## **PRODUCT HIGHLIGHTS**

January 1987 -- January 1991

#### THE ECONOMY

- o In 1987 and 1988 nearly 100,000 new jobs were created.
- Oregon had the nation's **third fastest growing job market** in 1988 and the fourth fastest in the first half of 1989.
- o Unemployment has dropped from 8.5 percent in 1986 to 5.4 percent in 1990, the lowest in 20 years.
- o Since July 1987, \$800 million in new completed or announced investments had been made in Oregon.
- o Oregon personal income is also increasing. It rose 10.5 percent (adjusted for inflation) between 1986 and 1989.
- o The Regional Strategies Program started by Gov. Goldschmidt in 1987, ensures lottery dollars are focused on regional economic strengths and priorities instead of being spent haphazardly. Every county now has an approved strategy.
- o New trade offices have been opened in Seoul and Taipei.
- o Highest tourism numbers since the state began monitoring them. The state Tourism Division budget has been doubled and more than \$19 million in additional tourism related projects were funded as a part of the Regional Strategies Program.
  - Inquiries to the Tourism Division were up 101% in 1988 and another 144% in 1989.
  - Oregon awarded 1989 "Best State Campaign" award from the Travel Industry of America.
- o Successful recruitment/business expansion efforts increasing. For example, successful efforts involving the Governor include ITT Financial, Bayliner (Roseburg), Trus Joist Expansion (Stayton), Kyotaru America (Salem) Stanley Tool (Oregon City), Cascade Steel expansion (McMinnville), Alcan Aluminum Corp (Roseburg), Norpac Foods (Hermiston), Fujitsu Microelectronics (Gresham).
- o 1987 revisions to the corporate code now make Oregon one of the most attractive states in the country in which to incorporate.
- o 1987 Trade Mission to Japan, South Korea and Taiwan largest ever. Generated more than \$18 million in sales for Oregon firms.
- o State intervened with the ICC in Rio Grande purchase of the Southern Pacific and helped ensure expanded markets and improved service for Oregon shippers.

- o Access Oregon Highways, begun by Gov. Goldschmidt in 1987, will mean significant improvements in key roadway corridors across the state. Examples: Coos Bay to I-5 (Hwy 42) will be significantly improved to allow 55 MPH traffic all the way by 1996. Hwy 97, Klamath Fall through Bend to The Dalles, will be significantly improved by 1994.
- o Agricultural Marketing efforts dramatically expanded.
  - JAS Mark. In 1987 Oregon became the only entity outside Japan allowed to issue this Japanese mark of quality.
  - Bloomingdales and Neimen Marcus held special promotions showcasing Oregon products.
- o The June 1989 "Timber Summit" called by Senator Hatfield, Governor Goldschmidt and Representative Les AuCoin set the stage for a short term solution to the timber supply/spotted owl controversy passed by Congress in October 1989.
- o More Responsive Economic Development Department. Field operations now at the top of the organization. State support for Small Business Development Centers was doubled and a Small Business Advocate position created.
- Port of Portland having record years. New director and commission are making a positive difference.
  - The airport is expanding faster than all other West Coast airports.
  - Real estate sales and leases are occurring at a record pace.
  - Container volumes are growing faster than Seattle and Tacoma and at a record pace for the first half of 1989.
  - The Governor was involved in successful marketing efforts, including Hyundai car import deal, expansion of Delta and Lufthansa international flights, and the Arco module construction project.

### CRIME AND CORRECTIONS

- o For more than a decade Oregon neglected its prison system. Only 780 beds were added between 1975 and 1987, while the number of prisoners went up by almost 2000. The result: Oregon lost the power to punish.
- o Since January of 1987, Gov. Goldschmidt has begun the largest prison expansion program in the state's history. 2500 to 3000 beds will be added by the end of July 1991, more than a 40% increase in prison capacity since January 1987. Much of the construction is funded by lottery revenues.
  - 792 medium security beds <u>completed</u> at Eastern Oregon Correctional Institution.
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- 110 bed parole violators prison opened in North Bend.
- 400 minimum security beds <u>completed</u> at the new Columbia River Correctional Institution in Portland.
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- 200 bed intake center to be built onto the Clackamas County Jail.
- 195 Maximum security beds to be built at the Oregon State Penitentiary.
- 176 medium security beds to be added to EOCI.
- 200 minimum security beds at the Air Guard Center in Hauser.
- o Significantly expanded efforts to fight drugs and gangs.
  - Expanded MacLaren School to provide more space for confining and treating juvenile gang members.
  - The parole matrix was revised to increase prison sentences for drug crimes.
  - Created the multi-jurisdictional **Youth Gang Strike Force** and funded a special prosecutor to continue coordinated prosecution of gang-related crimes.
  - State Police were used on Tri-Met buses & light rail to maintain public safety, while transit officials worked out a plan to allow local law enforcement to take over the responsibility.
  - National Guard troops were used during the summer of 1989 in a support capacity to the Portland Police Bureau in their fight against drugs and gangs.
  - Additional close supervision bed space is being provided for gang-involved youths in the community.
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- The state's first sentencing guidelines were approved to ensure that the state uses scarce, expensive prison space in the most efficient way to best protect the public. Under the guidelines, sentences will be uniform across the state. Every criminal will now do the time for which they are sentenced, rather than being released early to make room for others.
- o Strategic Corrections Plan produced to guide the system into the 1990s.

### **CHILDREN'S AGENDA**

- o Children's Agenda Tour. The Governor visited every county in the state during his Children's Agenda tour to listen to local concerns and ideas.
- o As a result of his visits, local children's task forces were set-up in every county. These groups produced reports identifying gaps in services for children in their areas.
- o From the ideas and concerns expressed during the tour and the needs identified in the local reports, the Governor submitted to the 1989 Legislature a proposal to make the state an aggressive partner in building Oregon's Children's Agenda.
- o State government's contribution to Oregon's Children's Agenda included
  - Great Start, a \$5 million state grant program to complement and stimulate local and private efforts to help children up to six years of age get a great start on life.
  - \$500,000 in new funds for Runaway and Homeless Youth.
  - \$2.5 million in new funds to improve health care for children.
  - A doubling of the Head Start program.
  - A package of new laws aimed at prosecuting, treating and preventing child abuse.
  - \$2.5 million in new funds to help families. Services will include alcohol and drug abuse treatment, psychiatric treatment for young children who are abused and specialized foster care.
  - A 25% increase in the Children's Services Division to improve services for children and families.
  - Incentives to recruit more foster parents.
  - A package of new laws that fight juvenile drug and alcohol use, including:
    - A requirement that all schools must develop and implement policies to combat drug and alcohol use;
    - Increased fines for marijuana possession; and
    - The nation's toughest teenage drivers license law, which revokes a teenager's license for a single conviction of an alcohol or drug-related offense.

- o Student Retention Initiative. Created by Gov. Goldschmidt in 1987, it has resulted in new and expanded programs in nearly every county in the state. More than 3000 "at risk" youth have been helped. The 1989 Legislature renewed funding for the program.
- o Oregon Youth Conservation Corp. Created by Gov. Goldschmidt in 1987, it has employed more than 450 youth in the first three summers using almost exclusively private funding sources. Over 120 projects that preserve and enhance natural resources have been conducted. The 1989 Legislature doubled the size of the program.
- As part of the state's Children's Agenda, the 1989 Legislature gave the Children's Services Division a 25 percent increase in funds to help children. In total, more than \$60 million was approved for new and expanded children's programs ranging from mental health and adult and family services to education and corrections.
- o Even with these new resources, it is clear that Oregon's Children's Agenda cannot be built by the state government alone. We must all become stewards of the child.
- Oregonians are heeding the call to build a Children's Agenda. New efforts to help children have begun in nearly every community in the state, in many cases initiated and supported by local citizens in partnership with state and local governments.

# A Few Examples:

**Deschutes County:** The Century Club -- 100 business identifying 100 youth who will spend 100 hours in a mentorship program.

Benton County: After-school clubs expanded from elementary to middle schools after the Governor's visit.

Lane County: An annual fund-raising event was established that generates substantial new private funds for preventing child and drug/alcohol abuse.

Classop County: An alcohol and drug-free teen dance is now held each month.

Multnomah County: Youth Resources Inc. created as a funding resource to assist youth and organizations serving youth. Already over \$1 million has been raised and contributed on behalf of the Children's Agenda.

Tillamook County: New partnership created between business and schools designed to encourage high school youth to continue their education and develop basic education and career skills.

Curry County: An alternative education program is available for the first time. Serves 125 to 150 students. Funds from state and local government, including Student Retention Initiative funds.

Businesses across the state are contributing resources. Examples: Pacific General Corp donated \$80,000 to Children's Trust Fund and another \$20,000 to match employee volunteer efforts. Washington County businesses such as Tektronix and Mentor Graphics have created a business/education compact that helps local students.

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# **K-12 EDUCATION**

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- o Basic school support for the 1989-91 biennium was raised by 14.9 percent.
- o To encourage school districts to become more efficient in delivering services, a \$5 million fund was created as an incentive for Oregon's more than 300 school districts to unify where appropriate.
- o To equalize the school costs and taxpayer burden for required programs for children with multiple and/or severe handicaps, \$18 million is being provided to increase the state's share of the cost of educating these children.
- o \$20 million was set aside to aid those school districts that are making an effort to adequately finance their schools and have high tax rates, but generate too few funds because of low property values.
- To ensure state funding is being used wisely, the Education Department was required to define a "basic education" on which the state's share of school funding should be based.

## **HIGHER EDUCATION**

- o To bring new energy and a fresh perspective to Oregon's higher education system, a new chancellor and new members of the Board of Higher Education were selected.
- o The higher education budget in the 1987 and 1989 bienniums received the largest appropriations in more than a decade.
- o In 1987 the Governor proposed, and the Legislature approved, the use of \$65 million (\$100 million including federal and private leverage) for higher education capital construction projects across the state.
- An Endowment for Excellence program was created at U of O and OSU, with \$1.2 million in state funds used to match interest earnings on endowments. The endowments can be used to finance new professorships. A \$1 million private donation has already been received at the U of O as part of this program.
- o A \$2 million "Fighting Fund" was created to give Higher Education a tool to attract and retain top faculty currently being lost to institutions outside Oregon.
- o Faculty salaries have been increased consistent with those funded for all state employees, plus an additional \$10 million for special increases to retain quality faculty members who could compete effectively for higher paying jobs elsewhere.
- o A special fund totaling \$2 million will enable the chancellor and the Board of Higher Education to invest in targeted programs on campuses.
- o Oregon's community colleges have received significantly increased state support, including new resources for capital construction and equipment.
- o The Oregon Advanced Computing Institute (OACIS) opened with state and federal funds, putting Oregon in the lead nationally in the development of parallel processing technology.
- o A new Oregon Institute of Technology campus has been opened in Clackamas.
- o The Oregon Science Council was re-established to advise the Governor and Legislature on how best to use Oregon's research strengths.
- o \$1.2 million is being invested to **build a partnership** between the Oregon Graduate Center and the Oregon Center for Advanced Technology Education.
- A statewide tele-communications network, called ED-NET, is being created to allow students anywhere in Oregon to take classes, workshops, and seminars offered at all the state's four-year and community colleges. Businesses will also benefit through professional education opportunities that will be available to employees.

### **ENVIRONMENT**

- An Oregon forest planning process was created by Gov. Goldschmidt in 1987 to examine the federal forest plans and recommend alternatives that incorporate Oregonians' concerns and ideas.
- o The Governor asked the Legislature to refer to voters a measure that would ban the export of logs taken off state lands. The measure passed by a 9 to 1 margin in May 1989.
- o 1987 changes in the Board of Forestry appointment requirements resulted in a more public board with a broader array of forest interests more fairly represented, and a more balanced Forest Practices Act.
- The Watershed Enhancement Program begun by Governor Goldschmidt in 1987 resulted in \$500,000 in state funds invested in projects across the state that promote natural methods of restoring streambanks, adjacent lands and nearby uplands. Each state dollar invested leveraged three dollars of non-state funds. The program was doubled in size by the 1989 Legislature and is now a national model.
- A major initiative to restore and enhance Oregon's fisheries was proposed by Governor Goldschmidt and approved by the 1989 Legislature. The initiative will mean Oregon's fish hatcheries will be repaired and modernized and streams restored after more than a decade of neglect. The goal is to increase the fisheries and fishing opportunities by 25% or more over the next 6 years.
- At the request of Governor Goldschmidt, the Legislature approved the creation of a State Department of Parks and Recreation. Previously, parks and recreation was a division within the Department of Transportation. A long-range plan on the future development of the park system has also been completed.
- o A package of legislation was passed to reduce hazardous wastes and protect against spills. New programs will be financed through fees paid by producers of hazardous materials.
  - New funds will be available to train and equip 10 regional hazardous spill response teams.
  - An oil and gas spill response readiness program will be put in place for Oregon's coast and other waterways, and
  - A new toxic use reduction program will assist companies in minimizing the use of toxic chemicals.
- o A comprehensive Groundwater Protection Act was adopted in 1989 at the Governor's request to ensure safe groundwater supplies.
- A demand by the Governor for strict environmental safeguards on bringing the damaged Exxon Valdez oil tanker up the Columbia to Portland resulted in Exxon's decision to seek repairs in San Diego. The tanker later spilled oil in San Diego Harbor.

o State Government Affirmative Action. There have been significant increases in the numbers of women, minorities and disabled persons working in state government, and in the higher salary ranges, since 1987.

% of Wkforce	<u>No.</u>
6.8%	1908
8.1%	2554
1.3%	379
3 <b>.2%</b>	995
36: 3.7%	105
39: 5.6%	312
18.4%	525
30.3%	1701
5: 1.0%	30
2.8%	158
	6.8% 8.1% 1.3% 3.2% 36: 3.7% 39: 5.6% 18.4% 30.3% 5: 1.0%

- o Governor worked with legislators to pass a bill requiring the state to divest itself from companies doing business in South Africa.
- o Fighting Hate Crimes. Law enforcement agencies are now required to determine the magnitude and geographic location of crimes motivated by prejudice based on race, color, religion, national origin, sexual orientation, age, disability or several other factors. Police officers will be trained to investigate, identify and report these crimes.

#### SOLVING OLD PROBLEMS

# Workers' Compensation Reform

- o Major reforms were completed during the 1987 Legislative session. Oregon dropped from 6 to 8th highest rates in the U.S.. The full impact of the reforms won't be known for few years.
- o Created workers' compensation fraud unit to crack down on fraudulent claims.
- o Established new workplace safety unit to help employers and workers avoid accidents that lead to claims.

- o A second comprehensive package of reforms was proposed at the beginning of the 1989 session, aimed at cutting medical costs, reducing litigation, and helping injured workers return to work. The Legislature failed to pass the majority of them.
- To give the system a fresh start, immediately after the 1989 session, the Governor asked for the resignations of the Workers' Compensation Board. The Governor also appointed 6 temporary board members to help eliminate the backlog of cases.
- o The Governor convened a special committee that included seven employee representatives and seven employer representatives to negotiate a reform package. The committee did not include representatives from the special interests that benefit from the workers' compensation system (doctors, lawyers, chiropractors, etc.)
- The labor/management committee agreed on a major reform package in April 1990. The Governor and legislative leadership called a special session on May 8, 1990, and passed a sweeping reform of the workers' compensation system.

# Department of Motor Vehicles

- Complaints about service at the state's DMV office have persisted for many years. Major service improvements have now been made to DMV. As a result of the Governor's Transition Team recommendations and 1987 legislative efforts, seven Express Centers opened in Portland, Salem, Eugene, and Medford. Offices are now open evenings and weekends.
- o Since 1987 the DMV statewide average waiting times have dropped by 58%.

1986 average waiting time was 27.7 minutes. 1988 average waiting time was 11.7 minutes.

### Veteran's Home Loan Program

The financial crisis facing the state's Veteran's Home Loan Program over the last decade had seriously undermined the program and the state's credit rating. Full repayment in 1989 of funds owed the program since the 1960's has put it back on sound financial footing and helped improve the state's credit rating.

### **Fairview**

- o The Fairview Training Center, a state facility for the developmentally disabled, had been plagued by legal and financial actions taken by the federal government since the early 1980s.
- In 1988 and 1989 several agreements between the federal government and the state were successfully negotiated to end the disputes. The agreements will mean continued federal funding and improved care for those with developmental disabilities.

#### PRODUCT HIGHLIGHTS

January 1987 -- November 1989

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- o The Oregon Science Council has been re-established to advise the Governor and Legislature on how best to use Oregon's research strengths.
- o \$1.2 million is being invested to build a partnership between he Oregon Graduate Center and the Oregon Center for Advanced Technology Education.
- A statewide tele-communications network, called ED-NET, is being created to allow students anywhere in Oregon to take classes, workshops, and seminars offered at all the state's four-year and community colleges. Businesses will also benefit through professional education opportunities that will be available to employees.

#### ENVIRONMENT

- o An Oregon forest planning process was created by Gov. Goldschmidt in 1987 to examine the federal forest plans and recommend alternatives that incorporate Oregonians' concerns and ideas.
- o The Governor asked the legislature to refer to voters a measure that would ban the export of logs taken off state lands. The measure was sent to the voters and passed by a 9 to 1 margin in May 1989.
- o 1987 changes in the Board of Forestry appointment requirements have resulted in a more public board with a broader array of forest interests more fairly represented and a more balanced Forest Practices Act.
- The Watershed Enhancement Program begun by Governor Goldschmidt in 1987 resulted in \$500,000 in state funds invested in projects across the state that promote natural methods of restoring streambanks, adjacent lands and nearby uplands. Each state dollar invested leveraged three dollars of non-state funds. The program was doubled in size by the 1989 Legislature and is now a national model.
- A major initiative to restore and enhance Oregon's fisheries was proposed by Governor Goldschmidt and approved by the 1989 Legislature. The initiative will mean Oregon's fish hatcheries will be repaired and modernized and streams restored after more than a decade of neglect. The goal is to increase the fisheries and fishing opportunities by 25% or more over the next 6 years.
- At the request of Governor Goldschmidt, the Legislature approved the creation of a State Department of Parks and Recreation. Previously, parks and recreation was a division within the Department of Transportation. A long-range plan on the future development of the park system has also been completed.
- o A package of legislation was passed to reduce hazardous wastes and protect against spills. New programs will be financed through fees paid by producers of hazardous materials.
  - New funds will be available to train and equip 10 regional hazardous spill response teams,
  - A oil and gas spill response readiness program will be put in place for Oregon's coast and other waterways, and
  - A new toxic use reduction program will assist companies in minimizing the use of toxic chemicals.
- o A comprehensive Groundwater Protection Act was adopted in 1989 at the Governor's request to assure safe groundwater supplies.

O State Government Affirmative Action. There have been significant increases in the numbers of women, minorities and disabled persons working in state government, and in the higher salary ranges, since 1987.

		% of Wkforce	<u>No.</u>
_	Minorities in state government 1986:	6.8%	1908
-	Minorities in state government 1989:	7.9%	2380
_	Disabled in state government 1986:	1.3%	379
-	Disabled in state government 1989:	2.5%	737
_	Minorities above Salary Range 25 in 198	6: 3.7%	105
-	Minorities above Salary Range 25 in 198		173
_	Women above Salary Range 25 1986:	18.4%	525
-	Women above Salary Range 25 1989:	24.8%	800
-	Disabled above Salary Range 25 in 1986:	1.0%	30
-	Disabled above Salary Range 25 in 1989:		70

- o Governor worked with legislators to pass a bill requiring the state to divest itself from companies doing business in South Africa.
- Fighting Hate Crimes. Law enforcement agencies are now required to determine the magnitude and geographic location of crimes motivated by prejudice based on race, color, religion, national origin, sexual orientation, age, disability or several other factors. Police officers will be trained to investigate, identify and report these crimes.

# SOLVING OLD PROBLEMS

# Department of Motor Vehicles

- o Complaints about service at the state's DMV office have persisted for many years. Major service improvements have now been made to DMV. As a result of the Governor's Transition Team recommendations and 1987 legislative efforts, 7 Express Centers opened in Portland, Salem, Eugene, and Medford. Offices are now open evenings and weekends.
- o Since 1987 the DMV statewide average waiting times have dropped by 58%.

1986 average waiting time was 27.7 minutes. 1988 average waiting time was 11.7 minutes.

# Veteran's Home Loan Program

The financial crisis facing the state's Veteran's Home Loan Program over the last decade had seriously undermined the program and the state's credit rating. Full repayment in 1989 of funds owed the program since the 1960's has put it back on sound financial footing and helped improve the state's credit rating.

# Workers' Compensation Reform

- o Major reforms were completed during the 1987 Legislative session. Oregon dropped from 6 to 8th highest rates in the U.S.. The full impact of the reforms won't be known for few years.
- o Created workers' compensation fraud unit to crack down on fraudulent claims.
- o A second comprehensive package of reforms was proposed at the beginning of the 1989 session, aimed at cutting medical costs, reducing litigation, and helping injured workers return to work. The Legislature failed to pass the majority of them.
- Over the next 18 months the Department of Insurance and Finance will use all existing authorities to reform the system.
- o To give the system a fresh start, immediately after the 1989 session, the Governor asked for the resignations of the Workers' Compensation Board. The Governor also appointed 6 temporary board members who will help eliminate the backlog of cases.
- o Established new workplace safety unit to help employers and workers avoid accidents that lead to claims.

## **Fairview**

- o The Fairview Training Center, a state facility for the developmentally disabled, had been plagued by legal and financial actions taken by the federal government since the early 1980s.
- o In 1988 and 1989 several agreements between the federal government and the state were successfully negotiated to end the disputes. The agreements will mean continued federal funding and improved care for those with developmental disabilities.