February 25,1991 Hearing Room 50 03:00 p.m. Tapes 20 - 21 MEMBERS PRESENT:SEN. GRATTAN KERANS, CHAIR SEN. LARRY HILL, VICE-CHAIR SEN. PETER BROCKMAN SEN. BOB KINTII rH SEN. BOB SHOEMAKER

STAFF PRESENT: ANNEITC TALBOTT, COMMITTEE COUNSEL ROBERTA WHITE, COMMITTEE ASSISTANT MEASURES CONSIDERED:OVERVIEW OF EMPLOYMENT DIVISION PAMELA MATTSON, ADMINISTRATOR (EXHIBIT A)

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. .

TAPE 20, SIDE A

001 CHAIR KERANS called the meeting to order at 3:15 p.m.

MOTION: CHAIR KERANS moves to introduce legislative drafts en bloc. (EXHIBIT A) VOTE: Hearing no objections, the motion carries. (Senators Shoemaker and Kintigh were absent.)

OVERVIEW OF THE EMPLOYMENT DIVISION

WITNESS: PAMELA MATTSON, ADMINISTRATOR, EMPLOYMENT DIVISION, DEPARTMENT OF HUMAN RESOURCES (EXHIBIT A) GARY POTTER, DEPUTY ADMINISTRATOR, EMPLOYMENT DIVISION, DEPARTMENT OF HUMAN RESOURCES

- 021 PAMELA MATTSON, ADMINISTRATOR, EMPLOYMENT DIVISION, DEPARTMENT OF HUMAN RESOURCES DEPARTMENT (EXHIBIT B) > Details Exhibit B.
- 151 CHAIR KERANS: How do you feel this democratization has worked in state government? Has it created administrative drag, or does it actually help to assist in picking up speed? Senate Committee on Labor February 25, 1991 Page 2

MATTSON: I think we are working smarter. I believe that the best ideas in an organization are not at the top, and a good example of that is in our automation endeavors that have really been based on the user. We asked the users what their needs and frustrations were with the present system, and from those discussions, we built the system that meets those needs. That has become a good model for other decisions that need to be made. 200 > Continues to detail Exhibit B.

403 CHAIR KERANS: What is your best estimate about the trigger for unemployment insurance?

MATTSON: At this point, we're projecting about 13 weeks we would remain with the trigger on. The only thing that would interrupt that is if the federal extended benefits would trigger on, and then Oregon benefits would trigger off. > Continues to detail Exhibit B.

TAPE 21, SIDE A

029 KINTIGH: Asks a question which refers to page 8 of Exhibit B. Does the 79% relate to the 85%, or is it 79% of the 85%, or is that out of 85 people, 79 are still there?

MATTSON: My interpretation of these numbers is that of the total number, 54,000 that we employed, 79% were still employed after a year. Not the 85%, but of the total 54,000. > Continues to detail Exhibit B.

042 SENATOR HILL: The Department of Energy has geographic information services agency which does data base mapping of various kinds of information. Are you providing information to them for incorporation into their data base at this time?

GARY POTTER, DEPUTY ADMINISTRATOR, EMPLOYMENT DIVISION, DEPARTMENT OF HUMAN RESOURCES: We have met with those people, and entered into several discussions with them about the use of that system, and traded information with them. We see a lot of potential for that. SENATOR HILL: Are you hooked up at this time? Can you feed data in? POTTER: We are not hooked up at this time, but we have exchanged some data with them. And, we are looking at the possibility of hooking up. We've actually had them come to our staff and give a presentation of the capabilities of the system. 069 MATTSON: > Continues to detail Exhibit B. 075 SENATOR HILL: Do you have this information broken out into family groups in your rmation broken out into family groups in your research? Do you have the ability to do it by family group? research? Do you have the ability to do it by family group? MATTSON: Are you referring to occupational families or biological families? SENATOR HILL: Biological families. Sen~te Committee on L~bor February 25, 1991 Page 3

082 MATTSON: We don't have the capacity from what we extract to find - we take social security numbers and names and addresses, and you could essentially make a hit on addresses, but we don't take information based upon families. There's not a need for eligibility to have that information or income information. We'll take that down and pursue that, because there may be a way we could get to that information.

CHAIR KERANS: I'm not sure we want to pursue it.

HILL: It was an idle question at this point, but could be useful in a variety of forms during the Legislative process to identify people receiving unemployment insurance benefits by family group. For instance, I don't know if the annual income figure is for an individual and I could double it for an assumed family or whether it's a family income and it would have had a great bearing on a variety of discussions.

098 MATTSON: I'm fairly comfortable with stating that these figures are individual. > Continues to detail Exhibit B.

SENATOR SHOEMAKER: What kind of earnings do you enjoy on the fund?

MATTSON: The trust fund is kept in Washington D.C. Our information is that we receive a 9% return on those investments. > Continues to detail Exhibit B.

145 SENATOR SHOEMAKER: Regarding the balance of the Unemployment Fund and the use to which it is put pending its primary use - could you give us some information about that, what kind of earnings do you enjoy on it, what kind of investments are made?

MATTSON: The fund is a trust fund kept in Oregon's name in Washington, D.C. We collect those dollars in Oregon and send those premium dollars to Washington, D.C., where they're invested. Our information back is that we enjoy an 8-1/2% to 9% return on those investments. > Continues

to detail Exhibit B.

413 SENATOR BROCKMAN: Can you explain why the JTPA is being transferred from the Oregon Economic Development Commission to the Employment Division?

MATTSON: The rationale is multi-fold. The reasons involve refocus of divisions within state government. Governor Roberts sees the focus of the Economic Development Division more directly related to job creation than training programs and program delivery service that way, and she expects a higher profile from the Employment Division on the work force development issues. We are assuming the administrative responsibilities in the senate bill. That does not interrupt the service delivery system that's a pretty successful model in terms of private and public partnerships, and the move does not interrupt that delivery system. The two keys will be maintaining a good relationship with our federal partners surrounding these programs, and secondly that we have good lines of communication with the service delivery area directors. At the present time, that group has formed an association and hired a lobbyist to learn what would be happening in their programs. That's called the OPICA organization which we heard last night is supportive of Senate Bill 465. That's the Oregon Private Industry Council Association.

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TAPE 20, SIDE B

O19 CHAIR KERANS: We've asked Marilynne Keyser, who is the Education and Employment Work Force Development Coordinator, from the Governor's Office to come and give us the administration's work force initiative's overview next week, so that will overlay part of what we have heard here today. So we will have an idea of the rationale for the reordering of the State's delivery systems for Job Development Training and Placement across the board.

054 MATTSON: > Continues to detail Exhibit B.

242 The meeting was adjourned at 4:37 p.m.

Submitted by: Reviewed by: Roberta White Annette Talbott

Assistant Committee Counsel

EXHIBIT LOG:

A - Memo Introducing Legislative Council Drafts - Staff- 1 page B - Testimony on Overview of Employment Division - Pamela Mattson - 21 pages

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