

House T&E Committee January 21, 1991 Page

HOUSE LEGISLATIVE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

January 21, 1991Hearing Room 343 8:00 A.M.State Capitol Salem, OR

Tapes 9 - 12 Oregon Progress Board Presentation

MEMBERS PRESENT: REP. RAY BAUM, CHAIR REP. JERRY BARNES REP.  
MARGARET CARTER REP. CEDRIC HAYDEN REP. VERA KATZ REP. DAVE MC TEAGUE  
REP. BOB PICKARD

MEMBERS EXCUSED:

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER TAMIRA MILLER,  
POLICY ANALYST JERI CHASE, OFFICE MANAGER JILL COPELAND, COMMITTEE  
ASSISTANT

WITNESSES:DUNCAN WYSE, EXECUTIVE DIRECTOR, OREGON PROGRESS BOARD

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 9, SIDE A

000 CHAIR BAUM convenes the meeting at 8:10 a.m.

Oregon Progress Board Presentation

005 DUNCAN WYSE: Begins presentation about the Oregon Progress Board.  
He submits "Oregon Benchmarks - Report to 1991 Legislature" (EXHIBIT A).  
He presents slide show on "Oregon Shines" (EXHIBIT B).

297 REP. BARNES: When you talk about a "good workforce", what is being  
referred to? Skills, work ethic, or what?

300 WYSE: A combination that varies by industry. At a minimum, work  
ethic. During interviews with companies, they responded they were  
looking for a good work ethic. But, also, we are looking at fundamental  
skills in math, science, reading, writing, and, in addition, technical  
skills. We think a qualified workforce in the future will involve  
strong fundamental skills in math, science and literacy, as well as  
adaptability to learn specific technical skills.

311 WYSE: Continues presentation of EXHIBIT B.

357 REP. CARTER: Why is housing not listed?

361 WYSE: It was missed in Oregon Shines. It certainly came up in the  
regional workshops and the Benchmarks.

363 REP. CARTER: I think good infrastructure is critical.

385 WYSE: Continues presentation of EXHIBIT B.

435 REP. PICKARD: Given the pressures of recent growth in Oregon, I wonder what it could have been like if we had not had a "confusing reputation".

440 WYSE: This is a central issue. If we do not define a picture for Oregonians of quality growth, we will be in trouble. We need to portray a picture of Oregon as a place that grows economically in a way that does not squander our quality of life. It is possible, but is much harder. That is why long-range, careful planning is so important, with a monitoring system in place.

465 REP. PICKARD: A part of my district (Bend) is experiencing explosive growth.

TAPE 10, SIDE A

030 REP. HAYDEN: What this is almost sounding like is "do something, even if it is wrong". We have learned that we need a plan.

037 WYSE: What is valuable about the benchmarks is the monitoring aspect. That will make this different - there will be a tool to measure results, to review, assess, and redirect policy if what we are doing is not working.

044 WYSE: Continues presentation of EXHIBIT B.

144 REP. KATZ: We need to focus on skills that will be critical to competing on a global level.

157 WYSE: Continues presentation of EXHIBIT B.

200 REP. CARTER: Are we counting too much on high technology? Are we diversifying?

213 WYSE: We do need to be sure to diversify. Regarding high technology, there is a critical mass and there is the question of scale. We also need to encourage other areas - plastics, software, film & video. These are sectors with potential. There are common themes to build upon (workforce, quality of life, etc.) that will cause these industries to continue to grow.

232 WYSE: Continues presentation of EXHIBIT B.

428 REP. HAYDEN: Trade missions assist in the development of an international frame of mind.

441 WYSE: That is exactly what international businesspeople said.

465 WYSE: Continues presentation of EXHIBIT B.

TAPE 9, SIDE B

030 WYSE: Continues presentation of EXHIBIT B.

050 REP. KATZ: This is positive because an office has been created that will bring back recommendations to the legislature for action.

063 CHAIR BAUM: A lot of the studies we receive don't get follow-up.

068 WYSE: For this to work, the legislature has to have the interest in it. Long-range planning is a tool for policy-makers. We need to know if this is useful for the future.

075 REP. PICKARD: What has been the reception from Governor Roberts?

083 WYSE: Very positive. Both candidates endorsed the Oregon Progress Board during their campaigns. When Governor Roberts was elected, she immediately began working with the Board. She will be an active Chair of the Board.

085 REP. BARNES: Are you going around the state to "sell" the benchmarks to community leaders?

088 WYSE: As part of creating the benchmarks, we held 12 regional workshops and asked local leaders for their input in the benchmarks. This has been a long process.

094 WYSE: Continues presentation of EXHIBIT B. Also begin presentation of Benchmarks (EXHIBIT A).

186 WYSE: I see the benchmarks as a set of goals; backbone of a long range planning process with a tracking system. In and of itself, that is not enough. The question is how to use it as a tool. There are three or four different ways. One way, for example, would be regarding the people section, see the challenge in thinking early and strategically. The Progress Board has been focusing on what to do differently in terms of social service/education service delivery systems. We will have a set of strategies to achieve the benchmarks on people. This will suggest major changes. Within that, the Board has tried to pull out critical benchmarks (page 5 of EXHIBIT A).

281 REP. PICKARD: There is something in here for every Committee can identify with and use.

300 CHAIR BAUM: What is important to me is goal setting, the ability to measure our progress, and allow for accountability.

310 REP. BARNES: I would hope that we remain goal-oriented, rather than process-oriented.

320 REP. HAYDEN: There are some that we would all agree on; those that we don't all agree with, we should debate and decide.

328 CHAIR BAUM: As goals we will probably have consensus; the method for achieving those goals will be most of the issue.

334 CHAIR BAUM: Recesses the meeting at 9:30 a.m.

336 CHAIR BAUM: Reconvenes the meeting at 9:40 a.m.

340 WYSE: Continues presentation of EXHIBIT A. They focused on results; some things do not have good data available.

372 REP. KATZ: Wouldn't the Head Start program be a good place for measurement of readiness for school?

379 WYSE: I think what you want to do is randomly assess first graders

in a random survey.

405 REP BARNES: Have you looked at the inter-dependency between the benchmarks when you set priorities?

413 WYSE: We tried to. The Progress Board had two large projects: 1) compile the benchmarks; and, 2) trying to understand the challenges for Oregonians at every stage of life - looking at the "people" benchmarks. We tried to understand the connections and the key points of intervention to have the highest payoffs. Choose areas to start on now to build for the future. If you agree with those priorities, we tried to associate the budget priorities with those benchmarks.

452 REP KATZ: It is the responsibility of the presiding officers to follow-up on this. Identify legislation to allow us to achieve these goals and then make a commitment through budget prioritization.

472 WYSE: Continues presentation on lead and key benchmarks in EXHIBIT A (pages 5 through 7).

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030 WYSE: Continues presentation on lead and key benchmarks (from EXHIBIT A).

067 REP HAYDEN: Could we look to other nations who have the results that we want to achieve and look at their methodologies?

070 WYSE: We could and have tried to do so, but we should do more.

092 WYSE: Continues presentation on lead and key benchmarks (from EXHIBIT A).

097 REP KATZ: Basic skills and comparative math skills (from the listing of key benchmarks) are extremely important to benchmarks that are listed as lead benchmarks.

113 WYSE: The concept of the short list is to identify important interventions. They key benchmarks tend to be longer term activities - it does not mean you do not start. We need to fix that if that is the impression being given.

125 REP. KATZ: They have to be started immediately. The job skill preparation is meaningless without the basic skills.

132 REP. HAYDEN: Please discuss the goal of being "first" in comparative math skills by 2010.

135 WYSE: Our goal is to be as good as any country in the world by 2010 in terms of high school math skills. It is a very ambitious goal.

137 REP HAYDEN: Is that doable? Do you have doable goals on this list?

138 WYSE: It is certainly doable in 20 years. There is no reason we cannot be the best. It will take major reform, but we should be able to do it. It will not happen unless we set it as a priority.

143 REP. HAYDEN: Wouldn't "in the top ten or top five" be more realistic?

145 WYSE: We were asked to aim high in this process. We may, in some cases, be over-extending. The direction is more important than the actual target - sending the signal as to what we expect to accomplish.

150 REP PICKARD: This is in keeping with the entire effort; I would rather fall short of an ultimate goal and fall short of a 3/4 goal. This is designed to be uplifting and forward thinking. I think it is doable.

175 REP KATZ: There is research that proves the value of high expectations.

190 REP. HAYDEN: A motivating factor is to set doable goals and then reach it. This is better than setting utopian goals that can never be achieved.

201 WYSE: The most important thing is the decision to measure. We have not been able to spend a lot of time on researching what goals are achievable, but if we start measuring our progress, we will know what is achievable and we will have a better idea of where to be. We did aim high on purpose.

200 WYSE: Continues presentation of EXHIBIT A (pages 5 through 7).

226 REP KATZ: The more difficult thing to do is to assure that the people being training are not illiterate.

251 CHAIR BAUM: Why don't we have a literacy check on the list for pre-adults?

255 WYSE: We could. It is not a lead benchmark, but is in the rest of the benchmarks. Overviewed Exceptional People section of EXHIBIT A.

327 REP HAYDEN: I see a population educated to be the first in the world in math and have a 98 percent literacy rate, yet 55 percent will be enrolled in vocational education. This is paradoxical.

331 WYSE: That is a mistaken assumption that vocational-technical training is second class. Vocational- technical training that is competitive with the world contains very strong fundamental skills.

346 REP. KATZ: The voc-ed concept is not what we are used to thinking of. This does not work and is not good enough. We want everyone to reach a high level of basic skills and then go into technical training or college.

358 REP. HAYDEN: Why doesn't this workforce go through technical skills and college.

362 REP. KATZ: They can. But to get there, you need high basic skills. Now the kids in voc-ed courses are those kids who are being tracked as failures. That is what needs to be changed.

370 CHAIR BAUM: The evidence is that we are losing 70 percent of youth to things other than higher education. They are not getting anything, except what they may find in a community college or other training program.

378 REP. HAYDEN: I am a supporter of vocational education programs but

I don't think they should be dead-end programs; they should be stepping stones to a better life.

387 REP. BARNES: How does the education community feel about these ideas?

389 WYSE: They have been very participatory in this process. There has been enthusiasm, but not necessarily yet agreement. We have made the start, but we have a long way to go.

426 WYSE: Continues presentation of EXHIBIT A (Exceptional People section).

447 WYSE: Continues presentation of EXHIBIT A (Quality of Life section).

TAPE 11, SIDE A

030 WYSE: Continues presentation of EXHIBIT A (Quality of Life section).

067 WYSE: Continues presentation of EXHIBIT A (Diverse, Robust Economy section).

116 REP HAYDEN: What is the range of tax that will drive the economy best?

126 WYSE: In moderation. We want to be roughly in the national average (per capita should be between 90 and 100 percent of the national burden). We do not propose to be a low-cost state. We propose to provide a series of quality services. To build an advanced economy you need public services.

142 REP. HAYDEN: Statistically, do those states that have higher-than-average taxes have higher-than-average per capita income?

WYSE: In general, yes. California and New York are high tax states and both have higher than national average incomes.

148 REP. HAYDEN: What is the driving force? Do taxes drive the income? Or is it the other way around?

149 WYSE: California's success has come because during the 1950's and 1960's, California made enormous public investments in infrastructure, universities, and education. Those investments positioned California for their economic growth of the 1970's and 1980's. Today they are disinvesting and their economic future is in doubt. They are very low in education expenditures, their infrastructure is deteriorating, I believe these factors will have a negative effect on their economy in the future.

166 REP. KATZ: The same commitments were made in Portland that we are now only realizing the results of.

175 REP PICKARD: California's growth did come at the expense of other things, i.e., land use planning, etc., and their quality of life has suffered as a result.

184 WYSE: California is not a model for everything we want to accomplish, but the example will help us design a different approach -

take advantage of some of the economic goods, but retain our quality of life.

190 REP PICKARD: We need to constantly consider what our carrying capacity in Oregon is.

204 REP BARNES: Do these benchmarks reflect the variable of future federal government decisions?

206 WYSE: We have tried to think about the federal government spending trends, but our conclusion is that we are on our own. There will be more diversity in state's outcomes because the federal government is not going to be as involved in large federal programs.

245 WYSE: The benchmarks set a minimum floor of employment growth that will provide jobs for children growing up in Oregon to be employed. That is the benchmarks approach to the issue of carrying capacity. Beyond that the Benchmarks do not take a position.

279 CHAIR BAUM: This committee discussion shows the different views and how difficult it may be to resolve. There are sections that apply to every committee in the building and we need to think of a creative way to move this.

303 WYSE: The bill that created the Progress Board asks us to bring this to the Legislature for review, revision, and adoption.

310 REP KATZ: What is it that we have to do once we get the bill?

312 WYSE: That is up to the Legislature. You can rubber stamp it or go into incredible detail over each benchmark. We want to provide support for the process. If it is not reviewed and understood by the substantive committees, they will not use it.

326 CHAIR BAUM: Let's review the benchmarks that are this committee's direct jurisdiction.

343 WYSE: Begins review of Diverse, Robust Economy benchmarks and lead and key benchmarks for the economy (from EXHIBIT A).

416 REP HAYDEN: I would think that a good indicator would be land that is developed, rather than developable.

431 WYSE: You could; the general idea is that a lot of land is not even close to being ready for development.

440 WYSE: Continues review of EXHIBIT A (lead and key benchmarks).

TAPE 12 SIDE A

030 REP KATZ: Did you think about pulling out those benchmarks that need the most work or was it a political decision to pull those that you could see results.

039 WYSE: We tried, in the lead benchmarks, to pick high pay-off opportunities for the state; the key benchmarks often are more important, but they will take longer to achieve the goals listed.

Continued discussion regarding lead benchmarks.

070 JOE CORTRIGHT: One of the first criteria you established for the benchmarks is that they should be results, not effort. Doesn't the public infrastructure benchmarks represent effort?

076 WYSE: The tax, revenue, and infrastructure are so important and this is the best indicator. Most of the benchmarks are more results oriented.

080 REP KATZ: Could this committee agree on a handful of benchmarks that we could focus on to concentrate our resources toward achieving?

085 CHAIR BAUM: At a minimum, I would like to set some goals for our own committee to measure the progress of the programs we will establish.

099 WYSE: The big issue is how the legislature will review the document. That is difficult in itself. We hope to have a product at the end of the session that is the benchmarks that you want us to review.

112 REP PICKARD: I will be asking the Education and Human Resources Committee chairs to invite you for a presentation to their committee.

120 REP HAYDEN: That may be the best strategy - for WYSE to present the specific benchmarks to each different committee for their review.

122 WYSE: That is what I am starting to do.

124 CHAIR BAUM: The issue is some initial reluctance that needs to be overcome. We need to set an example in this committee. We would like to be the lead committee in the process and enlist the cooperation of the other committee chairpersons.

172 CORTRIGHT: Presents summary sheet on lottery fund disbursement by counties (EXHIBIT C).

195 CHAIR BAUM adjourned the meeting at 10:55 a.m.

Submitted by,

Jeri Chase Office Manager

#### EXHIBIT SUMMARY

EXHIBIT A -Oregon Benchmarks, presented by Duncan Wyse, 31 pages

EXHIBIT B -Benchmarks slide show copies, presented by Duncan Wyse, 67 pages

EXHIBIT C - Lottery Expenditures by County, presented by Joe Cortright, 1 page