



STATE OF OREGON

INTEROFFICE MEMO

TO: Gerry Thompson

DATE: March 2, 1982

FROM: Bob Oliver *Bob*

SUBJECT: Cabinet Meeting March 2, 1982

Lieuallen: Involuntary salary reductions are shortly to be discussed with faculty committees within the State System of Higher Education. Lieuallen wonders whether the State of Oregon can "hold harmless" such employees under PERS by (a) adding, in the subsequent biennium, contributions not made in the current biennium to the employee's account by reason of diminished earnings; and (b) revising, on a one-time basis, rules pertaining to determination of final average salary. He wonders what would be the Executive Department's position. With respect to the Higher Education budget for 1982-83, Lieuallen wonders whether institutional forced savings will be retained within the system, or revert to the General Fund. He notes there would be little incentive to make such savings if there is a general reversion.

Dick Grant, Paul Aronson, Roy Green: Nothing to report.

Watson: OSCI now has 800 inmates, occupying space designed for 470; OSP has 1,750, occupying space designed for 1,530. He said the problem is not so much an increase in admissions, as the policy of holding inmates longer before parole.

Stubblefield: The Law Enforcement Council is scheduled to shut down on June 30. Stubblefield discussed various hopes and dreams of continued funding from federal sources.

Jerry Brown: Budget preparation already is in preliminary stages among DHR divisions, which are studying effects of the special session. He said cuts in various federal funding programs will result in additional state agency cuts not contemplated by the Legislature during the special session.

Leo Hegstrom: The state declined to seek special federal funding for single employable Cubans and Haitians last year, because there was no assurance of its continuation nor any provision for the state to control the number resettled here. Nevertheless, private agencies have brought about 200 to Oregon. Leo is trying to determine whether counties can make application for funding. He does not want the state, which has taken the policy of not supporting single employable persons, to depart from that policy for the benefit of a special class.

Mike Linsicum announced that the Emergency Board will next meet on April 29. The regular deadline for submissions -- three weeks prior to the meeting -- will apply.



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A representative of Verne Duncan passed out a presentation on options for early retirement, being studied within the Department of Education.

Attachment
cc: Bob Smith