

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

TAPE LOG

**Date: June 6, 2005
Tapes: 6B, 7B, 8A**

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 6B | | |
| 003 | Chair Devlin | Calls the meeting to order at 3:00 p.m. Opens a Work Session on SB 5543 – Department of Education – Operations and Grant-In-Aid. (Exhibit #1, Senate Bill 5543). |
| SB 5543 – DEPARTMENT OF EDUCATION – OPERATIONS AND GRANT-IN-AID WORK SESSION | | |
| 008 | Sue MacGlashan, Legislative Fiscal Office (LFO) | Refers to (Exhibit #2, Memorandum from Sue MacGlashan dated June 6 & 7, 2005), (Exhibit #3, Work Session Action Report). Points out that Exhibit 3 starts with page 3 of 16 and comments on the missing pages which have to do with the State School Fund which they aren't considering today. |
| 022 | Sue MacGlashan | Explains the different units within the agency's budget. Reviews the Department Operations unit, Package 090: Analyst Adjustments. |
| 043 | Sue MacGlashan | Reviews Package 095: CNIC: Participating Agency. |
| 053 | Sen. Whitsett | Comments on Package 090 and asks what the FTE reduction reflects. |
| 057 | Sue MacGlashan | Responds that it is a reduction from the last biennium. |
| 059 | Sue MacGlashan | Reviews Package 102: Pre K – 12 Integrated Data Systems. Discusses the LFO recommendation which is to remove the package from the agency's budget and establish a special purpose appropriation in the Emergency Fund. |
| 076 | Chair Devlin | Understands that this is a relatively normal thing to occur. |
| 080 | Sen. Whitsett | Asks what the reduction reflects. |
| 084 | Sue MacGlashan | Responds that the adopted budget would show a reduction or incorporate the reduction of 1.8 million dollars and then elaborates. |
| 093 | Chair Devlin | Clarifies that this is not the cuts that were identified in the Senate and House version. Explains that they will take one motion for all of the packages within each division. |
| 105 | Sue MacGlashan | Reviews Package 108: Agency Reorganization. |
| 117 | Sue MacGlashan | Covers Package 801: LFO Analyst Adjustments. |
| 126 | Sen. Nelson | Comments on the attorney general's rate reduction which is from the Governor's budget. Notes that it actually reflects an increase from where they are now. |
| 132 | Sue MacGlashan | Clarifies that all the adjustments are from the Governor's proposed budget. |

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| 134 | Sen. Whitsett | Asks for a clarification on the attorney general's rate. |
| 135 | Chair Devlin | Responds \$98. |
| 136 | Sue MacGlashan | Reviews Package 811: Special Budget Committee Adjustments #1. |
| 138 | Sue MacGlashan | Provides a wrap up of the Department Operations unit. |
| 154 | Sue MacGlashan | Reviews the Special Schools unit discussing Package 090: Analyst Adjustments. |
| 162 | Sue MacGlashan | Reviews Package 801: LFO Analyst Adjustments. |
| 169 | Sen. Walker | Comments about the attorney general rate and asks if the Governor increased it and now it is being lowered. |
| 176 | Chair Devlin | Responds yes and then elaborates. |
| 183 | Sen. Gordly | Comments that the \$111 rate reflects a result in the Ways and Means Public Safety process when they were a joint committee and also reflects the Senate version of the attorney general rate. |
| 191 | Sue MacGlashan | Wraps up the Special Schools unit. |
| 201 | Sen. Whitsett | Comments about the number of kids that don't live on campus at the School for the Deaf. Questions the need for 157 FTE when they serve only 179 students. |
| 221 | Chair Devlin | Responds that the students have very special needs. Comments on the budget note that actually asks the Dept. of Education to look at merging the two schools and contracting out the operation of the schools to another institution like an ESD. |
| 230 | Sen. Whitsett | Believes that it will perhaps be helpful. Understands that many of the students have multiple disabilities at the School for the Blind. Doesn't believe that is the case at the School for the Deaf. |
| 241 | Chair Devlin | Asks if he would like the department to respond. |
| 243 | Vickie Fleming, Deputy Superintendent, ODE | Responds that it is why they are happy to cooperate with the budget note. Discusses her understanding of some of the residential costs. |
| 272 | Sue MacGlashan | Moves to page 8 of 16 in Exhibit #3 reviewing the Youth Corrections Educational Program, Package 090: Analyst Adjustments. |
| 298 | Sue MacGlashan | Covers Package 801: LFO Analyst Adjustments. |
| 321 | Sue MacGlashan | Moves to page 10 of 16 in Exhibit #3. |
| 324 | Chair Devlin | Asks Ms. MacGlashan to high-light the differences between the House and Senate versions as she proceeds. |
| 326 | Sue MacGlashan | Agrees. Continues her discussion regarding the Grant – In – Aid unit, covering Package 090: Analyst Adjustments. |
| 340 | Chair Devlin | Clarifies that they are restoring 11 million dollars. |
| 343 | Sue MacGlashan | Agrees and provides the specifics regarding the restoration of \$11 million to the Oregon Pre-Kindergarten program. |
| 374 | Sen. Nelson | Asks about the SMART program. |
| 378 | Sue MacGlashan | Explains that the Governor's budget added it back in. |
| 387 | Chair Devlin | Clarifies the restorations in the Senate and House budgets. |
| 401 | Sue MacGlashan | Explains one additional difference. |
| 404 | Sen. Whitsett | Is pleased about the \$100,000 going back into the SMART program. |

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| | | Also comments about the Frontier Program which he believes is extremely important. |
| TAPE 7B | | |
| 002 | Chair Devlin | Agrees he understands that. Indicates that there are a number of issues still to be resolved. |
| 010 | Sen. Gordly | Also discusses the Frontier Learning Network program and believes it was one of the few examples of an Urban/Rural partnership. Expresses her grief about the omission of the program from the budget and agrees to wait and see what happens. |
| 020 | Chair Devlin | Explains that he has spoken to the co-chair about this issue. |
| 023 | Sen. Walker | Recalls about their discussion on the Frontier Network and then elaborates. |
| 031 | Chair Devlin | Agrees that they will be discussing the issues over the next 3-4 weeks. |
| 033 | Sen. Gordly | Comments on the virtual learning network. Asks for the proper terminology. |
| 035 | Vickie Fleming | Responds that their note would be to create a Virtual Porthole and then elaborates. |
| 043 | Sen. Gordly | Indicates that they need to understand at what point they hand off a Frontier Network because it is becoming something else which is much broader. |
| 048 | Chair Devlin | Indicates that there are a number of items that still need to be discussed relative to that issue. |
| 061 | Sue MacGlashan | Reviews Package 801: LFO Analyst Adjustments. |
| 075 | Sen. Whitsett | Comments on the Federal Grant and Aid funds that were not utilized yet. Asks how it comports with the figures that she has presented. |
| 083 | Sue MacGlashan | Replies that they are two separate issues and explains what Package 801 is. |
| 099 | Sue MacGlashan | Reviews Package 811: Special Budget Committee Adjustments #1. |
| 115 | Sue MacGlashan | Summarizes the budget unit. |
| 129 | Sue MacGlashan | Covers the Debt Service Costs for Lottery Bonds. Explains how the lottery bonds were to be used and would be paid off in 2016. |
| 150 | Chair Devlin | Indicates that they will go to the recommended bill amendments. Asks the committee if they are comfortable with the information. |
| 166 | Sen. Gordly | Believes she would like them to be read into the record for the sake of the public and listening audience. |
| 168 | Sue MacGlashan | Moves to item #3 in the memo (Exhibit 2) regarding the Recommended Bill Amendments. Provides the specific appropriations in the General Fund. |
| 197 | Sue MacGlashan | Covers the Lottery Funds Expenditure Limitations and Other Funds Expenditure Limitations. |
| 205 | Sue MacGlashan | Reviews the specific breakdown in the Federal Funds Expenditure Limitations. |
| 223 | Sue MacGlashan | Explains that the bill would establish two special purpose appropriations in the Emergency Fund. |
| 232 | Chair Devlin | Notes that they are including the other items to establish the two |

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| | | special purpose appropriations. |
| 234 | Sue MacGlashan | Agrees that she did already review that information. |
| 235 | Chair Devlin | Agrees to accept a motion. |
| 240 | Sen. Gordly | MOVES to accept the LFO recommendations and to amend SB 5544 by deleting the contents of the blank appropriations bill and add the items that Ms. MacGlashan has indicated. |
| 242 | Chair Devlin | Asks for any comments. |
| 250 | Sen. Walker | Knows that this won't be their last vote. |
| 256 | Chair Devlin | Believes they will be out by labor day. |
| | | Vote: 3 – 2 – 0 |
| | | Ayes: Senators Gordly, Walker, Chair Devlin |
| | | No: Senators Nelson, Whitsett |
| | | Declares the motion CARRIED . |
| 268 | Sue MacGlashan | Continues with the Performance Measures. |
| 287 | Sue MacGlashan | Discusses the two approaches that they could take regarding the performance measures. Explains that the targets aren't included and need to be a part of the adopted performance measures. |
| 315 | Chair Devlin | Reminds the committee that the department was directed to revise completely their performance measures and to finish the process sometime in March. Notes that the performance measures are very extensive. Believes that it is best to refer them on to the Audit Committee process. |
| 340 | Sen. Whitsett | Indicates he has a problem with the way the performance measures are separated out. (We Report on Behalf of Others / We Report on Behalf of ODE) Believes that the buck should stop at their desk. |
| 365 | Chair Devlin | Believes Sen. Whitsett's concern is legitimate. Wants his concern to be noted in the Budget Report. |
| 391 | Sen. Whitsett | Expresses his concern which is the denial on the part of ODE as far as responsibility goes. |
| 400 | Chair Devlin | Agrees to accept a motion. |
| 403 | Sen. Gordly | MOVES to accept the LFO recommendation to direct the department work with the respective agencies and report back to the joint Audit Committee. |
| | | Also indicates she would like to suggest an amendment to the motion. Wants to point out that the performance measure discussion should carry forward through the interim House and Senate education committees. Believes it should be reported to these committees as well. |
| 422 | Chair Devlin | Clarifies what she is suggesting. |
| 424 | Sen. Gordly | Wants continuity. |
| 430 | Chair Devlin | Asks for any discussion. |
| 432 | Sen. Walker | Indicates she also noticed that omission. |
| TAPE 8A | | |
| 001 | Chair Devlin | Replies with his understanding about appointing back to the Joint |

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| | | Audit Committee. |
| 010 | Sen. Walker | Supports Sen. Gordly's motion. |
| 012 | Chair Devlin | Agrees. |
| 020 | Chair Devlin | Vote: 3 – 2 – 0 Ayes: Senators Gordly, Walker, Chair Devlin No: Senators Nelson, Whitsett Declares the motion CARRIED . |
| 023 | Sue MacGlashan | Moves to the Budget Notes beginning with the Early Intervention/Early Childhood Special Education Program Update. |
| 037 | Sue MacGlashan | Reviews the second budget note titled "Special Schools Cost-Effectiveness Review". |
| 059 | Sen. Walker | Asks about the last part and whether they are speaking about an ESD. |
| 062 | Sue MacGlashan | Responds that it could be. |
| 066 | Vickie Fleming | Replies yes and indicates that the quality of the program is normally enhanced in this situation. |
| 081 | Sen. Walker | Indicates she would like to see the ESD bill pass the session before signing off on something like that. |
| 086 | Sue MacGlashan | Reviews the third budget note titled "Report on Youth Corrections Educational Program Funding Options". |
| 095 | Sue MacGlashan | Covers the final budget note titled "Report on Use of English as a Second Language Programs". |
| 104 | Sen. Gordly | Indicates that she supports the budget note regarding the ESOL programs and their funding. Comments on the concern about how they monitor expenditures of the No Child Left Behind funds. Asks the department how they currently monitor the allocation and expenditure of No Child Left Behind funds out in the districts. |
| 115 | Vickie Fleming | Replies that they have a variety of things that they do to monitor this and then elaborates. Comments on an internal audit that they did. |
| 138 | Sen. Gordly | Asks if there is a current report that details the allocations and the expenditures at the district level. Asks who has not spent the available dollars. |
| 149 | Vickie Fleming | Responds yes. |
| 159 | Sen. Gordly | Comments that one of the issues she hears a lot about is how much money is the state receiving for the No Child Left Behind program. Explains what they need to be tracking within the State. |
| 175 | Vickie Fleming | Indicates that her suggestion does make sense. |
| 180 | Sen. Gordly | Agrees she wants to see it district by district. Explains that they need a tool that they can look at that tells them how much money the State receives and which districts receive the money, which student populations are being targeted with the dollars and what are the results that they are getting. |
| 194 | Vickie Fleming | Responds regarding some of the things that they are doing in this area. |
| 213 | Sen. Gordly | Indicates that she is asking for the same thing they are asking for in the budget note on the ESOL program. States she is suggesting |

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| | | another budget note be drafted. |
| 225 | Chair Devlin | Believes that they are willing to explore an additional budget note. |
| 235 | Pat Burk, Chief Policy Officer for ODE | Indicates that they do have a district by district comparison about how much federal money was received and in what category and then elaborates. |
| 251 | Chair Devlin | Notes that this won't be their final vote on this budget. |
| 256 | Chair Devlin | Agrees to accept a motion. |
| 258 | Sen. Gordly | MOVES to approve the Budget Notes. |
| 265 | Chair Devlin | Vote: 4 – 1 – 0 Ayes: Senators Gordly, Walker, Whitsett, Chair Devlin No: Senators Nelson Declares the motion CARRIED . |
| 267 | Sen. Gordly | MOVES to move SB 5543, as Amended, to the Senate Special Committee on Budget with a Do Pass as amended recommendation. |
| 269 | Chair Devlin. | Vote: 3 – 2 – 0 Ayes: Senators Gordly, Walker, Chair Devlin No: Senators Nelson, Whitsett Declares the motion CARRIED . |
| 276 | Chair Devlin | Indicates that they won't be meeting tomorrow. Anticipates that they might have an Oregon University System next week if he sees some movement within the Capitol. |
| 304 | Sen. Gordly | Asks about Senate Bill 300. |
| 306 | Chair Devlin | Comments on the many bills that are on the list. Doesn't know when he will get to schedule them. |
| Exhibit #5, Memorandum from Senator Whitsett to the Education Subcommittee | | |
| 318 | Chair Devlin | Adjourns the meeting at 4:30 p.m. |

Additional Exhibit:

Exhibit #4 – Memo from Vickie Fleming regarding ODE Performance Measures