

Senate T&E Committee  
January 18, 1991  
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SENATE LEGISLATIVE COMMITTEE  
ON TRADE AND ECONOMIC DEVELOPMENT

January 18, 1991Hearing Room 343  
3:00 A.M.State Capitol  
Salem, OR

Tapes 3 - 4  
Informational Meeting  
199 1 Economic Development Issues

MEMBERS PRESENT:           SEN. WAYNE FAWBUSH, CHAIR  
                                  SEN. JEANNETTE HAMBY  
                                  SEN. JIM HILL  
                                  SEN. PEG JOLIN  
                                  SEN. EUGENE TIMMS

MEMBERS EXCUSED:SEN. BILL BRADBURY

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

WITNESSES:

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 3, SIDE A

000 CHAIR FAWBUSH: Convenes meeting at 3:15 p.m.

199 1 Economic Development Issues - Staff Presentation

005 JOSEPH CORTRIGHT: Begins presentation of 1991 Economic Development Issues (EXHIBIT A).

065 CORTRIGHT: Begins presentation of economic charts/graphs (EXHIBIT B).

242 SEN. JOLIN: One thing that needs to be considered is there are people who are over-educated and cannot find employment.

271 CORTRIGHT: Continues presentation of EXHIBIT B. The Two Oregons: Comparing Economic Conditions Between Rural and Urban Oregon (EXHIBIT C) was also distributed for member information.

405 CORTRIGHT: Continues presentation of EXHIBIT A "Oregon's Economic Strategy".

470 CORTRIGHT: Begins presentation of a memo regarding lottery sales (EXHIBIT D).

TAPE 4, SIDE A

030 CORTRIGHT: Continues presentation of EXHIBIT D.

050 CORTRIGHT: Begins presentation of a memo regarding the Governor's Proposed 1991-93 Budget (EXHIBIT E).

127 SEN. JOLIN: The Governor's recommended budget does not contain any recommendations that resulted from the legislative package developed by the Joint Interim Committee on Forest Products Policy.

140 CHAIR FAWBUSH: What was the total requested amount for the package developed by the Forest Products Policy Committee?

142 CORTRIGHT: The amounts in the bills were left blank, but the Committee was talking about a range of \$5 - \$6 million for the secondary products portion and a much larger amount for the dislocated worker section, which may involve requested federal relief.

148 CORTRIGHT: Continues presentation of EXHIBIT E.

189 CORTRIGHT: Continues presentation of EXHIBIT A (Four-Part Framework Section).

190 CHAIR FAWBUSH: This framework had been worked on by EDD and staff, and is an attempt to look at how we focus on areas in economic development.

210 CORTRIGHT: Continues presentation of EXHIBIT A (Four-Part Framework Section).

230 CORTRIGHT: Continues presentation of EXHIBIT A (Regional/Community Development).

249 CORTRIGHT: Continues presentation of EXHIBIT A (Industry Strategies).

280 SEN. TIMMS: It looks like touriSMis being removed from Regional Strategies and treated as an industry.

289 CHAIR FAWBUSH: We are trying to logically rearrange these items. TouriSMis an industry and should be treated that way.

300 Discussion continues regarding tourism.

390 CORTRIGHT: Continues presentation of EXHIBIT A (Business Assistance).

445 MILLER: Continues presentation of EXHIBIT A (Workforce Development).

TAPE 3, SIDE B

030 MILLER continues presentation of EXHIBIT A (Workforce Development).

053 SEN. JOLIN: I would be interested in hearing more about the California Employment Training Panel's program; my initial reaction is skeptical, but I would like to find out more.

058 CHAIR FAWBUSH: The industry has taxed itself, it actually runs the program, has the majority vote, and run the board; they determine the training. What they are really focusing on now, after beginning with retraining, to training for global competitiveness. It is industry-driven; they are taxed and get the benefits. It is tagged to the unemployment tax as a method of collection only. The private, non-profit council that runs it is dominated by the industry. It is not state-run.

077 MILLER: The focus has switched now to training those people who have been unemployed for an extended period of time.

078 CHAIR FAWBUSH: Because they need people in the workforce. It is fairly flexible, but determined by the industry. This may have some merit.

085 SEN. HAMBY: I was impressed with the presentation I heard at the November presentation; I do have some question about the size of their staff. Oregon also has the opportunity to be one of three test states in a national program to promote an individual development account. This would allow any Oregonian to set aside money, tax free, for various purposes - training, home purchase, etc. The question is how to empower the poor to take control of their lives in the same way. This is an exciting concept. This biennium we may not be able to do this because of Measure 5.

116 SEN. TIMMS: The T&E Committee has always maintained there would not be overhead created. We should review that this session. This happened in the funds that were allocated to minerals.

142 CHAIR FAWBUSH: Everything we do is potentially ongoing.

146 SEN. TIMMS: We should do one-shot projects without overhead.

154 CORTRIGHT: We can try to identify those programs. With the minerals project, they planned on receiving the allotted amount of lottery funds and made contractual commitments based on the allocation amount. When there was a shortfall, they had a problem. Other agencies have a longer pipeline and don't get themselves into situations where money has not been committed or even applied for until the funds are in hand. DOGAMI did not have the experience that other agencies had in a previous biennium when a shortfall occurred.

166 CHAIR FAWBUSH: Adjourns the meeting at 4:30 p.m.

Submitted by,

Jeri Chase  
Office Manager

EXHIBIT SUMMARY

EXHIBIT A -1991 Economic Development Issues, presented by Joe Cortright, 8 pages

EXHIBIT B - Economic charts/graphs, presented by Joe Cortright, 12 pages

EXHIBIT C -The Two Oregons: Comparing Economic Conditions Between Rural & Urban Oregon, submitted by Joe Cortright, 26 pages

EXHIBIT D -Memo regarding Lottery Sales, presented by Joe Cortright, 2 pages

EXHIBIT E - Memo regarding Governor's Proposed Allocation, presented by Joe Cortright, 6 pages