



TO: Governor

DATE: October 23, 1981

FROM: Gerry Thompson

SUBJECT: Daily Report

Attached is a memo regarding a call from Bill Bain, Lane County Tax Assessor regarding early cutoff of the Willamette Valley Express.

Stan Bunn is asking that should Tom Tongue resign before his term expires, that strong consideration be given to Judge Curt Rossman for appointment. I cannot express how high Stan is on Curt Rossman. A Willamette Bar Poll showed Wally Carson at the top and Rossman right behind Carson. Rossman was only 33 when appointed to the Circuit Court by Hatfield. He served as chairman of the Republican County Central Committee in Yamhill County. Stan says he is sensitive and exercises strong political judgment. Has always had aspirations of serving on the Supreme Court and takes a common sense approach from the bench. He reiterated time and time again that only Rossman could take the appointment and campaign strongly enough to be a serious contender of Betty's. Stan is afraid that Betty will win the seat, which would be a shame to the legal process.

You have apparently received a letter from the chairman of the Traffic Safety Commission requesting a task force on drunk driving. Stan Bunn wants you to know he will only support that if (1) dollars can be obtained without tapping the general fund, and (2) clear goals are set. He has received some assurances that money can be obtained through other sources and if that is the case he would strongly support such a task force.

The Integrity Assurance Board was discussed at the Ethics Commission today. A letter will be coming asking that the Integrity Assurance Board not involve themselves in ethics matters. Stan tells me it was a weak vote -- 4-3 to be exact. Stan does not necessarily support this decision nor did he vote for it. He is comfortable with any position we desire to take. He is cognizant of the fact that Betty Reynolds sees this as a diminishing of her power base.

Further problems with the Ethics Commission. Diana Evans announced her resignation today. Stan is very concerned because we still have the witch hunt faction on a 4-3 split and we need to be sure that the Governor's appointment to replace Diana does not upset that vote. I will discuss with Shirley Woodrow. What makes the situation



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even worse is that Peter Bauer will probably be the new chairman replacing Stan and Peter Bauer is a witch hunter personified.

Bob Smith called to say the Teamsters have given up on BUBB. 8 a.m. tomorrow morning Glen Vance, an attorney from the AG's office, will be meeting with Bob. They are trying to ratify the contract and should be able to. However, Rick Burke, for some reason, is trying to delay. The hunch is that Chuck Mendenhall is close to him and has asked for delay. It is getting messy, but Bob will work closely with the attorneys.

State Fair problem was basically resolved today. Dwight Butt called to let me know that the city has consented to allow the horses to stay on the fairgrounds as long as they are moved to the show barns. This was a half-hearted agreement on the part of Russ Abolt. Further stipulation is that DEQ work with the engineering firm to review all the plans for compliance and the city has agreed to go along with DEQ decisions after heard by the city council. Dwight Butt is putting a notice out first thing in the morning to all horsemen telling them that all horses must be removed by October 28, 1981 and may be kept at the fairgrounds under the following conditions. (1) they must be placed in stalls in the horse show barns; (2) hot walkers must be confined to the stadium arena; (3) their waste must be stacked in the middle of the barn aisles; (4) the waste will be removed daily by state fair personnel and transported to the mushroom farm; (5) washing or hosing down of horses must be confined to the wash-down area in the horse or cattle barns. The notice goes on further to express his appreciation for their cooperation. They hope the project will be completed by March 1, 1982 at which time the horses can be moved back to the horse race barns. He indicated the Governor's support in resolving this issue. Dwight further tells me the horse owners should support this wholeheartedly since this was the same as the initial proposal given to the city which was rejected. Bob Smith has asked that Dwight Butt attend the cabinet meeting Friday morning.

Pat Amedeo says that she heard from Norma Paulus that Fletcher is trying to find a way to come out front with support for Governor Victor Atiyeh. Pat feels the issue of support should be third party substituton and the timber issue.

Concerns expressed in the staff meeting this afternoon that you should give consideration to: (1) Quit saying this is the last time you will run. (2) Quit saying publicly that the economy will probably make you vulnerable. Offset that with something on the order that you are aware of the economy problems. However, (3) Are you running or are you not? You had a press conference and announced that you had formed a committee to explore the possibility of running and since that time we have all heard you publicly state that you are running. We need another press conference before you start saying that.

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Court reform bill. Attached is the revised fiscal impact figures for the state financing of courts. This will not be made public until late Friday evening so that the press does not pick up on it. The first two columns are the original projections. The second two columns are the corrected projections plus the changes that we worked on today to bring it down closer to the original projections. We should discuss as soon as possible so that I can let Fred Neal know whether or not you are comfortable. We still need to get to L.B. to firm up his support.

Tony Meeker has us confused. He told us early in the afternoon he is OK on the package as it now stands and would do anything within reason to support the Governor. Then Arno Denecke reported late this afternoon that Meeker had given an emphatic no that he could not support the funding. We sent the troops out on him again and have nothing more to report.

As I told you, Hannon has gone south on us because of pressure from Douglas County. Fred Neal indicates a lot of concern for support out of the judiciary committee, but he is working hard on it, as we will again tomorrow.

Bob Moore called. 3260 (State Fire Commission) is still causing us problems. The House Republicans would like to see all the vetos tabled. However, Lindquist could get recognition first and if so would move to table all vetos except the Fire Commission bill. Bob Moore is counting noses and doesn't think Lindquist has enough votes to support his motion. Late this afternoon they were going to discuss with Lindquist. Lindquist agreed they would go to Hardy Myers to make sure Paul Hanneman was recognized to move for tabling of all vetos.

The projects recommended for funding with Chevron money went nowhere. \$500,000 of the money has been allocated by the E Board to Jim Sexson's hydro project, about \$67,000 to the Portland Energy Saving Center and about \$300,000 to energy savings for state buildings and the remainder to the energy extension service.

STATE FINANCING OF COURTS

	HB 2733		LC 21-3	
	1981-83	1983-85	1981-83	1983-85
<u>EXPENDITURES</u>				
State Court Administrator Circuit and District Court Operating	\$ 718,437 <u>21,027,546</u>	\$ 790,281 <u>101,759,082</u>	\$ 658,437 <u>21,027,546</u>	\$ 790,281 <u>101,759,082</u>
Subtotal	\$21,745,983	\$102,549,363	\$21,685,983	\$102,549,363
Less Adjustments for Existing State Subsidy, SB 5549	<u>-2,533,146</u>	<u>-10,000,000</u>	<u>-2,533,146</u>	<u>-10,000,000</u>
Total	\$19,212,837	\$ 92,549,363	\$19,152,837	\$ 92,549,363

	1981-83	1983-85
<u>REVENUES</u>		
Transfer of existing county revenues New and increased fees Indigent defense recoveries County reimbursements	\$-8,669,563 -5,362,156 -1,001,878 <u>-5,058,647</u>	\$-37,322,468 -17,574,442 -8,305,567 <u>-16,862,158</u>
Net new demand on General Fund	\$ -879,407	\$+12,484,728

	1981-83	1983-85
<u>CHANGES</u>		
Add judge fee to small claims actions Increase county contribution	1,182,834 <u>1,182,824</u> 562,072	2,553,590 <u>2,553,566</u> 2,248,787
Net new demand on General Fund	\$ -398,316 -398,306	\$+14,569,224 14,569,250

Karsch: 50% defendant default rate
8% annual growth in caseload

Typewritten: Jan Edwards
Handwritten: Karsch



Senator Ed Fadeley, Chairman
Subcommittee No. 3
State Emergency Board

DATE: October 22, 1981

FROM: Robert A. Joerger, Budget Analyst
Budget and Management Division, Executive Department

SUBJECT: Projects Recommended for Funding with Chevron Money

On October 19, 1981, Oregon received a check from the Chevron Corporation. The amount received was \$1,063,050. These funds are to be used for energy-related projects.

Governor Atiyeh proposes the Chevron money be spent on two projects: (1) a Hardship Energy Assistance Fund and (2) a one-time payment to the Portland Energy Saving Center. These projects will provide immediate assistance to Oregonians to help them cope with energy problems in these difficult economic times.

1. Hardship Energy Assistance Fund -- \$963,050

This program would provide financial assistance, regardless of income, to persons not eligible for federal energy assistance or to those whose need exceeds funds available under the federal program. Households applying for the assistance would have to document their energy related crisis. The program would be administered by the Department of Human Resources Office of the Director through the State Community Services Program.

2. Portland Energy Saving Center -- \$100,000

This Center is a one-stop residential information and referral center on energy conservation. The Center is having financial difficulty and a one-time payment would provide time for the Center to secure long-term funding.

ACTION REQUESTED

1. Increase the Other Funds expenditure limitation established for the Office of the Director of the Department of Human Resources by section 2, chapter 686, Oregon Laws 1981, as amended by section 4, chapter 729, Oregon Laws 1981, by \$963,050.
2. Increase the Other Funds expenditure limitation established for the Department of Energy by section 1, chapter 205, Oregon Laws 1981, by \$100,000.

RAJ:eb
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500,000 = Jim Peterson's Hydro
67,000 = Pled Energy
300,000 = Energy Savings - State Building
250,000 = Energy extension service

