

SENATE COMMITTEE ON EDUCATION AND WORKFORCE

February 11, 2005
10:00 A.M.

Douglas ESD
Tapes 18 - 21

MEMBERS PRESENT: Sen. Vicki Walker, Chair
Sen. Charles Starr, Vice-Chair
Sen. Jeff Kruse
Sen. Bill Morrisette

MEMBER EXCUSED: Sen. Ryan Deckert

VISITING MEMBER: Rep. Bruce Hanna

STAFF PRESENT: Marjorie Taylor, Committee Administrator
Dawn Tuso, Committee Assistant

MEASURES/ISSUES HEARD:
SB 415 – Public Hearing

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
TAPE 18, A		
005	Chair Walker	Calls meeting to order at 10:04 a.m. Asks for committee member introductions.
010	Sen. Morrisette	Represents Senate District 6. Introduces himself. Discusses background and interest in education.
015	Sen. Kruse	Represents Senate District 1. Introduces himself. Discusses background and interest in education.
025	Sen. Starr	Represents Senate District 13. Introduces himself. Discusses background and interest in education.
045	Rep. Hanna	Represents House District 7. Introduces himself.
050	Chair Walker	Represents Senate District 7. Introduces herself. Discusses background and interest in education.
060	Chair Walker	Asks for a moment of silence to honor Marine Corporal James Lee Moore, a soldier who died in Iraq on January 26, 2005.
075	Chair Walker	Introduces county officials present at the meeting.
080	Dan Van Slyke	County Commissioner, Douglas County. Introduces himself.
081	Marilyn Kittleman	County Commissioner, Douglas County. Introduces herself.
083	Van Slyke	Shares emphasis for local control on

		services. Addresses issues with consolidation. Encourages the consolidation effort be encompassed with Douglas, Coos, and Curry Counties.
110	Kittleman	Applauds efforts to cut out redundancy and duplication. Mentions ties with the costal area and Reedsport. States that they do not have the same relationship with Lane County.
140	Chair Walker	Opens public hearing on SB 415. SB 415 is submitted by staff for public record (EXHIBIT A) .

SB 415 - PUBLIC HEARING

145	Dr. Jonathon Hill	Superintendent, Douglas ESD. Submits written testimony and Oregon Association Education Service Districts (OAESD) recommendations (EXHIBIT B) . Mentions that the ESD building used to be a Safeway building and that it has been paid for in full by the Douglas ESD. States that he has been the Douglas ESD Superintendent since July of 2003. Discusses his background prior to working for Douglas ESD. Discusses reasons to consider proposal. Talks about OAESD regulations. States that the proposal creates a system that tends to the needs of the state. Mentions restructuring. Stresses need to stretch dollars further. States that it honors and is driven by the needs of individual districts.
230	Hill	Discusses recommendations: <ul style="list-style-type: none"> • The OAESD recommendations address the issues raised by school districts during the hearings conducted by the Interim House Education Committee • A system of education service districts is created that meets the needs of the state • Regional planning will cause system wide restructuring. In turn, efficiencies will be created that maximize resources • The OAESD recommendations honor the unique needs of individual districts • The OAESD recommendations are designed for the future
267	Chair Walker	Comments on approach.
275	Hill	Responds. Refers to it as an agenda rather than a menu. Explains approach in detail.
300	Chair Walker	Asks how the approach will be different

		than it is now.
305	Hill	Responds that what has been described is true for some ESDs but not all of them. Explains difference in approach.
345	Sen. Starr	Asks about technology support to school districts, opportunities to train teachers, and delivering education over the internet.
357	Hill	Responds that it is an area that is being looked at very closely right now. Explains.
375	Sen. Kruse	Discusses concerns regarding proposal. States that his comfort with the administrative rule process is not very good but that the list is not a bad idea. States that a higher level of accountability needs to be given back to the legislature. Shares concern regarding a potential shift of control from ESDs reporting to districts to ESDs reporting to the state first. States that safeguards will need to be put into place.
415	Hill	Shares concern. Raises questions regarding the issue.
TAPE 19, A		
001	Sen. Kruse	States that it is an interesting concept but that it needs to get into bill form so the issues can be addressed.
005	Sen. Morrisette	Mentions OAESD recommendations (EXHIBIT B) . Addresses the issue of distances traveled.
020	Hill	Discusses criteria: <ul style="list-style-type: none"> • Geography • Minimum and maximum number of districts served • A staffing model to provide the core services as determined by the regional service plan • A minimum number of students served • At least one publicly supported post secondary institution present within the region
080	Hill	Mentions satellite offices.
100	Hill	Summarizes recommendations.
105	Chair Walker	Mentions letter from Edward Jensen, Wallowa ESD Superintendent (EXHIBIT C) . Talks about Silver Falls ESD Superintendent, Craig Roessler's testimony from the committee meeting on February 7 th , 2005. Discusses testimony about governance and budget. Asks for comment about those issues. Mentions the idea of changing the budget structure.
135	Hill	Talks about the 95/5 balance and the 90/10

		split.
200	Chair Walker	States that there has not been accountability in some districts.
203	Hill	Feels that there are solutions.
205	Chair Walker	Thinks that it could be addressed in dealing with governance.
208	Hill	Talks about stretching volunteer help.
225	Chair Walker	Thanks Dr. Hill. Introduces Kenny Kent and Jackie Cook.
235	Kenny Kent	Bandon School District Superintendent. Discusses concerns with geographical location. States that they represent the minority on the west coast. Discusses effects of consolidation if it were to occur.
315	Jackie Cook	Bandon School District board member. Gives background information. States that she has been involved in two forced mergers both dealing with saving dollars, not helping kids. Talks about distances traveled. Reiterates that the merger is not about kids.
TAPE 18, B		
001	Cook	Talks about resolution services.
025	Sen. Morrisette	States that she articulated the issues very well. Asks for testimony in writing.
040	Cook	Agrees to provide a copy of the testimony.
045	Steve Boyarsky	Superintendent, Southern Oregon ESD. Submits and discusses written testimony (EXHIBIT D) and ESD maps (EXHIBIT E) .
070	Boyarsky	Talks about resolutions services. Supports the concept of ESD consolidation. However, thinks the bill has too few a number of ESD districts. Shows maps on the overhead: <ul style="list-style-type: none"> • Oregon's five congressional districts • Map of 9 ESDs • Oregon ESD Realignment with proposed headquarters for 11 ESDs
110	Boyarsky	Talks about large district removal from ESD regions.
135	Boyarsky	Talks about legal issues with consolidation. Discusses the provision of SB 415 that requires the state Board of Education to divide ESD liabilities and assets. Mentions clause that prevents ESDs to incur bonded indebtedness. Feels that the clause is bad policy.
160	Sen. Kruse	Cites example of the ability to handle debt or to bond future obligations as a sound management tool and states that removing that ability would be short sided.
180	Boyarsky	Discusses regional perspective.

200	Boyarsky	Talks about statutory requirement. Discusses staffing teaching specialties. Shares support for ESD consolidation, however, believes that SB 415 consolidates too drastically and would create eight regions that are too large and too unwieldy. Supports consolidation based upon the criteria that OAESD has developed. Expresses support for the 90/10 split. Expresses opposition to the provision regarding large school districts withdrawing from the ESD. Feels that SB 415 would weaken the common purpose of ESDs.
250	Sen. Kruse	Asks how much direct cash the Medford School District gets from the ESD.
255	Boyarsky	Replies that the Medford School District over utilizes their allocation and are billed back for services.
257	Sen. Kruse	States that the Medford School District would be a good example of a large school district that fully utilizes the services.
260	Boyarsky	Replies yes.
262	Rick Howell	Superintendent, South Coast ESD. Testifies in opposition to SB 415 and in partial support of the OAESD proposal. Submits informational packet including written testimony, SB 26 from 1993, a 1992 report of the task force on ESDs, 1999 legislative task force on ESDs final report, and SB 259 from 2001 (EXHIBIT F). Reads written testimony.
360	Howell	Believes in equity of service not equity of dollars.
TAPE 19, B		
005	Howell	Continues reading submitted testimony.
095	Howell	Talks about letters of testimony brought from individuals not available to testify in person including letters from William Gehling, Powers School District Superintendent, Vicki L. Goodrich, Bridgham, CPA, Judith M. McMakin, Director of Coos County Commission on Children and Families, and Michael D. Struiksmas, Superintendent, North Bend Schools (EXHIBIT G).
110	Chair Walker	Notes that written testimony is not in the packet. Asks for copies.
115	Howell	Agrees to leave copies of written testimony.
117	Sen. Morrisette	Asks Howell if he does not want to be part of the Lane ESD.
120	Howell	Responds with willingness to be a collaborator with Lane ESD where shared services make sense.

122	Chair Walker	Remarks on the consistency of review recommendations to consolidate to 14 or 15 districts. Mentions past option for consolidation where the ESDs chose not to.
135	Howell	States that there was a consolidation of the Yamhill and Willamette ESD.
145	Sen. Kruse	Expresses gratitude for the historical information provided. Thinks that the report of the 1992 taskforce is creditable.
175	Marv Ott	Superintendent, Port Orford Langlois School District, Curry County. Discusses how consolidation would effect a small school district. Talks about geography and distances between ESDs. Mentions his role in the district and how consolidation would have an effect on the ability for him to do his job. Talks about contracting services.
225	Steve Bowman	Board member, South Coast ESD. Talks about experience on boards. Discusses forced mergers becoming antagonistic and how they effect teachers and students.
287	Ron Hitchcock	Superintendent, Lane ESD. States that the bottom line is that Lane County and Lane ESD are not broken and do not need fixing. Talks about the current governance structure. States that the ESDs represent the best interest for every student and every family in the respective areas without distinction. Discusses use of funding. Says, if there is a problem with an ESD, go through the process that is already there. Talks about duplication of services.
417	Chair Walker	States that Hitchcock is on the criteria committee for the report which suggests consolidation but that his testimony today seems to be opposed to consolidation.
420	Hitchcock	States that it suggests that there could be efficiencies to be gained through the consolidation of ESDs but that it does not say anything about being consolidated by the ODE or the state legislature.
422	Chair Walker	States that Ozzie Rose of the OAESD said in his testimony on February 7, 2005, that twelve to fifteen ESDs would probably work.

TAPE 20, A

001	Hitchcock	Thinks that Ozzie Rose said “we” referring to OAESD.
025	Sen. Kruse	Asks if the genesis of the OAESD plan was if the ESDs don’t consolidate themselves, then it will be done by outsiders.
032	Hitchcock	Replies, that would be a direct quote.
048	Bill Gehling	Superintendent, Powers. Represents a rural

		area. Talks about economy of scale and geographic inefficiencies. Mentions resolution services.
090	Gehling	Talks about services provided by the ESD.
120	Sybilla Cook	Retired citizen. Offers personal background information. Talks about district. Feels that ESDs are very important in rural areas. Thinks that Douglas ESD could be used as a model for other ESDs. Notes that a forced merger is not the way to go. States that consolidation does not necessarily save dollars but rather, moves dollars further away from the people. Talks about geography and limited access by roads.
200	Sen. Morrisette	Asks if ESDs go through the state for purchasing.
205	Cook	Replies that ESDs purchase for the county.
210	Jagen Kaul	Resident, Roseburg. Discusses personal background and interest in education.

TAPE 21, A

010	Jim Baggett	Technology Coordinator, Brookings-Harbor School District 17-C. Testifies in opposition to merging the South Coast ESD with another ESD. Talks about how the merger would effect the availability of technology.
090	Valerie Shapton	Business Manager, Brookings-Harbor School District 17-C. Submits and discusses written testimony (EXHIBIT H) in opposition to consolidating the South Coast ESD with another ESD.
165	Gayl Bowser	Employee, Douglas ESD. Submits written testimony on behalf of Steve Smith, Regional EI/ECSE Coordinator (EXHIBIT I). Testifies on SB 415. Encourages looking at other regionalized kinds of systems in the state that could be consolidated. Talks about ESD programs.
235	Mike Schofield	Business Manager, Winston-Dillard School District. Testifies in opposition to SB 415.
265	Schofield	Recites ORS 334.125. Discusses in detail.
335	Schofield	Concludes presentation.

The following prepared testimony is submitted for the record without public testimony:

	Gerald J. Bennett	A Learners' Champion. Submits written testimony on SB 415 (EXHIBIT J).
	Staff	Submits Hinkle Creek Brochure (EXHIBIT K).
380	Chair Walker	Closes public hearing on SB 415. Adjourns meeting at 12:50 p.m.

EXHIBIT SUMMARY

A. SB 415, Staff, 20 pp

- B. SB 415, written testimony and OAESD Committee Recommendations, Jonathon Hill, 6 pp**
- C. SB 415, written testimony, Edward Jensen, 5 pp**
- D. SB 415, written testimony, Steve Boyarsky, 4 pp**
- E. SB 415, ESD maps, Steve Boyarsky, 5 pp**
- F. SB 415, informational packet, Rick Howell, 76 pp**
- G. SB 415, submitted letters, Rick Howell, 6 pp**
- H. SB 415, written testimony, Valerie Shapton, 6 pp**
- I. SB 415, written testimony, Gayl Bowser, 1 p**
- J. SB 415, written testimony, Gerald J. Bennett, 1 p**
- K. Hinkle Creek, brochure, 4 pp**