

SB 364 - WKS

SENATE LEGISLATIVE COMMITTEE
ON TRADE AND ECONOMIC DEVELOPMENT

April 12, 1991 Hearing Room 343
3:00 P.M. State Capitol
 Salem, OR

Tapes 74

Forest Industry Products

MEMBERS PRESENT: SEN. WAYNE FAV BUSH, CHAIR

SEN. SCOTT DUFF

SEN. JEANNETTE HAMBY

SEN. PEG JOLIN

SEN. EUGENE TIMMS

MEMBERS EXCUSED: SEN. JIM HILL

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER

TAMIRA MILLER, POLICY ANALYST

JERI CHASE, OFFICE MANAGER

HOLLY BROWN, COMMITTEE ASSISTANT

WITNESSES: GEORGE WYATT, DEPUTY DIRECTOR, ECONOMIC
DEVELOPMENT DEPARTMENT

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 74, SIDE
A

000 CHAIR FAWBUSH convenes the meeting at 3:15 p.m.

SB 364 - Work
Session

010 CORTRIGHT: Presents -2 amendments to SB 364 (EXHIBIT A).

074 CORTRIGHT: We need to fill in the blank on page 9, line 11 that would be an absolute limitation on the maximum number of employees that a firm could have to participate in the voucher program.

079 MOTION: SEN. TIMMS moves to delete "has fewer than employees" from page 9, line

11 of the -2 amendments to SB 364.

VOTE: Being no objection the above amendment is passed.

083 CORTRIGHT: Continues EXHIBIT A.

107 CHAIR FAWBUSH: I really think there should be some review at least in the first two years. We
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could say something like such contracts for 91-93 to be approved by the director of the department. The purpose is to get the corporation to think before they spend.

123 CHAIR FAWBUSH: We are talking about on going contracts for implementing stuff and we are trying

to keep at arms length from the commission.

132 GEORGE WYATT: To have the Director of the Economic Development Department do it leaves a lack of clarity since it is uncertain to what extent and for what period of time the department would have any responsibility or involvement in working with this corporation.

136 CHAIR FAWBUSH: Why would it be uncertain it would be for 2 years and that is it. After that I

guess there might be some lingering responsibility for the contracts you approve.

140 WYATT: The way I understand the discussion is that the corporation would work with the department

to start up but they have the choice of changing who they contract with to do that work at any point and

time. This could mean that day one the department is out of that role and then we would not have any

direct involvement in either the projects or any other aspect of what the corporation is doing so it would

be very inappropriate for us to have a sign off authority for contracts.

148 CHAIR FAWBUSH: The Executive Department has a contract review function that they do all the

time anyway why don't we add that to their review requirements.

154 SEN. DUFF: The Executive Department does not review contracts under a certain dollar amount,

would it be useful to put a dollar limit in here?

160 CORTRIGHT: You have already limited this functionally to just financing research and development

and the voucher program. So you have probably narrowed the scope of it substantially and they are

directly authorized to carry on the bulk of their functions. In all likelihood this wouldn't be a lot of

contracts.

165 MOTION: The CHAIR moves on line 10, to delete "Economic Development" and insert

"Executive"

VOTE: Being no objection the above amendment is adopted.

169 CHAIR FAWBUSH: I suggest 20% fill in the blank on page 11 (EXHIBIT A).

182 SEN. TIMMS: Are we limiting them as to where they put the 4.5 million?

190 CHAIR FAWBUSH: No we are just saying they can't use so much of this fund until we know what

their long term plan is.

197 MOTION: The CHAIR moves to fill the blank on page 11, line 15 of the -2 amendments vnth

"20%".

VOTE: Being no objection the above amendment is adopted.

199 CORTRIGHT: You may what to delete section 17 if you are sending this bill to the floor as a cross

over because that is the lottery fund appropriation.

201 MOTION: The CHAIR moves to delete Section 17 of the -2 amendments. Senate T&E Committee April 12, 1991 Page 3

VOTE: Being no objections the above amendment is adopted.

209 CORTRIGHT: Section 18 deals with the review panel and this was recommended by the interim

committee. You could eliminate it or plug in some dates for it to be in existence.

216 SEN. TIMMS: Why do we have to wait until July 1 1997 when we are going to review in 1993 what

they have done? Why can't we release them before that to be a private corporation?

233 CORTRIGHT: Section 19 is a sunset. They may well spin off other organizations, the corporation

would cease to exist as a result of that. Now it may be that a lot of its functions would be transferred

to those independent organizations.

242 CHAIR FAWBUSH: I think this will be a one shot funding program. I would tend to move it up

2

years so that we would have to review it during the 1995 Icgislative session rather than set up an

independent panel.
253 SEN. TIMMS: I would like to move it up to 1993.
262 MOTION: The CHAIR moves to eliminate Section 18 and in Section 19 change
"1997" to
"1993".
VOTE: Being no objection the above amendment is adopted.
266 CORTRIGHT: On page 3, line 8 there is a deadline for the corporation to
adopt the permanent
process for selecting members for the corporation. It should be less than a
year because their
terms
will run out in 1 year.
274 . MOTION: The CHAIR moves to fill the blank on line 8, page 2 of the -2
amendments
with
January 1, 1992.
VOTE: Being no objection the above amendment is adopted.
278 MOTION: The CHAIR moves on page 5, line C to delete the word
"manufacturing"
VOTE: Being no objection the above amendment is adopted.
282 MOTION: The CHAIR moves on page 5, line 6 to delete
"manufacturing".
VOTE: Being no objection the above amendment is adopted.
287 CORTRIGHT: On page 6, line 28 is a maximum amount per grant for network
feasibility
grants.
299 MOTION: The CHAIR moves to fill in the blank on page 6, line 28 with
\$10,000.
VOTE: Being no objection the above amendment is adopted.
311 CORTRIGHT: On line 26, page 10 there is a provision that provides for
bonus for the
redemption of more than one voucher. You might want to say "increase the
amount of the voucher by
an amount determined by the corporation reasonably calculated to provide
incentives for cooperation
among firms
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327 MOTION: SEN. DUFF moves on page 10, line 26 to Insert language as
follows, "increase the
amount of the voucher by an amount determined by the corporation reasonably
calculated to
provide incentives for cooperation among firms".
VOTE: Being no objection the above amendment is adopted.
331 MOTION: The CHAIR moves the -2 amendments, as amended, to SB 364.
VOTE: Being no objections the amended -2 amendments are adopted.
336 MOTION: The CHAIR moves SB 364, as amended by the -2 amendments, to the
floor with
a Do Pass recommendation, rescinding Ways and Means.
VOTE: By roll call vote (4 0) SB 364 passes to the floor with a Do Pass
recommendation,
rescinding Ways and Means. Voting AYE SENATORS DUFF, JOLIN, TIMMS and
FAWBUSH. EXCUSED: SENATORS HILL and HAMBY.
361 GEORGE WYATT: The department has some anxiety about how this new
organizational structure
will get off the ground. We are willing to work with you on that.
403 CHAIR FAWBUSH adjourns the meeting at 3:45 pm.

Submitted by,

Jeri Chase
Office Manager
Senate T&E Committee
April 12, 1991

EXHIBIT SUMMARY

EXHIBIT A - -2 amendments to SB 364, submitted by Joe Cortright, pgs. 12.