



**KAREN MINNIS  
SPEAKER  
OREGON HOUSE OF REPRESENTATIVES  
HOUSE DISTRICT 49**

**FOR IMMEDIATE RELEASE  
FRIDAY, MARCH 21, 2003**

**CONTACT: Charles Deister - 503-986-1200  
Jim Zupancic - 503-701-7579 cell**

**SPEAKER'S JOB CREATION WORK GROUP RELEASES REPORT ON STEPS  
TO REVIVE OREGON'S ECONOMY**

SALEM – The Speaker's Job Creation Work Group issued their report today to Speaker Karen Minnis (R-Wood Village) on steps they believe should be taken this legislative session to create jobs and rebuild Oregon's economy. The Work Group's report to Speaker Minnis is attached.

"This kind of effective collaboration between Oregon business and the legislature is critically important to achieve a successful recover," said Work Group Chairman Jim Zupancic. "My sincere thanks go to Peggy, John, Joseph and Scott for a job well done. Thanks also to the countless business leaders who helped shape the various proposals, and to the Speaker Minnis for listening to the business community."

"I want to thank Jim and the other members of the Work Group for the time and effort they spent on sifting through the many different economic proposals that have been offered to find common points that we can act on this session," said Speaker Minnis. "I will be examining the Work Group's report during the next several days and will announce appropriate legislation next week to help revive Oregon's economy."

The Work Group was chaired by Jim Zupancic, partner, Davis Wright Tremaine law firm. The other members were: Peggy Fowler, CEO, Portland General Electric; John Harker, CEO, InFocus Corporation; Joseph Otting, President, U.S. Bank – Oregon; and Scott Langley, President, Ashforth Pacific.

The Work Group was formed February 19 to review the many different economic agendas put forth by business and trade organizations and find common points among them that would create jobs and stimulate a stronger state economy. The Group's goal was to identify action items that the legislature could implement this session and help Oregon's economic recovery.

This press release, the Work Group's report and an archive of other press releases issued by the Speaker's Office are available on the web at:

<http://www.leg.state.or.us/house/speaker/home.htm>

**REPORT OF THE**  
**SPEAKER'S JOB CREATION WORK GROUP**

**MARCH 21, 2003**

*Introduction*

At the request of Speaker of the House Karen Minnis, we met to examine, discuss, analyze and prioritize the many Oregon economic development and job creation proposals that have been developed by Oregon trade associations, labor groups and *ad hoc* business committees (the "Proposals"). Our group's charter was to find congruence among the Proposals and develop a prioritized list of ideas that the legislature could pass this session and be presented to the Governor for his signature. There is no attempt to rank the relative importance of our priorities.

We believe the legislature should carefully consider all of the Proposals since many of the elements have significant merit and are worthy of approval and/or further study. It is important to note that the exclusion of any Proposal from our priorities does not suggest our group's opposition to such Proposal or indicate any lack of support for its adoption. Our charge was to focus on what we consider are essential steps to revitalizing the state's economy and creating jobs. Broader public finance issues, while critically important, are beyond the scope of this priority list for economic development.

We identified the following areas as priorities for our state:

- ***Refocus Oregon Economic and Community Development Department (OECDD)***
- ***Engineering Job Opportunities and Competition in the Global Marketplace***
- ***Take Advantage of Oregon's Natural Resources***
- ***Improvements to Oregon's Road and Bridge Infrastructure***
- ***Planning for Job and Economic Growth***
- ***Simplifying Oregon's Permitting Process***
- ***Support Oregon's Tourism Industry***
- ***Enhancing Investments in Oregon***
- ***Support for Oregon Business in Public Contracting***
- ***Enhancing Oregon's Public Universities***

## ***REPORT OF THE SPEAKER'S JOB CREATION WORK GROUP***

### ***ECONOMIC DEVELOPMENT PRIORITY ACTION ITEMS FOR THE 2003 LEGISLATURE***

#### ▪ **Refocus Oregon Economic and Community Development Department (OECDD)**

- **Emphasize Economic Development at OECDD**  
Build relationships with existing and emerging industry clusters; advocate for measures that would enhance business competitiveness, retention and expansion; and, aggressively pursue business recruitment.
- **Sufficient Funding for OECDD**  
Provide OECDD with sufficient operating funds, strategic reserve funds and the flexibility necessary to respond quickly and effectively to opportunities.
- **Act on Rural Economic Opportunities**  
Continue to use the Community Solutions Team Model to act on economic opportunities in rural communities.
- **Develop a Marketing Plan for Oregon through the “Brand Oregon” Plan**  
Create a “Brand Oregon Action Team” and charge it with the development of a unified Oregon brand message to attract tourists, entrepreneurs, future workers and business investments, and to help market Oregon products.
- **Complete an Oregon competitive business climate assessment**  
Identify and foster industry clusters of excellence. Periodically revisit and update the assessment to better understand competitive advantages and leverage those advantages through an aggressive marketing campaign.

#### ▪ **Engineering Job Opportunities and Competition in the Global Marketplace.**

Implement the Engineering and Technology Industry Council (ETIC) proposal for engineering education, and provide at least \$22.5 million in public support to be matched with private funding equal to \$1.50 for every \$1 of public investment. Make a long-term institutional commitment to support continued investment in this program for at least 10 years.

*ECONOMIC DEVELOPMENT PRIORITY ACTION ITEMS  
FOR THE 2003 LEGISLATURE (continued)*

▪ **Take Advantage of Oregon's Natural Resources**

*Improve our natural resources* policy by building a forest management approach to the “working landscape” that balances and integrates conservation and wood production priorities in alignment with the goals of private, state and federal landowners.

For example, while preserving reasonable environmental and sustainable yield practices:

- *Proactively promote the objectives of the Northwest Forest Plan* which would result in a five-fold increase in the harvested timber from federal lands.
- *Pursue salvage logging and thinning* in burned, diseased and insect-damaged areas of our state's forests for better long-term forest management.
- *Dramatically increase the timber output* on state forest lands.
- *Push for federal adoption of the Oregon Salmon Plan* which rewards private landowners for good works while mitigating their liability under the federal Endangered Species Act.

▪ **Improvements to Oregon's Road and Bridge Infrastructure**

- **Increased funding for critical road and bridge projects, road maintenance and system improvements**  
Increase vehicle registration fees and title fees to enable adequate bonding to fund critical road and bridge projects. Implement a 2-cent per gallon gas tax increase for general road maintenance and system improvements.
- **Develop a coordinated strategy for federal sources**  
Work with the Oregon Congressional Delegation to pursue federal funding.
- **Accelerate public transportation and public infrastructure projects**  
Focus on economic impact benefits.

*REPORT OF THE SPEAKER'S JOB CREATION WORK GROUP, March 21, 2003*

*ECONOMIC DEVELOPMENT PRIORITY ACTION ITEMS  
FOR THE 2003 LEGISLATURE (continued)*

▪ **Planning for Job and Economic Growth**

• **Plan for Industrial and Commercial Growth**

Require a minimum 20-year supply of developable large industrial and commercial parcels within regions of high market demand to attract users requiring such large parcels, thereby increasing the number of family wage jobs for Oregonians.

• **Set a new vision for Oregon's Land Use Planning System**

Convene a blue ribbon panel of Oregonians from a wide range of interests and disciplines to set a new 25-year vision for Oregon's land use planning system and vigorously pursue necessary changes in state statutes and administrative rules.

▪ **Simplifying Oregon's Permitting Process**

• **Create a one-stop permit process at the state level**

Develop a process for all building/operating permits for projects of significant size or importance to economic development.

• **Implement the Regulatory Streamlining Report Recommendations**

Direct the Department of Administrative Services to provide leadership and oversight in the implementation of the recommendations included in the Regulatory Streamlining report.

• **Grant the state authority for super-siting of large projects**

• **Implement systemic improvements to permitting processes**

These improvements would include requiring internal consistency, responsiveness, a clear definition of policies, procedures and timelines and accountability for failure to meet the minimum expectations.

▪ **Support Oregon's Tourism Industry.**

*Adopt a 1% statewide lodging tax.* This would generate \$7 to \$7.5 million annually to fund promotion of Oregon (through the Oregon Tourism Commission).

*REPORT OF THE SPEAKER'S JOB CREATION WORK GROUP, March 21, 2003*

*ECONOMIC DEVELOPMENT PRIORITY ACTION ITEMS  
FOR THE 2003 LEGISLATURE (continued)*

- **Enhancing Investments in Oregon**
  - **Reduce the Capital Gains Income Tax Rate**
  - **Provide Relief for Reinvestment in Oregon businesses**  
Consider giving tax relief for reinvestment of capital into Oregon enterprises and/or where Oregon job creation can be demonstrated.
  
- **Support for Oregon Business in Public Contracting**
  - **Give preference to Oregon Companies for Services**  
Require the state to give preference to Oregon companies for professional services contracts.
  - **Establish preferences to Oregon Companies for purchasing and contracting**  
Establish meaningful purchasing and contracting preferences for the state to benefit Oregon's small businesses.
  
- **Enhancing Oregon's Public Universities**
  - **Provide greater autonomy and flexibility for the state's public universities**
  - **Better use Oregon's Public Universities**  
Consider ways to better use facilities, information technology and technology transfer at Oregon's public universities.

Respectfully Submitted,

Speaker's Job Creation Work Group  
Jim Zupancic, Chairman  
Peggy Fowler, Member  
John Harker, Member  
Scott Langley, Member  
Joseph Otting, Member