENT: Sen. Tricia Smith, Chair Sen. Grattan Kerans, Vice-Chair Sen. Peg Jolin Sen. Brady Adams Sen. Wes Cooley

STAFF PRESENT: Joan Van Almen, Committee Administrator Stasi Kitchen, Committee Clerk

MEASURES CONSIDERED: SB 181 - Relating to Employment Department SB 171 - Relating to General Services SB 205 - Relating to State Printing Division

SB 127 - Eliminates various agencies and councils

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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 45, SIDE A

004 CHAIR SMITH: Calls the meeting to order at 8:00 a.m.

WORK SESSION ON SB 181

WITNESSES: Steve Tegger, Employment Division Jan Dean, Employment Division

015 STEVE TEGGER, EMPLOYMENT DIVISION: Explains that he and Dean are present to clarify issues of fiscal impact.

030 JAN DEAN, EMPLOYMENT DIVISION: Discusses with the committee the monetary issues.

048 SEN. COOLEY: Asks why there is an incerase of \$140,000 in anticipated funds between the current biennium and the next.

050 DEAN: The differnce is the number of employees will incerase. -Software will also have to be modified to be compatible with the

previous Childrens Service District.

120 CHAIR SMITH: Asks Dean if there are plans to make the mainframes speak the same language i.e., consolidation in the area of communication.

130 DEAN: The agencies can currently draw information. The problem that data processors expressed in leaving this program with CSD is that the

inter-office system is changing as well.

PUBLIC HEARING ON SB 171

WITNESSES: Bob Cantine, Association of Oregon Counties (AOC) Dan Simmons, Executive Department Theresa McHugh, Executive Department Shirley Fianger, Department of General Services

205 BOB CANTINE, AOC: Testifies in favor of SB 171.

248 CHAIR SMITH: Asks Cantine if he opposes the elimination of the current statutes.

250 CANTINE: Replies that the counties have not performed the functions mentioned in the bill as of yet. Thus, he can not relate this to the

statutes. -Would function well without the inter-governmental regulations.

360 DAN SIMMONS, EXECUTIVE DEPARTMENT: Testifies in favor of SB 171.

440 THERESA MCHUGH, EXECUTIVE DEPARTMENT: Presents testimony on SB 171 (EXHIBIT A).

TAPE 46, SIDE A

060 CHAIR SMITH: States that her understanding is that the committee is moving policy issues and infrastructure into the new agency.

070 SIMMONS: The issues do center around policy development.

085 SEN. ADAMS: Asks Simmons why the agency would do policy development for the Forestry Department and not the Health Services.

090 SIMMONS: States that they are involved in issues of policy in health care under the blanket of budget and management. Emphasis has been

placed in the area of forestry at the request of the Governor.

160 SEN. KERANS: Would like to give the Governor the opportunity to state her rationale for inconsistency.

240 SEN. ADAMS: Asks why language regarding such areas as the Forest Planning Council, imigration, and BUBB has not been included in the

bill.

300 MCHUGH: The original functions of the Executive Department have not changed. The bill is a merger, not reorganization.

TAPE 45, SIDE B

004 SHIRLEY FINAGER, DEPARTMENT OF GENERAL SERVICES: Testifies in favor of SB 171. -Describes changes and project funds.

094 SEN. ADAMS: Asks where the savings in the General Fund are

distributed.

096 FINAGER: Replies that the monies are re-distributed to other agencies. -Some of the savings are coming from eliminating 8 full time positions.

PUBLIC HEARING ON SB 205

WITNESSES: Cindy Becker, State Printing

170 CINDY BECKER, STATE PRINTING: Presents testimony on SB 205 (EXHIBITS B, C and D).

250 SEN. KERANS: Asks Becker how much work is contracted out and to whom.

270 BECKER: States that 60% of the workload is contracted for purposes of government use only. -Continues with testimony.

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020 SEN. COOLEY: Asks Becker if the Printing Division runs on a private-type budget.

028 BECKER: Replies that they do. -To maintain reasonable rates, cuts are made in other areas such as

personnel.

070 SEN. COOLEY: Asks Becker about the statutes regarding utilization of the private sector.

100 BECKER: Replies that the statute has strict regulations regarding purchasing of paper and other dry goods.

142 SEN. KERANS: The committee can change the statute to allow for direct and immediate purchasing of paper, etc. There can be language inserted

regarding bid requests.

160 BECKER: Adds that the langugage has to be written in such a way to not favor a particular vendor.

-We are not trying to remove ourselves from the general governmental

roles.

239 SEN. KERANS: States that he will not vote for the bill because he fears a loss of control over the State Printers. In addition, he would like

to see more interaction with the market place and the obtaining of

better equipment.

270 CHAIR SMITH: There is no reason for the State to not act competitively with the public arena.

360 SEN. ADAMS: Performance measures could be efficiency rather than

cost. That would be a standard to measure the Printing Division. TAPE 47, SIDE A  $\ensuremath{\mathsf{A}}$ 

013 SEN. KERANS: Expresses concern over diverging from the enclosed state agency. -When there have been spin-offs in the past, it leads to more

opportunities for mischief.

050 BECKER: We will pay aprticular attention to oversight. This will be a four-year endeavor; if the legislature does not like what it sees, they can dissolve it if we are not meeting the objectives.

100 CHAIR SMITH: Requests from Becker the statutes and policies that are impeding the efficiency of the State Printers currently before action is taken on the bill. -Adjourns at 11:00 a.m.

Submitted by:

Reviewed by:

Katy Yetter Stasi Kitchen Committee Clerk Committee Coordinator

EXHIBIT LOG:

A - Testimony on SB 171 - Executive Department - 4 pages B - Testimony on SB 205 - C. Becker - 3 pages C - Testimony on SB 205 - C. Becker - 2 pages D - Testimony on SB 205 - C. Becker - 1 page E - Testimony on SB 205 - G. Simmons - 2 pages