

HOUSE COMMITTEE ON EDUCATION

March 21, 2005 Hearing Room E

1:00 P.M. Tapes 61- 62

MEMBERS PRESENT: Rep. Linda Flores, Chair

Rep. John Dallum, Vice-Chair

Rep. Steve March, Vice-Chair

Rep. John Lim

Rep. Arnie Roblan

Rep. Chip Shields

MEMBER EXCUSED: Rep. Debi Farr

STAFF PRESENT: Jim Keller, Committee Administrator

Kellie Whiting, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2859 – Public Hearing

HCR 1 – Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
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TAPE 61, A

003	Chair Flores	Calls the meeting to order at 1:01 p.m. and opens the public hearing on HB 2859.
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HB 2859 – PUBLIC HEARING

006	Jim Keller	Committee Administrator. Reads HB 2859.
016	Rep. Bill Garrard	House District 56. Testifies in support of HB 2859. Comments on the importance of having students educated in personal finance.
035	Rep. Jeff Merkley	House District 47. Testifies in support of HB 2859. Comments about bankruptcies, household debt and divorce in regards to the lack of financial education. Comments financial literacy can prevent debt. States the course is an opportunity, not a requirement to graduate.
093	Rep. Roblan	Comments on the previous state requirement to provide the course and inquires if he knows why there is no longer the requirement. Inquires if HB 2859 is implementing a new course or is the course a part of another course already offered.
103	Rep. Merkley	Responds he is unfamiliar with the reason the course was removed. Responds the bill would require a course. Comments that students did not the basics they needed from the occasional references through the courses already being taught.
113	Rep. March	Inquires if balancing checkbooks, the costs of raising children, the cost of late fees, payday loans and title loans are to be included in the course.
118	Rep. Garrard	Concurs.
120	Rep. Dallum	Inquires if they have researched the cost of the bill.
122	Rep. Garrard	Responds no.
124	Rep. Merkley	

Responds it is a shift in what is taught and how resources are allocated, not an increase in resources.

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| 133 | Pamela Leavitt | Credit Union Association of Oregon. Testifies in support of HB 2859. Submits and reads from prepared testimony (EXHIBIT A) . Submits and refers to the NEFE High School Financial Planning Program information kit (EXHIBIT B) . |
| 182 | Kerrie Davis | Collection Manager, Rouge Federal Credit Union. Testifies in support of HB 2859. Submits and reads from prepared testimony (EXHIBIT C) . Explains the reasoning behind the rise of bankruptcies and house- hold debt. Explains the programs the credit union offers to educate students about responsible personal finance. |
| 257 | Claudine Oriani | Oregon State University Federal Credit Union. Testifies in support of HB 2859. Submits and reads from prepared testimony (EXHIBIT D) . Comments on the high school students she works with and the lack of education they have in regards to finance. Comments on the number of students who are going into the work force without financial education. |
| 305 | Cori Frauendiener | Marion and Polk Schools Credit Union. Testifies in support of HB 2859. Submits and reads from prepared testimony (EXHIBIT E) . Comments on the opportunities students would have if they could educate themselves in financial management. Comments on the programs the credit union offers to assist in educating students in financial management and to protect themselves from fraud and identity theft. |
| 402 | Rep. March | Inquires about the legal obligation of persons under the age of 18 who are issued pre-approved credit cards. |
| 415 | Oriani | Responds the credit card companies are willing to take a potential risk of loss with a 21% interest rate. Responds they see more and more of this circumstance. |
| 436 | Rep. Shields | Inquires if the state should provide protection regarding credit cards being issued to children under the age of 18. |

TAPE 62, A

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| 003 | Davis | Responds that she sees some of the abuse coming from parents signing their children up for credit cards. Responds there are statutes |
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to protect minors. Comments that young children and young adults do not understand their legal rights.

011	Rep. Roblan	Inquires if she has seen a difference in financial responsibility since the removal of the requirement to offer personal finance courses in school.
019	Frauendiener	Responds she has seen a difference.
043	Chair Flores	Comments on the young children receiving credit cards.
053	Andrea Morgan	Office of Educational Improvement and Innovation, Oregon Department of Education. Submits and reads from prepared testimony (EXHIBIT F). Testifies in opposition of HB 2859. States personal finance is taught in schools, is included in other subject areas and at benchmark levels. Comments on the expected standards in regards to economics. Refers to page three and comments on the curriculum. Refers to page three and explains the challenges in regards to economics and personal finance.
129	Rep. March	Inquires about the number of students taking economics.
138	Morgan	Responds economics is required, but is done through integrating context within a variety of subjects.
146	Rep. Roblan	Inquires about the academic mandates and the lack of subject areas including home economics and personal finance. Inquires if there is a way to meet mandates and still include these areas of life long learning.
165	Morgan	Responds the instructors and subjects in which they teach should be addressing it through the optional assessments.
181	Rep. Dallum	Clarifies the standards are to include personal finance. Inquires if personal finance items are tested.
183	Morgan	Responds there is a state assessment fully developed much like the required area assessments including personal finance. Notes the assessment is optional. States there are standards in place that schools are to comply with.
201	Rep. Dallum	

		Inquires if they could see the field-test item results in regards to personal finance.
208	Morgan	Concurs they tested the items.
217	Rep. Dallum	Inquires if the validity was tested and states the information should be available in regards to economics.
222	Morgan	Responds the items are tested and states she will provide the information to the committee.
225	Rep. Dallum	Inquires if the information was proven valid.
227	Morgan	Responds there are limited samples but will provide the information.
233	Rep. Dallum	Requests to see the field-tested items in personal finance or economics.
235	Chair Flores	Requests the information be given to Jim Keller.
239	James Mattiace	Economics Instructor, Springfield Oregon. Testifies in neutral support of HB 2859. Comments he has taught economics for nine years. Comments on the learned behavior of parents and the lack of knowledge in regards to personal finance. Comments the lack of funding is also an issue for economic teachers.
322	Rep. Roblan	Comments that knowledge is not enough if it does not make sense. Inquires what Mr. Mattiace thinks students are lacking and how he determines what will and should be taught first.
336	Mattiace	Responds financial competency is not there. Responds the teachers may not be educated in economics.
364	Chair Flores	Closes the public hearing on HB 2859. Opens a work session on HCR 1.

HCR 1 – WORK SESSION

391	Jim Keller	Committee Administrator. Reads HCR 1.
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393 Rep. Lim **MOTION: Moves to ADOPT -1 amendments dated 3/14/05.**

396 Rep. Roblan Inquires about the date for Teachers Appreciation Day.

405 Rep. Lim Clarifies.

425 **VOTE: 6-0-1**

Chair Flores Hearing no objection, declares the motion CARRIED.

TAPE 61, B

002 Betty Tumlin Teacher, Eugene Oregon. Testifies in support of HCR 1.

021 Carolyn Ramey Counselor, Seaside School District. Testifies in support of HCR 1.

030 Rep. Lim Expresses his appreciation for their testimony.

039 Rep. Roblan Comments that the purpose of school is what happens inside the classroom.

056 Rep. Dallum Comments he believes the educators today are better, work harder and is in support of the bill.

070 Chair Flores Comments on the teachers that had a positive impact on her life.

080 Rep. Lim **MOTION: Moves HCR 1 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

103 **VOTE: 6-0-1**

AYE: 6 - Shields, Lim, Dallum, March, Roblan, Flores

EXCUSED: 1 - Rep. Farr

Chair Flores The motion Carries.

REP. LIM will lead discussion on the floor.

EXHIBIT SUMMARY

- A. **HB 2859, prepared testimony, Pamela Leavitt, 2 pp**
- B. **HB 2859, NEFE High School Financial Planning Program information kit, Pamela Leavitt, 121 pp**
- C. **HB 2859, prepared testimony, Kerrie Davis, 2 pp**
- D. **HB 2859, prepared testimony, Claudine Oriani, 2 pp**
- E. **HB 2859, prepared testimony, Cori Frauendiener, 3 pp**
- F. **HB 2859, prepared testimony, Andrea Morgan, 3 pp**