

SENATE COMMITTEE ON EDUCATION AND WORKFORCE

April 04, 2005
3:00 P.M.

Hearing Room D
Tapes 67 - 69

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:

SB 415 – Work Session
SB 765 – Public Hearing
SB 958 – Public Hearing and Work Session
SB 187 – Work Session
SB 703 – Public Hearing and Work Session
SB 543 – Work Session
SB 575 – Work Session
SB 766 – 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
TAPE 67, A		
005	Chair Walker	Calls meeting to order at 3:12 p.m. Introduces visiting high school students from Susan Castillo's Youth Advisory Team. Opens a work session on SB 415.
<u>SB 415 – WORK SESSION</u>		
019	Marjorie Taylor	Committee Administrator. Gives overview of SB 415.
024	Chair Walker	Talks about SB 415.
028	Sen. C. Starr	MOTION: Moves SB 415 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Revenue.
		VOTE: 4-0-1
		EXCUSED: 1 - Sen. Kruse
	Chair Walker	Hearing no objection, declares the motion CARRIED.
036	Chair Walker	Closes work session and opens public hearing on SB 765.
<u>SB 765 – PUBLIC HEARING</u>		
037	Marjorie Taylor	Committee Administrator. Gives overview of SB 765. Talks about the -3 amendments (EXHIBIT A).
044	Chair Walker	Talks about SB 765. Talks about the workgroup and members of the workgroup. Announces that SB 765 will not be moved today.
073	Sen. Jeff Kruse	Represents Senate District 1. Talks about SB 765 and the -3 amendments. Says that SB 765 does not touch the funding formula. Talks about the delivery model. Says that SB 765 does not necessarily dissolve any Education Service Districts (ESD).
170	Sen. Kruse	Talks about changes made in the governance structure of ESDs.

222	James Sager	Talks about changes made in the structure of the budget committee. Hopes that the subsequent referral to Revenue can be rescinded. Believes that SB 765 needs to go to Ways and Means. Governor's Office. Testifies in support of SB 765. Talks about the regional delivery support system. Discusses changes made and how the changes will affect ESDs. Mentions audits.
322	Sager	Continues testimony in support of SB 765.
343	Sen. Kruse	Says that the State Board of Education makes the ultimate decision of redistricting.
348	Vickie Fleming	Deputy Superintendent, Department of Education. Testifies in support of SB 765. Submits article on student achievement (EXHIBIT B) . Talks about an enterprise approach. Talks about the No Child Left Behind Act and its impact on Oregon.
TAPE 68, A		
001	Fleming	Talks about page 2, line 6 and line 20 of SB 765. Talks about page 3, line 7 and line 23 of SB 765.
030	Jonathan Hill	Superintendent, Douglas Education Service District. Testifies in support of SB 765.
055	Sen. Morrisette	Supports the ESD system. Talks about a discussion that occurred during a meeting with most of the Lane County school districts on the issue of ESDs and SB 765. Reports that there was concern regarding ESD funding.
083	Hill	Responds to comment.
099	Sen. Kruse	Asks if they were responding to the -3 amendments.
100	Sen. Morrisette	Says that the -3 amendments were not mentioned.
106	Fleming	Says that she shares the concern. Talks about funds received and school improvement activities.
125	Sen. Morrisette	Says that he was impressed with some of the individual superintendents that responded to SB 765.
134	Sen. Kruse	Comments on SB 765 and reactions to changes.
148	Sen. Morrisette	Responds.
168	Chair Walker	Says that there could be consolidation under the proposed plan.
172	Sager	Says that there is not a predetermined number of ESDs.
183	Chair Walker	Talks about page 5, section 5, line 8 of SB 765.
197	Sen. Deckert	Comments on efficiencies. Wants to see a decision made regarding the number of ESDs necessary and wants to see the new system implemented sooner than two years from now.
226	Hill	Responds to Sen. Deckert's comment.
255	Sager	Responds to Sen. Deckert's comment.
274	Chair Walker	Talks about the transition time.
281	Fleming	Responds to Sen. Deckert's comment.
313	Sen. Deckert	Responds to comments.
339	Sen. Kruse	Responds to Sen. Deckert's comment. Says that the number of ESDs is not as important as the services available.
377	Sen. Morrisette	Talks about a false economy.
395	Rob Myers	Representing Frontier Counties ESDs. Testifies in opposition to SB 765. Submits written testimony (EXHIBIT C) . Talks about concerns with SB 765.
TAPE 67, B		
001	Myers	Continues testimony on SB 765.
059	Sen. Kruse	Asks for explanation of how SB 765 reduces services in rural parts of the state.
062	Myers	Explains that he is making an assumption that there will be consolidation.

067	Sen. Kruse	Asks if he is talking about impacts on the formula.
069	Myers	Replies no. Comments on the funding formula. Says that people are concerned about having school districts involved in the business of ESDs.
080	Chair Walker	Comments on testimony. Says that school districts should be involved in the business of ESDs. Asks for Myers' opinion.
089	Myers	Agrees and explains.
112	Ozzie Rose	Oregon Association of Education Service Districts. Testifies in support of SB 765. Suggests a few changes to SB 765.
200	Chair Walker	Asks for clarification regarding what changes he would like to see in SB 765.
205	Rose	Explains.
208	Tricia Smith	Oregon School Employees Association. Testifies in opposition to SB 765. Explains concerns with the -3 amendments.
309	Chair Walker	Asks for testimony in writing.
311	Smith	Offers to provide the committee with a copy of her testimony.
317	Sen. Kruse	Responds to Smith's testimony. Says that it is not really a circular scenario.
330	Chair Walker	Closes public hearing on SB 765 and opens public hearing on SB 958.

SB 958 – PUBLIC HEARING

345	Rep. Brad Avakian	Represents House District 34. Testifies on SB 958. Expresses concerns with SB 958. Reports that he has organized a workgroup to deal with issues in SB 958.
361	Kaaren Heikes	Charter Schools Development Center. Testifies on SB 958. Expresses concerns with SB 958. Says that she would be happy to take part in the workgroup established.
390	Jim Green	Oregon School Boards Association. Testifies on SB 958. Says that he would be happy to take part in the workgroup established.
397	Chair Walker	Closes public hearing and opens work session on SB 958.

SB 958 – WORK SESSION

401	Sen. C. Starr	MOTION: Moves SB 958 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Revenue.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. Kruse, Sen. Deckert
	Chair Walker	Hearing no objection, declares the motion CARRIED.
409	Chair Walker	Closes work session on SB 958 and opens work session on SB 187.

SB 187 – WORK SESSION

418	Marjorie Taylor	Committee Administrator. Gives overview of SB 187. Mentions the -1 amendments (EXHIBIT D).
-----	-----------------	--

**TAPE 68, B
006**

	Sen. C. Starr	MOTION: Moves to ADOPT SB 187-1 amendments dated 3/17/05.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. Kruse, Sen. Deckert
	Chair Walker	Hearing no objection, declares the motion CARRIED.
011	Sen. C. Starr	MOTION: Moves SB 187 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. Kruse, Sen. Deckert
	Chair Walker	Hearing no objection, declares the motion CARRIED.

016 Chair Walker
SB 703 – PUBLIC HEARING
 020 Marjorie Taylor
 027 Kevin Feeney
 030 Sen. Margaret Carter
 113 Feeney
 146 Sen. Carter
 170 Vickie Chamberlain

196 Chair Walker
SB 703 – WORK SESSION
 198 Sen. C. Starr

201 Chair Walker
 Sen. C. Starr

Chair Walker
 210 Sen. Carter
 218 Chair Walker

SB 543 – WORK SESSION
 222 Marjorie Taylor

246 Sen. Kruse
 253 Taylor
 256 Chair Walker
 265 Sen. Kruse
 272 Sen. C. Starr
 280 Sen. Kruse
 281 Chair Walker
 284 Taylor
 290 Colonel Mike Caldwell

SEN. MORRISETTE will lead discussion on the floor.
 Closes work session and opens public hearing on SB 703.

Committee Administrator. Gives overview of SB 703. Mentions -1 amendments (**EXHIBIT E**).
 Legal Intern, Sen. Margaret Carter's Office. Introduces himself. Represents Senate District 22. Testifies in support of SB 703. Submits informational charts (**EXHIBIT F**).
 Testifies in support of SB 703.
 Comments on testimony.
 Teacher Standards and Practices Commission. Testifies in support of SB 703. Submits written testimony (**EXHIBIT G**).
 Closes public hearing and opens work session on SB 703.

MOTION: Moves to ADOPT SB 703-1 amendments dated 3/23/05.

VOTE: 4-0-1

EXCUSED: 1 - Sen. Deckert

Hearing no objection, declares the motion CARRIED.

MOTION: Moves SB 703 to the floor with a DO PASS AS AMENDED recommendation.

VOTE: 4-0-1

EXCUSED: 1 - Sen. Deckert

Hearing no objection, declares the motion CARRIED.

SEN. CARTER will lead discussion on the floor.

Thanks Vickie Chamberlain for her help. Comments on SB 703.
 Closes work session on SB 703 and opens work session on SB 543.

Committee Administrator. Gives overview of SB 543. Mentions the -1 amendments (**EXHIBIT H**). Talks about fiscal impact of SB 543. Says that Legislative Fiscal reported that the University System has identified a minimum of approximately 120 individuals who are now paying non-resident tuition and would be eligible for the in-state tuition. Suggests that the fiscal impact will be over the \$50,000 threshold. Says that SB 543 does not have a subsequent referral to Ways and Means. Points out that the committee could ask for a fiscal impact statement on SB 543 if it is not sent to Ways and Means.
 Comments on the Department of Education's report that SB 543 would bring in additional revenue, not a decrease in revenue.
 Says that the reduction of revenue in 2005-07 would be in excess of \$50,000.
 Comments on the fiscal/revenue impact.
 Responds.
 Comments that a fiscal impact is needed. Says that he would like to move SB 543 to the floor.
 Responds to comment.
 Mentions proposed amendment to SB 543 in the House.
 Says that the committee will not drop SB 543 without receiving a fiscal impact statement.
 Deputy Director, Oregon Military Department. Comments on the SB 543 -1 amendments. Talks about the discussion regarding a

304	Mac McDonald	possible fiscal impact. Feels that SB 543 does nothing more than what the current law allows.
		Oregon Veterans. Talks about possible amendment to SB 543 to include discharges other than the one specified as dishonorable discharge. Asks for language to say, "released under honorable conditions".
318	Sen. Kruse	Asks McDonald if he thinks Rep. Nelson would be willing to make that change to SB 543.
320	McDonald	Replies yes.
322	Chair Walker	Says that the change can be made in the House. Says she would like to move SB 543 to the floor.
332	Sen. Morrisette	MOTION: Moves to ADOPT SB 543-1 amendments dated 3/16/05.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. C. Starr, Sen. Deckert
		Hearing no objection, declares the motion CARRIED.
341	Chair Walker Sen. Morrisette	MOTION: Moves SB 543 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. C. Starr, Sen. Deckert
		Hearing no objection, declares the motion CARRIED.
		SEN. GORDLY will lead discussion on the floor.
351	Chair Walker	Closes work session on SB 543 and opens work session on SB 575.
<u>SB 575 – WORK SESSION</u>		
354	Marjorie Taylor	Committee Administrator. Gives overview of SB 575. Mentions - 2 amendments (EXHIBIT I). Reports that the Community College Association is in support of the SB 575 -2 amendments.
375	Mac McDonald	Oregon Veterans. Talks about SB 575. Asks for an additional amendment to SB 575.
397	Chair Walker	Asks McDonald if he has discussed the change with Sen. Devlin.
398	McDonald	Replies no.
399	Chair Walker	Reports that a letter has been submitted for the record from George Pernsteiner of the Oregon University System in support of the SB 575 -2 amendments (EXHIBIT J).
402	Sen. Morrisette	MOTION: Moves to ADOPT SB 575-2 amendments dated 4/4/05.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. C. Starr, Sen. Deckert
		Hearing no objection, declares the motion CARRIED.
410	Chair Walker Sen. Morrisette	MOTION: Moves SB 575 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 3-0-2
		EXCUSED: 2 - Sen. C. Starr, Sen. Deckert
		Hearing no objection, declares the motion CARRIED.
		SEN. DEVLIN will lead discussion on the floor.
419	Chair Walker	Closes work session on SB 575 and opens work session on SB 766.
<u>SB 766 – WORK SESSION</u>		
425	Marjorie Taylor	Committee Administrator. Gives overview of SB 766. Mentions - 1 amendments (EXHIBIT K).
TAPE 69, A		
008	Chair Walker	Comments on SB 766.

020	Sen. Kruse	Comments that the -1 amendments change SB 766 significantly. Asks Tricia Smith and John Marshall to speak to the SB 766 -1 amendments.
028	Tricia Smith	Oregon School Employees Association. Talks about the SB 766 -1 amendments.
064	Sen. Kruse	Asks if school districts are constrained from offering certain benefits.
069	Smith	Explains.
076	Sen. Kruse	Says that they are not restricted under current law. Wonders why the restriction is necessary.
083	Smith	Responds to comment.
089	Sen. Kruse	Responds.
098	Smith	Points out that the employee contribution in PERS is approximately 24 percent of salary.
104	John Marshall	Oregon School Boards Association. Talks about the SB 766 -1 amendments.
132	Chair Walker	Says that the -1 amendments address the issue discussed.
135	Marshall	Clarifies comment and continues discussion.
167	Sen. Morrisette	Asks if there is a restraint on the amount of salary that can be paid.
169	Marshall	Replies no.
170	Sen. Morrisette	Wonders what the issue is. Comments on SB 766.
181	Sen. Kruse	Says that he is not ready to move SB 766.
184	Chair Walker	Reports that SB 766 will be held over until the committee meeting on April 6, 2005.
187	Chair Walker	Closes work session and adjourns meeting at 5:22 p.m.

EXHIBIT SUMMARY

- A. **SB 765, -3 amendments, staff, 32 pp**
- B. **SB 765, article on student achievement, Vickie Fleming, 3 pp**
- C. **SB 765, written testimony, Rob Myers, 11 pp**
- D. **SB 187, -1 amendments, staff, 4 pp**
- E. **SB 703, -1 amendments, staff, 1 p**
- F. **SB 703, charts, Sen. Margaret Carter, 5 pp**
- G. **SB 703, written testimony, Vickie Chamberlain, 10 pp**
- H. **SB 543, -1 amendments, staff, 1 p**
- I. **SB 575, -2 amendments, staff, 1 p**
- J. **SB 575, written testimony, George Pernsteiner, 1 p**
- K. **SB 766, -1 amendments, staff, 2 pp**