

SENATE LEGISLATIVE COMMITTEE  
ON TRADE AND ECONOMIC DEVELOPMENT

April 15, 1991                      Hearing Room 137  
3:00 P.M.                              State Capitol  
Salem, OR

Tapes 75 - 76

Rural Revitalization and Leadership Development Act

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

MEMBERS EXCUSED: SEN. PEG JOLIN

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFE; ICER  
TAMIRA MILLER, POLICY ANALYST  
JERI CHASE, OFFICE MANAGER  
HOLLY BROWN, COMMITTEE ASSISTANT

WITNESSES: LYNN YOUNGBAR, LEGISLATIVE LIAISON, 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 75, SIDE  
A

000 CHAIR FAWBUSH convenes the meeting at 3:30 p.m.

SB 713 (Rural Revitalization and Leadership Development Act) - Public  
Hearing

021 TAMI MILLER: Presents Staff Measure Summary on SB 713 (EXHIBIT A).

066 CHAIR FAWBUSH: We are not tying things together and we want to change that. This institute would be a focal point for doing that.

084 MILLER: Continues with EXHIBIT A.

098 SEN. HAMBY: Why would Bend be considered a rural area?

100 MILLER: I took this definition of out of what the committee has used as rural but this can be amended to suit whatever concerns you may have.

108 CHAIR FAWBUSH: I don't think Bend would fall under this either. There is a question on what you Senate T&E Committee

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do for some of the urban areas that are static and need help. Nothing directly this time but I think we should focus on that in the future. We want to provide a set of resources in areas where none exist right now.

144 SEN. HAMBY: I think we need to look at the definition when we speak to the need for revitalization, limited resources, and distressed ueas.

156 SEN. HILL: We are not basing this on economic need but the issue is that there are not people to step

forward and take the place of former leaders in rural communities. I thought this had to be on the basis

of population not economic need.

192 CHAIR FAWBUSH: The emphasis should be on the small, isolated, depressed communities

196 SEN. HILL: Then the list is going to change because the status of communities changes in that regard.

213 MILLER: Economic distress does play a factor. The communities are selected on whether or not they

are distressed or not. Size also plays a part.

235 SEN. HILL: I just am questioning the criteria.. You need leadership whether an area is depressed or

not.

258 SEN. DUFF: I met with a group in the community initiatives program and they were from small

communities now with the timber crisis the people will be from economically depressed areas.

269 SEN. HAMBY: I think we could just add language that defines rural community as a distressed

community located in a rural area and needing revitalization.

274 CHAIR FAWBUSH: Are we looking at size, distress and rural nature?

278 SEN. DUPP: I think we can take out distress. Because if an area is in need of leadership it shouldn't

matter if they are distressed or not.

288 CHAIR FAWBUSH: If we used size and rural nature is that different then what EDD does today?

297 LYNN YOUNGBAR: We do make some judgements about size but I don't think you want to be to

specific about certain communities because the interaction of the need for revitalization is a function of size. I think we might be taking care of this potential problem in

Section 4 subsection 2b where we

are adding some language that says how we select communities. I think we want to be flexible about

who we say is eligible.

323 CHAIR FAWBUSH: I just want the small communities to be fuss.

332 SEN. TIMMS: How are you going to help small communities, like Baker, along the road to survive

even though they seem to be doing a pretty good job right now.

346 YOUNGBAR: Right now we would do nothing for Baker because they are doing great. If their

economy starts to change then we would help them.

360 SEN. TIMMS: What about a place like Burns which is remote and depressed and has developed its

own group to try and improve?

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369 YOUNGBAR: The Pride group is the one we are working with and they had someone help them get organized.

395 SEN. TIMMS: I can see some need for leadership training. But I have a lot of local communities that do very well. The systems have improved dramatically in my district. What would \$2.5 million do to improve the communities that are doing well already? I am nervous about seeing these places that have done it on their own and now we are going to start helping and I wonder how.

TAPE 76, SIDE A

030 SEN. TIMMS: It seems that there might be some duplication with regional

strategies.

038 CHAIR FAWBUSH: This is not a required participation. One of the biggest problems we have is a proliferation of attempts to help areas, if you really want to consolidate that then you need this kind of vehicle. The intent is to eliminate duplication of services for small rural communities.

077 SEN. TIMMS: The main point to me is the leadership development and I see the advantages in that area.

079 CHAIR FAWBUSH: The leadership needs to be more than a one shot deal, we need an ongoing program.

092 SEN. DUFFP: This is going to be important for communities that have to suddenly change their economic foundation.

103 CHAIR FAWBUSH: We need to get the federal government and foundation support.

113 SEN. DUPP: This is only \$700,000 new money because we are already spending \$1.2 million on this type of activity.

124 SEN. TIMMS: What areas are small communities losing out on now as far as accessing money?

132 YOUNGBAR: There is federal money that they are missing out on. There are resources out there but accessing is missing.

164 SEN. TIMMS: Could you help with the environmental access?

170 YOUNGBAR: Ycs. The issue is how do you cope with the issues you have at the local level.

178 CHAIR FAWBUSH: This intends to give the local level the ability to decide how they want to cope with those issues.

188 MILLER: Continues EXHIBIT A.

207 CHAIR FAWBUSH: If we allocate funds to this the department would be responsible for setting up

the Rural Institute.

210 SEN. HAMBY: Why don't we say in the bill that the Economic Development Department is

responsible for this set up?

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213 MILLER: The reason this wasn't drafted in the bill was because when we drafted it we weren't sure

who was going to start it but also a problem is that the Institute doesn't exist yet so I was nervous about

writing into statute a direction to the department to contract with something that doesn't exist.

225 CHAIR FAWBUSH: I think if our intentions are clear that we want this to be a private non profit that

acts independently following these criteria I think we can figure out a way to say that.

234 SEN. HAMBY: What are you doing today through community initiatives differs from the Rural Institute?

239 YOUNGBAR: The only real difference is that we add a leadership program. We are going to take the

community initiatives program and the money will go through the department into this Rural Institute.

248 CHAIR FAWBUSH: The added advantage is that we are bringing the private side.

270 MILLER: Continues EXHIBIT A.

293 CHAIR FAWBUSH: We asked Lynn to develop what a budget might look like.

It would be my understanding that the final decisions on allocation of dollars would be left up to the corporation that would be established.

313 YOUNGBAR: Submits Summary Rural Institute Draft Budget (EXHIBIT B).

333 SEN. HAMBY: What is the current expenditure for this biennium?

340 YOUNGBAR: This biennium the community initiatives program has \$1,223,500

without the leadership development program. That does include \$225,000 for a special grant program.

406 YOUNGBAR: Presents EXHIBIT B.

TAPE 75, SIDE B

011 YOUNGBAR: Continues EXHIBIT B.

067 SEN. HAMBY: I would like staff to critique what their expenditure of dollars is.

081 SEN. TIMMS: Technical assistance grants could relate to housing and day care.

094 YOUNGBAR: It could go for any of those things it depends on where their economic development

strategy is going to take them and what they need to get there.

097 CHAIR FAWBUSH: What was the administration costs for community initiative?

099 YOUNGBAR: I think it was around \$400,000 for 2 years. There is myself, an administrative assistant

and one other professional employee.

124 SEN. HILL: When you mention leadership training I would hope you would look at the effectiveness

of the leadership program.

144 CHAIR FAWBUSH: I agree with you. I think they should put out a contract to see what leadership

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training groups are the most affective.

177 SEN. HILL: We are talking about \$10,000 per person here that needs to be cut down.

180 CHAIR FAWBUSH: We are not locked into this budget, it is just a suggestion.

189 SEN. TIMMS: Have you set up parameters of the people that would be trained in the rural communities? What would they be required to know or have? They need to have a stake in the

community so that they stay.

202 CHAIR FAWBUSH: I think it is clear that we don't want the cadillac program but we want to have

enough depth so that we do some people some good. We don't want to concentrate that much money

on an individuals but we want enough flexibility so that a corporation can look to see what is needed

and provide that.

234 SEN. HAMBY: How did you come up with these numbers?

235 YOUNGBAR: The training costs are \$1,500 per day and there is 120 training days. Development in

a community near an urban area is very different then in the rural area. This means we have to look

far and wide to find some leadership program models. We have to tailor it to the needs of the

people

we are training. I figured out the cost to bring in top flight trainers then I added some materials development and then I figured in some for the cost of travel and hotel and I included some staff time.

269 SEN. HAMBY: What would you normally pay a trainer?

274 YOUNGBAR: Some of those people are in state some are not. I was thinking about a man in

Nebraska who does facilitation and mediation and that would cost.

285 SEN. HAMBY: We don't need to go to Nebraska.

290 SEN. TIMMS: The point is that in the rural areas they get very little information. They are poorly

educated on business. They don't have the amenities you have in HillSB oro.

323 YOUNGBAR: This is just a draft budget we haven't decided who will run the program`.

333 SEN. HILL: We need some idea of what effective leadership costs are and then decide.

342 SEN. TIMMS: Are you going into an area and training one person or a group of people?

350 YOUNGBAR: We haven't decided that yet.

352 SEN. TIMMS: I think you should create a program and get many people involved.

400 SEN HILL: We are talking about giving a large number of people a foundation of understanding about

these programs. You could have a range of training as well for younger people in school.

TAPE 76, SIDE B

022 SEN. TIMMS: If someone puts up money then they are more interested in learning. You might want to run a matching program.

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048 MILLER. Submits -1 amendments on SB 713 (EXHIBIT C). Presents Amendments to SB 713

113 MILLER: Concludes EXHIBIT D.

115 SEN. HILL The bill states that "this effort should be aimed toward residence of communities with significant minority population" that does not necessarily mean they will hire minority people, we need to change that.

150 CHAIR FAWBUSH adjourns the meeting at 5:08 pm.

Submitted by,  
Jeri Chase  
Office Manager  
Senate T&E Committee  
April 15, 1991  
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EXHIBIT SUMMARY

EXHIBIT A - Staff Measure Summary on SB 713, submitted by Tami Miller, pgs. 2.

EXHIBIT B - Summary Rural Institute Draft Budget, submitted by Lynn Youngbar, pgs. 1.

EXHIBIT C - -1 amendments on SB 713, submitted by Tami Miller, pgs. 2.

EXHIBIT D - Amendments to SB 713.

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