



STATE OF OREGON

INTEROFFICE MEMO

To: Governor

DATE: October 10, 1981

FROM: Gerry Thompson

SUBJECT: Cabinet

Dick Ladd is making good progress in getting Senior Services Division geared up.

Hazel Hayes -- hopes to get rules passed at next board meeting to implement new legislation.

Bob Watson reported same number of population in institutions now as when court order was issued.

Stan Long -- Penwell v. Washington (state's obligations to provide attorneys for inmates) will be tried Friday 11/24. Overcrowding case waiting for judge's order so that appeal on attorneys' fees can commence. Premium tax case: met with out-of-state carriers. Talking about not voluntarily paying taxes for 82. Potential development which would be hardship for Oregon. Higher Ed lawsuit: discrimination against women: significant economic liability to state in terms of litigation over a long period of time and associated legal costs.

Dick Grant discussed the high cost of borrowing money for hospital construction which in turn will have an impact on cost to patients. Gresham hospital: \$24 m actual cost, \$66.6m interest, will result in \$75 to \$100 per patient day increase in cost to patient.

Verne Duncan feels that Estacada is just the tip of the iceberg, that we are going to see a lot of this. Discussed the immediate cost - \$100,000 - in unemployment. 330 claims have been filed.

Roy Lieuallen: Review of programs called for by legislature almost complete. Report will go to the board in December.

T. K. Olson: Responsibility for degree-granting authority now includes naturopathic physicians schools. Portland and Salem schools of naturopathy appeared before the commission yesterday. Will be reviewing that for awhile.



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