

Joint T&E Committee
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SENATE LEGISLATIVE COMMITTEE
ON TRADE AND ECONOMIC DEVELOPMENT

February 13, 1991Hearing Room 343
3:00 P.M.State Capitol
Salem, OR

Tapes 21 - 22
First Source Agreement
Economic Development Department Statutes Consolidation
Rural Development in the United Kingdom
Old World, New Ideas

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

MEMBERS EXCUSED:

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

HOLLY BROWN, COMMITTEE ASSISTANT

WITNESSES: DAVID LOHMAN, SENIOR DEPUTY DIRECTOR, ECONOMIC
DEVELOPMENT DEPARTMENT

FIONA LARG, GERMAN MARSHALL FELLOW FROM SCOTLAND

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 21, SIDE A

000 ACTING CHAIR HILL convenes the meeting at 3:12 p.m.

SB 167 (First Source Hiring) - Work Session

006 MILLER: Presents Draft amendments -1 to SB 167 (EXHIBIT A).

018 MOTION: SEN. JOLIN moves to adopt the -1 amendments to SB 167, dated 2/6/91.

VOTE: Being no objection, the -1 amendment to SB 167, dated 2/6/91, are adopted.

020 MOTION: ACTING CHAIR HILL, moves SB 164, as amended by the -1

amendments, to the
floor with a Do Pass recommendation.

028 SEN. JOLIN: We have not deleted low income correct?

029 MILLER: That is correct.

VOTE: By roll call vote (5-0), as amended by the -1 amendments, was moved to the floor.

Voting AYE: SENATORS DUFF, HAMBY, HILL, JOLIN, and TIMMS. EXCUSED:
SENATOR FAWBUSH.

SB 168 (Consolidation of EDD Statues) - Public Hearing and Work Session

035 MILLER: Presents Staff Measure Summary on SB 168 (EXHIBIT B).

042 DAVID LOHMAN: There is a deletion in a portion of the existing statute referring to one stop permits. This current statute is unworkable and that is why we recommend that it be deleted.

078 SEN. JOLIN: Please tell us what you propose to affect.

080 LOHMAN: The process set forth here is more difficult than going to each agency for a permit. There is no one agency that understands the regulations of the other agency well enough to actually consolidate the permitting process.

097 MILLER: What is the extent of your responsibility in assisting the businesses that call you under the current statute?

100 LOHMAN: We are required to be the source of the applications. We must provide more than just information.

116 MILLER: Is it possible to restructure that language so that at a minimum you can provide directional assistance to companies that call you and need help with the permit process?

124 LOHMAN: Yes.

150 SEN. TIMMS: You want to take out 284.822 to 284.880 because you are not providing that function?

154 LOHMAN: That is correct .

160 SEN. HAMBY: Is it important for the committee to know what was repealed in 284.135?

164 LOHMAN: That is just a wording change.

178 SEN. HILL: What do you want to delete?

180 LOHMAN: In SB 168, nothing.

188 CHAIR FAWBUSH: This eliminates ORS 284.820.

223 MOTION: SEN. HAMBY moves SB 168 to the floor with a Do Pass recommendation.

VOTE: By roll call vote (6-0), SB 168, passes to the floor with a Do Pass recommendation.

Rural development in the United Kingdom

280 FIONA LARG: I am looking at programs which link economic development with employment training and areas where private and public partnerships have been forged. The organization is focusing on economic development and social development. Half our budget goes to businesses starting up or expanding. We provide business advice, technical assistance, and marketing assistance. The rest of our budget is dedicated to research projects.

341 SEN. JOLIN: What would be the top paying job in your operation?

352 LARG: 90,000 dollars.

400 CHAIR FAWBUSH: Are you the principle source of funds for tourism advertising in that area of Scotland?

403 LARG: We are the sole body responsible for marketing the Highlands.

TAPE 22, SIDE A

075 SEN. JOLIN: What is your education system like?

086 LARG: It is similar to yours. To go on to higher education you need thirteen years of education. We do try to focus those not going on to higher education on a youth center that will help train them for work. We see the German and Scandinavian educational systems as superior to our own.

162 SEN. HAMBY: Could you speak to the comments on social development?

168 LARG: We try to retain village services and culture of the area and promote the arts within the area.

193 SEN. TIMMS: What is your responsibility to health care?

197 LARG: The nation takes care of it.

200 CHAIR FAWBUSH: How do you allocate your funds?

206 LARG: The bulk of the budget goes into direct financial assistance to communities. Need is the greatest factor in deciding who needs assistance.

229 SEN. HILL: What made you decide depopulation was a bad thing?

242 LARG: We are required to try and make the area play a greater part in the total prosperity of the nation.

298 SEN. TIMMS: How many people do you have per square mile in you country?

300 LARG: On average 24 however, it is considerably lower than the average in some parts.

310 CHAIR FAWBUSH: What is the main impediment for establishing economic development in the Highland?

318 LARG: Poor transportation and communications systems and their expense.

330 SEN. HAMBY: Is there anything to instigate your investigating of unique opportunities to use your fertile land?

349 LARG: Agriculture has advanced quick a lot but there is still a long way to go.

360 SEN. HAMBY: You have a fairly productive isolated land mass?

378 LARG: Yes, but less productive then the rest of the UK.

392 SEN. DUFF: What criteria do you use to measure success?

394 LARG: We have very crude measures of success such as cost per job and leverage from the private sector. We are now looking at more qualitative measures and it is still not easy to relate the programs.

428 SEN. DUFF: Does this mean you are going to work with communities in different areas to integrate your strategic planning?

436 LARG: I think to be successful we will have to develop more partnerships both with other public organizations and with the private organizations.

450 SEN. DUFF: What sort of leadership development do you do in rural areas?

TAPE 21, SIDE B

020 LARG: This is a new idea that I have come across in the states and I hope to try and carry it back to the highlands with me.

033 SEN. TIMMS: What is your number one agricultural product?

035 LARG: Beef.

045 SEN. DUFF: Are you investing in the genetic improvement of salmon?

50 LARG: I am not to familiar with that area.

058 SEN. DUFF: Do you have a research station that works directly with salmon?

60 LARG: Yes, but not in our area.

065 CHAIR FAWBUSH: What have you seen in the states that you may or may not want to take back to Scotland with you?

070 LARG: I am impressed by the leadership programs which produce leaders from the local areas. The pure lending program which loans money to small businesses which I found very interesting. In Maine there were some interesting programs dealing with women in business and self employment. Also in Mine they had an economic development department revolving loan fund but they tied the money to job creation and one half of the jobs had to go to low income people. They also had to show progression within the company and that they were paying family wages.

130 JOE CORTRIGHT: Presents National Wood Industries, Inc. math test (EXHIBIT C).

Old World, New Ideas

156 CORTRIGHT: Presents "Old World, New Ideas," (EXHIBIT D). A number of the themes in the Wood Products bills have originated from of programs that have been operating in some cases in Europe for a number of years. In Europe you have a much larger role of government in the economy than you have here. Market based policies have become much more popular in the last few years.

260 CORTRIGHT: Continues presentation of EXHIBIT D.

360 SEN. DUFF: If I have a process here which can produce something of better quality for less price can someone import it into say Italy?

364 SEN. HAMBY: No.

368 CORTRIGHT: The clothing industry is the best example of flexible industry in Europe when they were threatened by the Asian clothing market they improved the quality of their garments and got into the competition again.

415 CHAIR FAWBUSH: They have gotten into the specialty market.

426 CORTRIGHT: Benneton is a good example of a marketing network that contracts the manufacturing of clothes to hundreds of small industries all over, mostly Italy.

TAPE 22, SIDE B

046 CORTRIGHT: Continues presentation of EXHIBIT D.

063 CHAIR FAWBUSH: We didn't find a lot of state of the art technology. We did find a lot of existing good technology well applied.

070 CORTRIGHT: Continues presentation of EXHIBIT D.

100 CORTRIGHT: Concludes presentation of EXHIBIT D.

105 CHAIR FAWBUSH adjourned the meeting at 4:46 pm.

Submitted by,

Jeri Chase
Office Manager

EXHIBIT SUMMARY

EXHIBIT A - Proposed -1 amendments to Senate Bill 167, submitted by Tami Miller, pgs. 1.

EXHIBIT B - Staff Measure Summary on SB 168, submitted by Tami Miller, pgs. 1.

EXHIBIT C - National Wood Industries, Inc. math test, submitted by Joe Cortright, pgs. 4.

EXHIBIT D - "Old World, New Ideas," submitted by Joe Cortright, pgs. 35.