

SENATE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

March 11, 1993 HRB, State Capitol 8:30 a.m. Salem, Oregon

Tapes 47 - 48

Economic Development Department Budget Lottery Allocation

MEMBERS PRESENT: SEN. JOYCE COHEN, CHAIR SEN. BILL BRADBURY,
PRESIDENT OF THE SENATE SEN. STAN BUNN SEN. SHIRLEY GOLD SEN. JEANNETTE
HAMBY SEN. KARSTEN RASMUSSEN SEN. BILL KENNEMER SEN. JOHN LIM SEN.
CATHERINE WEBBER

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

WITNESSES: JON JAQUA, INTERIM DIRECTOR, OREGON ECONOMIC
DEVELOPMENT DEPARTMENT, (EDD) CAROLYN LANDIS, EXECUTIVE DIRECTOR,
COMMUNITY ACTION AGENCY, YAMHILL COUNTY & CHAIR, COMMUNITY ACTION
DIRECTORS OF OREGON PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING
AUTHORITIES

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 47, SIDE A

000 CHAIR COHEN: Convenes meeting. (8:40 a.m.)

SB 5510

010 CORTRIGHT: Reviews proposed (-1) Amendments, (corrected - dated
3/8/93), to SB 551 0, (EXHIBIT A).

027 CHAIR COHEN: I would propose adding a percentage of their
overall authorization as an outside limit on expenditures.

SEN. BUNN: Do we know how the percentage compares to the actual need?

CHAIR COHEN: The department has an amendment.

048 JON JAQUA, INTERIM DIRECTOR, OREGON ECONOMIC DEVELOPMENT
DEPARTMENT, (EDD): Presents EDD Proposed Amendments to SB 5510,
(EXHIBIT B).

CHAIR COHEN: Is it possible that you could authorize, in writing, the
limits to be spent?

JAQUA: If that is acceptable, that would be acceptable with us as well.

· Within the special courtesies area we've spent approximately \$40,000; gives examples.

105 SEN. KENNEMER: I think this sounds reasonable; I do like the percentage as it has flexibility and it does set a limit.

SEN. HAMBY: Are we including lottery dollars or just the Department budget?

CORTRIGHT: It depends on what you want the percentage to be.

124 CHAIR COHEN: What if we say "not authorized to be expended by the Department, but for Department administration expenses"?

JAQUA: This does set a limit and it also keeps the flexibility and with the reporting we would do, I think you would be able to track this and show that we are only spending the money in reasonable ways.

SEN. HAMBY: Are the vouchers for meals included?

JAQUA: The meals are outside of our normal authorization; describes situations that don't fit into the normal authorized operation of state government.

157 MOTION: Sen. Bunn moves the proposed (-1) amendments with a one-half percent inserted on line 12, with the understanding that roughly that is the million dollar figure.

SEN. HAMBY: I'm uncomfortable with a million; I'd be far more comfortable with a half million.

JAQUA: I could live with that; I would prefer to not have to come back to discuss this later; we have set a limit and we are setting in controls.

SEN. KENNEMER: If you start seeing your budget go down, I would assume that the percentage you would need to spend on this might increase proportionally.

CHAIR COHEN: We will build that in; we could substitute .25 and include a letter suggesting that if in fact they cut the budget, we would expect this percentage to be adjusted upward.

200 MOTION: Sen. Bunn moves to amend his motion to include .25 percent on line 12 with a letter Ways and Means stating that if the budget is cut, the percentage needs to be adjusted upwards.

207 VOTE: Hearing no objection, the motion carries. Members excused: Sen. Bradbury & Webber.

CORTRIGHT: To be sure that you haven't excluded the lottery funds from the base of the percentage, in section 5, lines 20 - 21, delete "within the appropriation expenditure limitations made by sections 1, 2, 4 and 5" and say "payment is authorized".

218 MOTION: Sen. Cohen moves to delete line 20, and on line 21, delete up to and including the word "act", with the coma following, then begin the sentence with the word "payment".

226 VOTE: Hearing no objection the motion carries. Members

excused: Sen. Bradbury & Webber.

256 MOTION: Sen. Kennemer moves that SB 5510 to Ways and Means with a Do Pass recommendation.

268 VOTE: In a roll call vote the motion carries. Members excused: Sen. Bradbury, Bunn & Webber

SB 755 - Lottery Allocation - Public Hearing

281 CORTRIGHT: Presents overview of Lottery Allocations, (EXHIBIT C).

309 CAROLYN LANDIS, EXECUTIVE DIRECTOR, COMMUNITY ACTION AGENCY, YAMHILL COUNTY & CHAIR, COMMUNITY ACTION DIRECTORS OF OREGON: Presents written testimony, (EXHIBIT D), in support of Housing/Community Development programs.

373 SEN. HAMBY: If you were to look at the total of \$5 million, could you estimate what percentage of \$5 million would be in that area of leveraging other developmental capital?

LANDIS: The Housing Development Account has about a 12-1 leveraging ratio.

398 PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING AUTHORITIES: Begins testimony in support of SB 755, particularly Section 38.

· Submits written testimony, (EXHIBIT E), and Housing Trust Fund Grant Summary, (EXHIBIT F).

TAPE 48, SIDE A

065 GRUNDFOSSEN: The spread sheet is provided by the Department of Housing and Community Services and "eye color" is in reference to the person managing the project in each case, it is a joke that was added as a finishing touch.

SEN. KENNEMER: Last biennium you projected 12-1, and this biennium you are

projecting 7-1?

GRUNDFOSSEN: Grants are made on competitive basis; one factor in awarding the grants is the amount of leveraging the project promises; the 8-1 figure is conservative.

083 SEN. KENNEMER: Are there any other funds planned for enhancing the trust account?

GRUNDFOSSEN: We have a 10 year plan before the legislature, involving the real estate transfer tax; short of some tax reform, we won't get the money.

SEN. LIM: Does this include migrant farm workers?

GRUNDFOSSEN: Yes; migrants and the stable farm worker family.

SEN. LIM: What percentage of those that live on the farms are migrants?

GRUNDFOSSEN: I have no idea; I can get that information for you; clarifies information requested. CORTRIGHT: Overviews listing of bills for committee members.

· Discusses workforce legislation with committee members.

250 CHAIR COHEN: Adjourns meeting. (9:30 a.m.)

Submitted by, Transcribed by,

Jeri Chase Kimberly Burt Committee Assistant

EXHIBIT SUMMARY

EXHIBIT A - SB 5510: Proposed (-1) corrected amendments submitted by staff, pp 1 EXHIBIT B - SB 5510: EED proposed amendments submitted by Jon Jaqua, pp 2 EXHIBIT C - SB 755: Overview of lottery allocations submitted by staff pp 2 EXHIBIT D - SB 755: Written testimony submitted by LANDIS, pp 2 EXHIBIT E - SB 755: Written testimony submitted by GRUNDFOSSEN, pp 2 EXHIBIT F - SB 755: Housing Trust Fund Grant summary submitted by GRUNDFOSSEN, pp 2