



STATE OF OREGON

INTEROFFICE MEMO

TO: Governor, Gerry

DATE: July 21 1982

AUG 5 1982
Governor Atiyeh

FROM: Betty M.

SUBJECT: Cabinet

T. K. Olson said that Chancellor Davis is out getting acquainted around the state. The Board met in Ashland Friday and among other things approved the Chancellor creating a new position -- Special Assistant to Chancellor for Economic Development. That position will be charged with coordinating all economic development activities in the Chancellor's office.

Fred Miller had nothing to report except for a camping trip to Fort Stevens last weekend. Fred was impressed with the retired people serving as camp hosts and their program. The lavatories are cleaned under contract with retarded kids and McLaren kids. Fred said the combination of low-cost contracts and volunteer programs has to be a tremendous supplement to the budget.

Bob Watson reiterated that prison inmates and those on parole and probation are not crossing picket lines at the canneries.

Dick Grant had nothing to report.

Roy Green reported that the \$10m lawsuit involving alleged conspiracy between director, medical director and two insurance companies to deprive rights of plaintiffs will come to head in November or December. Attorney General optimistic, Roy says, in spite of hot-shot lawyer from South Carolina who is a constitutional law expert. Roy said he advised SAIF Friday that he would no longer allow them to utilize prior premium reductions that come as a result of retrospect rating plans, that had to be used at rate they were paid, not current rate. Roy "appalled" at avarice.

Keith Stubblefield said that the Bureau of Justice Statistics agreed by phone to maintain the crime analysis center with interim funding until they can compete in a few months for other funding. Oregon is seen as one of top three states in the nation to provide that product, Keith says.

Hazel Hayes had good news today -- latest report on Calvin Peoples is that he is marrying a very prominent attorney and expect him to conclude his parole successfully with that kind of supervision.

Leo Hegstrom in final stages of putting budgets together. Primarily dealing now with things that go beyond base budget that are in effect program expansion of one kind or another. Leo also reiterated, with reference to the cannery strike, that the long-standing policy is that welfare recipients will be referred to those jobs, but not sanctioned if they don't take jobs. Simply made aware jobs exist.