

SB 124 - PH

SENATE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

February 25, 1993 HRB, State Capitol 8:30 a.m. Salem, OR

Tapes 38-39

Economic Development Department Overview - Regional Strategies Program  
Presentation of Regional Strategies Program Evaluation Regional  
Strategies Program Changes

MEMBERS PRESENT: SEN. JOYCE COHEN, CHAIR SEN. STAN BUNN,  
VICE-CHAIR SEN. SHIRLEY GOLD SEN. PEG JOLIN SEN. BILL KENNEMER SEN. JOHN  
LIM SEN. CATHERINE WEBBER

MEMBERS EXCUSED: SEN. BILL BRADBURY, PRESIDENT OF THE SENATE SEN.  
JEANNETTE HAMBY

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER JERI CHASE,  
OFFICE MANAGER

WITNESSES: JON JAQUA, INTERIM DIRECTOR, ECONOMIC DEVELOPMENT  
JOAN RUTLEDGE, ACTING MANGER, REGIONAL STRATEGIES PROGRAM, ECONOMIC  
DEVELOPMENT DEPARTMENT BRANDON ROBERTS, BRANDON ROBERTS & POLICY  
ASSOCIATES RICK WILLIAMS, R&R POST & POLE RON BINGAMAN, BIO-PRODUCTS  
INTERNATIONAL HOWARD BROMAN, ROSE-FLEX JEWELRY COMPANY LAWRENCE  
KAPUSTSKA, ECOLOGICAL PLANNING AND TOXICOLOGY, INC. MARY PEARMINA,  
MARION COUNTY COMMISSIONER WES SINE, KLAMATH COUNTY COMMISSIONER KEITH  
MILLER, LINN-BENTON REGIONAL STRATEGY

NOTE: These minutes contain materials which paraphrases and/or  
summarizes statements made during this meeting. Only text enclosed in  
quotation marks reports a speaker's exact words. For complete contents  
of the proceedings, please refer to the tapes.

TAPE 38, SIDE A

000 CHAIR COHEN: Convenes meeting at 8:30 a.m. Announces that  
hearings on SB 123, 125, 126, and SB 82 will be heard on Tuesday, March  
2, due to the 10:00 a.m. Senate Floor Session. Economic Development  
Department - Regional Strategies Program Overview Presentation of  
Regional Strategies Program Evaluation SB 124 (Regional Strategies  
Program Changes) - Public Hearing

047 CORTRIGHT: Presents SB 124 (EXHIBIT A) and Staff Measure  
Summary on SB 124 (EXHIBIT B).

086 SEN. BUNN: Concerned about contiguous counties and portions of

counties that did not "fit" with the rest of the county - i.e., specifically, coastal portions of Lane County.

136 JOAN RUTLEDGE: Presents written testimony (EXHIBIT C). Also submits background information (EXHIBIT D).

200 BRANDON ROBERTS: Begins presentation of testimony (EXHIBIT E). Submits and reviews Regional Strategies Evaluation (Volumes I and II) (EXHIBIT F).

CHAIR COHEN: Discusses accountability.

450 ROBERTS: Continues presentation of EXHIBIT E.

TAPE 39, SIDE A

030 ROBERTS: Continues presentation of EXHIBIT E. -Discusses measurements -Regional Strategies

130 CHAIR COHEN: Should we charge a fee for the service of technical assistance?

135 ROBERTS: The policy is a good one; to encourage partnership, I would like to see the local entities match with cash.

140 ROBERTS: Continues presentation of EXHIBIT E.

180 SEN. KENNEMER: Implementation of the plan seems to require an administrative increase. How many people would you see at the state level for this?

185 ROBERTS: I believe that any increase in administration would be at the local level.

200 SEN. KENNEMER: Does EDD agree with that analysis?

202 JAQUA: Yes.

213 CORTRIGHT: EDD reports there were 2398 jobs created from this program. Was your evaluation able to verify that?

218 ROBERTS: Those estimates were not available at the time we did our evaluation. CORTRIGHT: How effective do you think the program was in creating family wage jobs?

225 ROBERTS: Not particularly effective. We believe that's because the regions were trying to satisfy too many objectives.

240 CHAIR COHEN: Did they make any head way in getting there? How?

248 ROBERTS: Several regions did excellently in the effectiveness of their process of economic development. Others got off to a slow start.

282 CORTRIGHT: Is there anything you've learned in your evaluation about the kinds of strategies that are most effective in creating family wage jobs?

285 ROBERTS: No.

310 SEN. KENNEMER: If there were 2300+ jobs created, what was the average wage of those jobs?

312 RUTLEDGE: The majority of those were not family wage jobs. I can't tell you the average wage without going through the data again.

327 SEN. LIM: Were the jobs created temporary/seasonal/permanent? Will they stop when the funding stops?

343 RUTLEDGE: We are also concerned. These figures do not reflect temporary jobs.

366 JAQUA: Many of these strategies have not created the jobs that we hoped they would. It is very difficult to measure the job creation impacts of many of these strategies.

396 SEN. KENNEMER: If we spent \$44 million and created approximately 2400 jobs, that is a cost of \$18,000 per job. How do those numbers compare with other job creation programs?

400 ROBERTS: It's hard to estimate. I've seen job costs as low as \$4000-5000 per job. Some are as high as \$50,000 per job.

460 KEITH MILLER: Begins testimony on benefits of Regional Strategies Program. Submits brochure on Linn-Benton Regional Strategy (EXHIBIT G) and Regional Strategy Overview Information (EXHIBIT H).

TAPE 38, SIDE B

049 RICK WILLIAMS: Testifies in support of the Regional Strategy Program.

075 RON BINGAMAN: Testifies in support of the Regional Strategy Program.

097 HOWARD BROMAN: Testifies in support of the Regional Strategy Program.

144 LAWRENCE KAPUSTKA: Testifies in support of the Regional Strategy Program.

230 CHAIR COHEN: Are these funds from grants?

232 MILLER: In Round I, re-payment was required if they were successful. This was a regional decision.

242 MARY PEARMINE: Testifies in support of the Regional Strategies Program.

273 WES SINE: Testifies in support of the Regional Strategies Program. Submits "Results of Regional Strategies Funded Programs/Projects in Klamath County" (EXHIBIT I).

Discussion between committee, SINE, and PEARMINE.

TAPE 39, SIDE B

030 Discussion between committee, SINE, and PEARMINE continues

044 CHAIR COHEN: Adjourns meeting at 10:10 a.m.

Submitted by,

Julie Muñiz

EXHIBIT SUMMARY

EXHIBIT A -	SB 124, Staff, 4 pages	EXHIBIT B -	SB 124 SMS,
Staff, 3 pages	EXHIBIT C -	Overview of Regional Strategies, Joan	
Rutledge, 5 page	EXHIBIT D -	Regional Strategies background,	
Joan Rutledge, 23 pages	EXHIBIT E -	Testimony on SB 124, Brandon	
Roberts, 11 pages	EXHIBIT F -	Regional Strategies Evaluation,	
Brandon Roberts, 270 pages	EXHIBIT G -	Linn-Benton Regional	
Strategy, Keith Miller, 2 pages	EXHIBIT H -	Regional Strategy	
Summary, Keith Miller, 24 pages	EXHIBIT I -	Klamath County	
Results, Wes Sine, 1 page			