

**SENATE SPECIAL COMMITTEE ON BUDGET – 2005 SESSION
EDUCATION SUBCOMMITTEE**

TAPE LOG

**Date: June 21, 2005
Tapes: 13, 14A**

This tape log summarizes committee proceedings. For complete content and intent, please refer to tapes.

Tape / Counter	Speaker	Comments
Members Present: Senator Devlin, chair; Senators Gordly, Nelson, Walker, Whitsett,		
Members Excused:		
TAPE 13A		
003	Chair Gordly	Calls the meeting to order at 1:00 p.m. Opens a Work Session on SB 5617 – Department of Community Colleges – Operations. (Exhibit #1, Senate Bill 5617). (Refer to SB 5506 for prior Exhibits).
SB 5617 – DEPARTMENT OF COMMUNITY COLLEGES – OPERATIONS WORK SESSION		
007	Steve Bender, Legislative Fiscal Office (LFO)	Refers to (Exhibit #2, Memorandum from Steve Bender, subject SB 5617), (Exhibit #3, Work Session Action Report). Explains that the bill would provide state support to 17 community colleges in Oregon and support to the central department office that has oversight responsibilities over the Community College system.
025	Chair Devlin	Indicates that they will go through recommendation 8 and then will take a motion.
029	Sen. Whitsett	Requests that Mr. Bender also provide the House budget numbers as he proceeds through the information.
032	Chair Devlin	Believes he could give out the exact number.
034	Steve Bender	Indicates in most cases the numbers are the same. Discusses the Capital Construction projects and explains that they will need a separate bill to be considered.
051	Steve Bender	Reviews recommendation 1) in Exhibit #2 titled “Community College Capital Construction (Package 102). Indicates that this is a component of the operations budget and is included in HB 5617. Discusses the LFO recommendations.
076	Chair Devlin	Comments about the \$100,000 placeholder that the Governor put in his budget.
079	Steve Bender	Replies that the administrative costs have a similar placeholder.
083	Steve Bender	Reviews the LFO recommendation 2). Integrated Data Systems Priority (Package 103). Explains that LFO recommends that the General Fund appropriation be reduced by \$209,000 and the remaining \$664,400 be appropriated to the Emergency Board.
117	Steve Bender	Comments on the corresponding Budget Note which is found in the middle of page 2 in Exhibit #2.
122	Steve Bender	Reviews LFO recommendation 3) Operations Staffing (Package 104). Indicates that LFO is recommending approval of the package with certain modifications. Explains that Exhibit #3 identifies the LFO modifications in more detail.
153	Steve Bender	Reviews the LFO recommendation 4) LFO Analyst Adjustments (Package 801).

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170	Steve Bender	Covers the LFO recommendation 5) Ways and Means Adjustments (Package 802). Informs that LFO is recommending approval.
184	Sen. Walker	Confirms that it is Package 802.
185	Steve Bender	Agrees. Discusses the correction required for the Carl Perkins Federal Funds.
205	Steve Bender	Reviews the LFO recommendation 6) Revenue Adjustment (Property Taxes). Informs that LFO recommends that the Subcommittee reduce the General Fund appropriation to the Community College Support Fund by \$991,775 to restore total community college funding to the level in the Governor's budget. Notes that the Senate budget plan does not require the reduction.
237	Sen. Gordly	Asks if the Chair wants a motion now or later.
240	Chair Devlin	Respects the LFO recommendation. Indicates to be fair he would like to make the motion on recommendation 6 now.
256	Sen. Gordly	MOVES that the LFO recommendation #6 be omitted from the report.
259	Chair Devlin	Vote: 5 – 0 – 0 Ayes: Senators Gordly, Nelson, Walker, Whitsett, Chair Devlin Hearing no objections, declares the motion CARRIED .
262	Steve Bender	Indicates that the House also voted to omit that recommendation and then elaborates.
273	Chair Devlin	Will concur with Mr. Bender's statement unless there is an objection. Explains that they are trying to give the Community Colleges as much support as possible.
282	Steve Bender	Reviews the LFO recommendation 7) Community College Support Fund Enhancement (Package 811). Informs that LFO recommends that the subcommittee increase the General Fund appropriation to the Community College Support Fund by \$36,900,000.
318	Sen. Walker	Confirms that it isn't in the House Budget plan. Asks where the House's one million dollars goes.
325	Steve Bender	Responds in the Community College Support fund.
330	Sen. Walker	Confirms that they are putting it in a special place for the two programs. Asks the Chair if they have historically always been funded through the community college funds.
338	Chair Devlin	Comments about eliminating the support for the Skill Center. //
347	Steve Bender	Responds that it was for several sessions that there was funding in the Community College bill for these sources.
354	Cam Preus-Braly, Commissioner for Community College Services	Indicates it started with 6 skill centers in 1993 and was funded with lottery money and then elaborates.
386	Sen. Walker	Appreciates the history but questions if there are still 6 skill centers.
391	Cam Preus-Braly	Believes that with the loss of 50 million dollars many of them have become part of the internal fabric of the college at a diminished level of capacity.

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406	Sen. Walker	Confirms but for the two that remain separate.
409	Steve Bender	Indicates that the Senate budget supports the issuance of Article 11 E Bonds for Capital Construction projects. Discusses the corresponding Budget Note and reads it into the record.
TAPE 14A		
007	Sen. Gordly	Asks him to clarify the budget note.
010	Steve Bender	Discusses Community College tuition rates and indicates that the budget note states an expectation that they will contain their rates as much as practical and leaves the judgment to them.
027	Steve Bender	Reviews the LFO recommendation 8) Federal Grant Applications (Package 813). Informs that the recommendation is different than what the House did. Notes that LFO recommends that the subcommittee increase the Federal Funds expenditure limitation by \$1,176,088 and extend two limited-duration positions through the remainder of the biennium with the understanding that the Dept. of Administrative Services will unschedule the expenditure limitation increase and additional FTE authorized in the package, pending award of the Federal grants.
056	Chair Devlin	Explains that the reason the House didn't act on the package was that they didn't have the information at that time.
061	Steve Bender	Agrees that it is relatively routine. Indicates that the chair of the Education and Natural Resources subcommittee approved the package.
068	Chair Devlin	Agrees to accept a motion.
070	Sen. Gordly	MOVES LFO recommendations 1-5 and 7-8 and the corresponding budget notes.
075	Sen. Whitsett	Indicates that he generally supports them except for item #7 which is not sufficient. Reluctantly will not support the budget because it isn't enough money.
081	Sen. Nelson	Indicates that he will also not support the budget and discusses his reasoning.
087	Chair Devlin	Informs that he would be supporting the motion and discusses the differences between the House and Senate versions.
093	Steve Bender	Confirms that the Senate dropped it back and now they are identical.
096	Chair Devlin	Reminds that the Senate has reserved 6-1/2 million dollars more for Opportunity Grants in another budget. Vote: 3 – 2– 0 Ayes: Senators Gordly, Walker, Chair Devlin No: Senators Nelson, Whitsett Declares the motion CARRIED.
116	Steve Bender	Reviews the performance measures that are attached in Exhibit #2. Agrees to answer any questions about particular performance measures.
137	Chair Devlin	Calls for any questions.
138	Sen. Gordly	Indicates she accepts the performance measures but observes in their various budget committees they are sending a lot of work to the joint legislative and audit committee. Hopes legislative leadership is

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		tracking how that workload is shaping up and are being realistic in the expectations about any work that can be accomplished there.
152	Chair Devlin	Concurs with her comments.
154	Sen. Gordly	MOVES the adoption of the performance measures for the Dept. of Community Colleges and Workforce Development.
157	Chair Devlin	Vote: 5 – 0 – 0 Ayes: Senators Gordly, Nelson, Walker, Whitsett, Chair Devlin Hearing no objections, declares the motion CARRIED .
159	Chair Devlin	Agrees to accept a motion.
161	Sen. Gordly	MOVES SB 5617, as Amended, to the Full Senate Special Committee on Budget with a Do Pass recommendation.
162	Chair Devlin	Asks for any discussion.
163	Sen. Nelson	Comments on the budgets that he supports. Indicates he will be a no vote.
175	Sen. Whitsett	Echoes what Sen. Nelson indicated. Believes the community colleges should be a priority and the money should be put there.
180	Sen. Gordly	Comments that her colleague is correct about the inadequacy of the budget before them. Believes most of the budgets are inadequate. Comments on the need for tax reform. Speaks to the importance of the Skills Centers for retraining workers in our communities.
210	Chair Devlin	Indicates he tends to not agree to always looking at the K-12 budget as a way to balance other budgets. Believes that the number for the state school fund will be inadequate whatever it turns out to be.
237	Sen. Walker	Agrees with all the comments today. Also comments about the Skill Centers and sees that they are very valuable. Agrees the more that the Legislature can do the better.
260	Chair Devlin	Comments how Sen. Nelson wants to use our water.
263	Sen. Nelson	Believes it would solve the problems.
267	Chair Devlin	Vote: 3 – 2 – 0 Ayes: Senators Gordly, Walker, Chair Devlin No: Senators Nelson, Whitsett Declares the motion CARRIED .
275	Chair Devlin	Indicates that he will recess for 3 minutes at 1:55 p.m. RECESSES
280	Chair Devlin	Reconvenes at 2:01 p.m. Opens a Work Session on SB 300.
SB 300-A – RELATING TO EDUCATION WORK SESSION		
285	Steve Bender	Refers to (Exhibit 4, Senate Bill 300), (Exhibit 5, Expanded Options Program, SB 300-A) . Briefly explains that SB 300-A creates the Expanded Options Program, beginning in the 2006-07 school year. Comments on the optional cap for program participation.
390	Chair Devlin	Indicates that some of the parties that worked on this issue could

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		come forward and provide an explanation.
397	Sen. Gordly	Frames the measure before the committee. Indicates that she is pleased that the measure is finally before them but will be more pleased once it becomes law. Informs that it took about a decade of work to get the bill to this point.
TAPE 13B		
003	Sen. Gordly	Indicates she is grateful to Harvey Mathews and Chuck Bennett for being willing to take on the role of co-convening a workgroup that looked at how they could come to some consensus on a bill that could make its way through the Legislative process and to the other partners within the workgroup. Explains that the measure addresses the needs of students when they are ready to move on.
019	Chuck Bennett, Confederation of Oregon School Administrators	Thanks Sen. Gordly for her kind comments. Comments on the use of the ADMW and the half made available for participating students. Explains that the model before them just seemed to work the best. Believes SB 300 will be a model program and a model opportunity.
051	Harvey Mathews, Associated Oregon Industries	Echoes Mr. Bennett's comments and then explains how the ADMW will be able to be pooled and then used.
061	Chair Devlin	Indicates that he has been contacted by almost all of the participants particularly OEA, COSA, OSBA. States he has only received expressions of support from all parties.
074	Sen. Gordly	Acknowledges Sen. Walker for her leadership and understanding as the bill came before her committee. Doesn't believe the bill would have happened without her encouragement and support.
085	Sen. Walker	Replies when the bill was introduced there were people who didn't like it and indicates she believed it was good policy. Comments on the success of the workgroup. Indicates that the House also supports the bill. Believes the bill is a great piece of work and believes that it is just a start.
130	Sen. Gordly	Acknowledges Sean Cruz her legislative aid who made a wonderful contribution.
141	Sen. Whitsett	Wonders if the program is home-school eligible.
143	Chair Devlin	Responds probably not because home schools don't receive ADMW credits or payments from the state.
149	Chuck Bennett	Replies that they went over that at some length. They are eligible but would need to enroll in their public school to get to the program.
154	Chair Devlin	Calls for any questions.
156	Sen. Gordly	MOVES SB 300A to the Senate Special Committee on Budget with a Do Pass recommendation.
160	Chair Devlin	Vote: 5 – 0 – 0 Ayes: Senators Gordly, Nelson, Walker, Whitsett, Chair Devlin Hearing no objections, declares the motion CARRIED .
166	Chair Devlin	Closes a Work Session on 300A Opens a Work Session on SB 1053.

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SB 1053 – RELATING TO LOCAL EDUCATION BUDGETS WORK SESSION		
180	Steve Bender	Refers to (Exhibit #6, Senate Bill 1053), (Exhibit #7, Proposed Amendments to Senate Bill 1053) . Discusses the -3 amendments.
217	Chair Devlin	Calls for any questions. Indicates he will wait for Sen. Walker to return.
228	Sen. Whitsett	Discusses under (3) (a) there is a + or – of 10% and under 3 (b) there could be a + or – of 30% depending on the range.
235	Chair Devlin	Agrees.
237	Sen. Whitsett	Indicates that it is saying that the school district must set up a policy.
241	Chair Devlin	Explains that the purpose of the bill is to provide more transparency and discusses why they set the ending fund balance at this level.
265	Chair Devlin	Agrees to accept a motion.
266	Sen. Gordly	MOVES to adopt the -3 amendments.
269	Chair Devlin	Asks for any discussion.
271	Sen. Nelson	Believes it is one more report for the school districts to do and takes away from their resources. Informs that he will vote no.
275	Sen. Whitsett	Indicates he finally disagrees with Sen. Nelson.
279	Chair Devlin	Vote: 4 – 1 – 0 Ayes: Senators Gordly, Walker, Whitsett, Chair Devlin No: Senator Nelson Declares the motion CARRIED .
284	Sen. Gordly	MOVES SB 1053, as Amended, to the Senate Special Budget Committee with a Do Pass recommendation.
286	Chair Devlin	Vote: 4 – 1 – 0 Ayes: Senators Gordly, Walker, Whitsett, Chair Devlin No: Senator Nelson Hearing no objections, declares the motion CARRIED .
293	Chair Devlin	Confirms carriers. Will let the committee know of the committee's upcoming schedule.
305	Sen. Walker	Asks if we are meeting this weekend.
308	Chair Devlin	Agrees to try to get more clarification for the subcommittee. Adjourns at 2:32 p.m.