

SENATE COMMITTEE ON EDUCATION AND WORKFORCE

March 02, 2005
3:00 P.M.

Hearing Room D
Tapes 38 - 40

Corrected 10/19/05

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

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

MEASURES/ISSUES HEARD:
Common School Fund - Informational Meeting
SB 383 – Public Hearing and Work Session
SB 325 – Public Hearing and Work Session
SB 467 – Public Hearing and 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 38, A		
005	Chair Walker	Calls meeting to order at 3:00 p.m. Mentions thesis on the History of the Irreducible School Fund in Oregon, written by Norman Ray Hawk in 1949.
023	Chair Walker	Opens informational meeting on the common school fund.
<u>INFORMATIONAL MEETING – COMMON SCHOOL FUND</u>		
024	Ann Hanus	Director, Department of State Lands (DSL). Submits informational packet including a PowerPoint handout, a 2004 report on the in-lieu lands for schools in some western states, and brochure (EXHIBIT A). Discusses: <ul style="list-style-type: none">• DSL Mission• DSL Purpose• State Land Board• Attorney General's Opinion – common school fund (CSF)• CSF• History of the CSF
120	Chair Walker	Mentions situation where 30 politicians and one US senator went to jail over a fraud scheme.
124	Hanus	Replies yes.
134	Hanus	Continues discussion on: <ul style="list-style-type: none">• History of the CSF
147	Chair Walker	Talks about scenario where land was offered for no money down.
151	Hanus	Replies that it is true.

159	Chair Walker	Says that Oregon did not do a good job at managing the land.
164	Hanus	Replies yes. Explains situation.
185	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Changes quadruple fund • CSF Value • CSF distribution to schools • Distribution formula changes • Funds distribution by CSF • Where the money comes from • Land management
289	Chair Walker	Asks what permit fees and fines they receive.
290	Hanus	Explains that the permit fees are primarily from the removal fill program.
295	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Land management
308	Chair Walker	Mentions the wave energy project in Reedsport. Asks if they will receive money from that project.
310	Hanus	Replies yes.
313	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Land management
339	Chair Walker	Asks about Arizona making money off of a resort that they built on some land.
340	Hanus	Replies yes and explains. Talks about leasing out land for commercial development.
366	Sen. Morrisette	Asks if we have water rights in Oregon.
368	Hanus	Replies yes.
370	Sen. Kruse	Says that Arizona purchases most of their water.
377	Sen. Morrisette	Clarifies that there is a large subterranean reservoir that is being drawn on in Arizona. Asks who has the water rights to the reservoir.
384	Hanus	Replies that she does not know who has the water rights.
385	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Land management
395	Chair Walker	Asks where the bulk of the lands are located.
397	Hanus	Replies the range lands in southeastern Oregon.
400	Chair Walker	Asks if the lands are leased out to ranchers.
402	Hanus	Replies yes. Says they may be leased out for other purposes as well.
410	Chair Walker	Talks about geothermal sites in Oregon.
415	Hanus	States that there are some areas in Oregon that could be potentially valuable.
418	Sen. Morrisette	Asks about the three-mile limit. Talks about the fishery. Asks about licensing royalties.
419	Hanus	Says Oregon does not receive royalties from the fish industry.
TAPE 39, A		
005	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Land management • Submerged and submersible lands

028	Sen. Kruse	<ul style="list-style-type: none"> • Forest lands Mentions that ten years ago it could have been a much different scale.
033	Hanus	Continues discussion on: <ul style="list-style-type: none"> • South slough reserve • Unclaimed property
051	Chair Walker	Asks how long property is held before the state takes ownership of it.
053	Hanus	Explains.
057	Chair Walker	Asks what the oldest money is that is being held on to.
058	Hanus	Replies that she is unsure, but that it is pretty old.
063	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Estate administration
070	Sen. Kruse	Asks if they are separate in perpetuities.
072	Hanus	Responds that they are not part of the in perpetuity.
078	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Removal-Fill program • Major CSF issues
120	Chair Walker	Asks about a 1992 court ruling where Oregon was owed approximately 5,200 acres of land by the federal government. Asks why it is taking so long to get the land and where they are in the process.
128	Hanus	Defers to Steve Purchase to provide information.
132	Steve Purchase	Assistant Director, Department of State Lands. Addresses Sen. Walker's question regarding the court case in Oregon.
162	Chair Walker	Asks if Oregon paid interest on what we owed.
163	Purchase	Replies no.
165	Chair Walker	Asks if DSL is negotiating for land primarily in Deschutes County.
168	Purchase	Replies yes and explains in detail.
200	Chair Walker	Asks when DSL expects to have the balance of the 3,200 acres resolved.
202	Purchase	Replies approximately two years and explains in detail.
245	Hanus	Continues discussion on: <ul style="list-style-type: none"> • Major CSF issues • Initiatives to boost CSF value • Sell isolated tracts of land • Pursue in-lieu lands • Planned agency organization • Asset management plan • Oregon Department of State Lands Common School Fund overview
290	Chuck Bennett	Confederation of Oregon School Administrators. Discusses involvement with the CSF. Talks about beneficiary activities. Talks about activity with the DSL budget.
375	Chair Walker	Thanks Ann Hanus for her work and involvement.
384	Bennett	Expresses excitement about the project.
392	Sen. Morrisette	Asks about natural resources within a three-mile limit on the land.

398 Bennett Explains.
 410 Tricia Smith Oregon School Employees Association. Discusses involvement with the CSF.

TAPE 38, B

010 John Marshall Oregon School Boards Association. Talks about involvement with the CSF.
 030 Laurie Wimmer Oregon Education Association. Talks about involvement with the Whelan CSF. Mentions SB 845.
 046 Chair Walker Asks what committee SB 845 is in right now.
 047 Wimmer Whelan Replies that it is assigned to the Senate Revenue Committee.
 048 Andi Jordan Parent Teacher Association. Talks about support for the CSF.
 059 Chair Walker Points out that Ann Hanus initiated contact with Sen. Walker.
 069 Chair Walker Closes informational meeting and opens public hearing on SB 383.

SB 383 – PUBLIC HEARING

075 Marjorie Taylor Committee Administrator. Gives overview of SB 383. Mentions written testimony submitted for the record without public testimony by Diana Gordon from the Oregon Health Science University (**EXHIBIT B**).
 082 Rep. Betty Komp Represents House District 22. Testifies in support of SB 383. Submits written testimony (**EXHIBIT C**).
 104 Sen. Deckert Represents Senate District. Testifies in support of SB 383. Submits written testimony (**EXHIBIT D**).
 137 Kelly Peterson Humane Society of United States. Testifies in support of SB 383. Submits written testimony (**EXHIBIT E**).
 168 Chair Walker Asks how many students do not want to dissect animals.
 177 Peterson Replies that she doesn't have an exact figure to provide.
 192 Sen. Kruse Says that he doesn't think the number is important.
 193 Chair Walker Agrees.
 201 Paula Wilson Multnomah County Resident. Testifies in support of SB 383.
 240 Dr. Courtney Dillard Professor, Willamette University. Testifies in support of SB 383.
 273 Marcia Keith Oregon Veterinary Medical Association. Testifies on SB 383. Submits written testimony (**EXHIBIT F**). Expresses concerns with SB 383.
 333 Chair Walker Says, by the time a veterinary student enters college, they should know that they are going to have to dissect something.
 335 Keith Responds that it would seem so but that there have been times when newly graduated veterinarians have had virtually no experience with dissection.
 347 Chair Walker Closes public hearing on SB 383 and opens a work session on SB 383.

SB 383 – WORK SESSION

350 Sen. C. Starr MOTION: Moves SB 383 to the floor with a DO PASS recommendation.
 354 Sen. Kruse Comments that SB 383 offers some flexibility in the K-12 system and feels that it is an appropriate move.
365 Chair Walker VOTE: 5-0-0
Hearing no objection, declares the motion CARRIED.
SEN. DECKERT will lead discussion on the floor.
 375 Chair Walker Closes the work session and opens a public hearing on SB 325.

SB 325 – PUBLIC HEARING

380 Marjorie Taylor Committee Administrator. Gives overview of SB 325. States that there is a subsequent referral to Revenue.

392	Sen. Morrisette	Represents Senate District 6. Testifies in support of SB 325.
415	Bob Cassidy	Lane County resident. Testifies in support of SB 325. Submits written testimony (EXHIBIT G).
TAPE 39, B		
005	Cassidy	Continues testimony on SB 325.
029	Don Bishoff	Legislative Assistant, Sen. Morrisette's Office. Testifies on SB 325.
032	Sen. C. Starr	Comments that he is enthusiastically supportive of SB 325. Says he would like to see it go to the Revenue committee.
048	Susan Boyanovsky	Department of Community Colleges and Workforce Development. Testifies on SB 325. Submits written testimony (EXHIBIT H).
077	Sen. Kruse	Talks about the budget constraints that community colleges are under. Says that SB 325 offers a method of allowing people who may not otherwise be able to access community college to do so. Asks why she would be neutral to SB 325 when it increases opportunity.
083	Boyanovsky	Explains.
090	Ed Glad	United Brotherhood of Carpenters. Testifies in opposition to SB 325. Reports that, if the apprenticeship programs are taken out, he would support SB 325.
158	Chair Walker	Thinks that SB 325 will be moved to Revenue.
164	Chair Walker	Closes public hearing and opens a work session on SB 325.
<u>SB 325 – WORK SESSION</u>		
165	Sen. C. Starr	MOTION: Moves SB 325 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Revenue.
168	Sen. Morrisette	Addresses concerns of Ed Glad. Says that he does not see the connection between the apprenticeship program and the students in general. Says that he does not think it would make a difference to remove the apprenticeship program.
180	Chair Walker	VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
184	Chair Walker	Closes work session and opens public hearing on SB 467.
<u>SB 467 – PUBLIC HEARING</u>		
193	Marjorie Taylor	Committee Administrator. Gives overview of SB 467. States that there is a subsequent referral to Ways and Means.
202	Rep. Debi Farr	Represents House District 14. Testifies in support of SB 467.
247	Sen. Ryan Deckert	Represents Senate District 14. Testifies in support of SB 467. Submits written testimony (EXHIBIT I).
280	Pat Farr	Executive Director, Food for Lane County. Testifies in support of SB 467.
380	Joyce Dougherty	Oregon Department of Education. Testifies in support of SB 467. Submits written testimony, SB 287 from 2003, and the 2004 SB 287 Report to the Interim Committees on Education (EXHIBIT J).
TAPE 40, A		
005	Dougherty	Continues testimony on SB 467.
026	Sen. Kruse	Thanks the Department of Education.
030	Tina Kotek	Policy Director, Children First for Oregon. Testifies in support of SB 467. Submits written testimony (EXHIBIT K).
053	Ellen Lowe	Legislative Advocate, Oregon Food Bank. Testifies in support of SB 467.

100	Norene Goplen	Lead Convener, Oregon Faith Roundtable Against Hunger. Testifies in support of SB 467. Submits written testimony (EXHIBIT L) .
172	Phillip Kennedy Wong	Ecumenical Ministries of Oregon. Testifies in support of SB 467. Submits list of eligible schools of >50% free and reduced eligibility (EXHIBIT M) .
210	Cynthia Hanna	Community member. Testifies in support of SB 467.
252	Chair Walker	Mentions comment regarding food stamps not increasing during the summer months.
258	Sen. C. Starr	Comments that “Cynthia Hanna is a wonderful mother who has worked very hard to provide for her children and advance her own education and opportunity in this world.”
273	Chair Walker	Closes public hearing and opens work session on SB 467.
SB 467 – WORK SESSION		
275	Sen. C. Starr	MOTION: Moves SB 467 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.
		VOTE: 4-0-1
		EXCUSED: 1 - Sen. Morrisette
	Chair Walker	Hearing no objection, declares the motion CARRIED.
285	Chair Walker	Closes work session and adjourns meeting at 5:25 p.m.

EXHIBIT SUMMARY

- A. **Common School Fund, informational packet, Ann Hanus, 19 pp**
- B. **SB 383, written testimony, Diana Gordon, 2 pp**
- C. **SB 383, written testimony, Sen. Betty Komp, 1 p**
- D. **SB 383, written testimony, Sen. Ryan Deckert, 1 p**
- E. **SB 383, written testimony, Kelly Peterson, 2 pp**
- F. **SB 383, written testimony, Marcia Keith, 1 p**
- G. **SB 325, written testimony, Bob Cassidy, 1 p**
- H. **SB 325, written testimony, Susan Boyanovsky, 3 pp**
- I. **SB 467, written testimony, Sen. Ryan Deckert, 1 p**
- J. **SB 467, written testimony, Joyce Dougherty, 7 pp**
- K. **SB 467, written testimony, Tina Kotek, 7 pp**
- L. **SB 467, written testimony, Norene Goplen, 2 pp**
- M. **SB 467, written testimony, Phillip Kennedy Wong, 21 pp**