



## STATE OF OREGON

## INTEROFFICE MEMO

TO: Governor Atiyeh

DATE: January 13, 1982

FROM: Bob Oliver

SUBJECT: Wednesday Cabinet Meeting

In the absence of you and Gerry, I chaired the meeting of the cabinet on Wednesday, January 13.

General Austin reported that his agency made 1,974 loans during November and December. He discussed legislation which is to be introduced in the special session. He does not support provisions which would authorize him to waive payments, or parts of payments, under certain specified conditions. He said he already has authority to deal with hard cases in a much more understanding way, and this bill actually would narrow his options.

Robyn Godwin reported on a Court of Appeals decision, involving assessed values of PGE property, which will result in an additional \$3 to \$10 million accruing to counties with respect to prior tax years. He also indicated that Frank Brauner says the banks are not interested in handling the accelerated withholding of state personal income taxes, but Robyn believes the Department of Revenue can do it at less cost anyway.

Dean Smith said liquor sales during December were up one percent in terms of cash receipts, although being down five percent in volume (because of increased costs). He said the agency had expected an increase of five percent.

Jane Huston praised the way in which Shirley Woodrow is handling appointments to Commerce Department boards.

Darrell Ralls reported on cutbacks in shuttle service, to be implemented February 1. Because of numerous staffing changes which probably will result from legislation of the special session, he intends to postpone publication of the 1982 state telephone directory until early March. He indicated that Judson Bible college, occupying the old hospital at The Dalles, has become three months in arrears on its payments. He said he believes the college may go broke in the near future. He predicted telephone charges to agencies probably will remain stable throughout the current biennium, but will take a jump of two or three times in 1983 because of recent federal moves toward deregulation. He intends to pay \$35,000 a year additional premiums on a reinsurance policy covering state property, in light of concessions from the restoration fund. The policy would provide coverage up to \$200 million. Darrell is particularly concerned about the possibility, however remote, of serious damage to the Oregon Health Sciences University. This facility sits in the



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midst of a fault zone in the West Hills area. While these faults have not been active in historical times, geologists from time to time have expressed concern.

Harvey Latham, Gil Bellamy, Jim McGoffin, John Williams and Dick Miller also were present, but had nothing of importance to report.

cc: Gerry Thompson