



## STATE OF OREGON

## INTEROFFICE MEMO

TO: Governor Atiyeh

DATE: June 23, 1982

FROM: Bob Oliver *BO*JUL 03 1982  
Governor Atiyeh

SUBJECT: Cabinet, Wednesday, June 23rd

You were on vacation today and Gerry Thompson was detained in a meeting, so I presided at cabinet meeting.

Latham made mention of the volcano closure zone exercise to be conducted on June 24 at 9:30 a.m. It is not an operational exercise, but one which would give the U. S. Forest Service and various state agencies practice in working together to define closure zones on Mt. Hood. Geologists from the U.S.G.S. and DOGAMI will be in attendance. The exercise will be based on authentic data, applying techniques worked out at Mt. St. Helens. It is hoped not only to give participants practice, but to produce zone boundaries which can be of preliminary use if anything really does happen in the future. Latham also noted that checks to local governments for 911 emergency costs, derived from the telephone excise tax, go out on Friday. They will total about \$1.3 million, less administrative costs of the Department of Revenue.

Godwin said you had expressed curiosity last week about why so many boxcars are stored in Oregon. He said he has determined there is no tax advantage to the companies, but rents are lower than in neighboring states. Stumpage values for purposes of the Western Oregon severance tax will be announced on July 1, and will be down from the previous year by 25 to 30 percent. Some Assessors say with property tax relief down to a maximum of \$220, in many cases it is not worthwhile to separate the rolls. Godwin is instructing them to go ahead anyway this year.

Austin described the problems his department faces in paying property taxes this year. Monthly payments by veterans were pegged at a higher assumption of property tax relief than will be the case, but he hopes there will be sufficient money in the sinking fund to avoid assessing veterans next fall. He noted his department recently has uncovered cases of solar project developers in Central Oregon who sign contracts at a stated price with veterans, and give them kickbacks after they have obtained loans based on these amounts. Austin believes this practice has been brought under control.

Col.Yeager described various summer training activities of the Oregon National Guard, being conducted at Ft. Bliss and Ft. Ord.

McGoffin had nothing to report.

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Dean Smith announced the Teamsters had approved a 37-1/2-hour week for OLCC employes. The employes will be put on a staggered 7-1/2-hour day except for the warehouse, where scheduling makes it more convenient simply to let them go 2-1/2 hours early on Friday afternoon. He described his staff's discovery that many golf course licensees operate illegally by leasing to unlicensed pros. Violations are perceived as technical, but corrective action will be demanded. The proposal to allow agents to sell beer and wine, Smith said, "Has just about fallen off the back burner."

Huston described several minor difficulties of divisions within her department, but had nothing substantial to report.

Ralls noted that efforts to eliminate non-governmental entities from the state telephone system are nearing completion. The last to go will be the news media on July 1. He and Fiskum both noted they had received no great amount of criticism from the media. State surplus property sales are booming, with 65 desks sold last week and 100 still awaiting sale, all by reason of numerous lay-offs in state agencies. The volume of sales has permitted him to reduce the department's commission from 15 to 10 percent. On the issue of punitive damages which might be brought against state officials under federal civil rights legislation - and which would not be reimbursable under the Tort Claims Act - Ralls reported he is looking into the purchase of commercial insurance coverage.

Brandaw said State Police officers long have been concerned about punitive damages, and one game officer in Pendleton actually was ordered by a court to pay punitive damages in a certain case, although the judgement was reversed on technical grounds. He told of several interesting recent cases involving State Police activities.

Bellamy described various efforts to organize networks of volunteers who would work in the interests of traffic safety in general and sobriety in particular.

Bob Smith gave a summary of negotiations going on with the different unions to implement paycuts.

cc: Gerry Thompson