

## HOUSE COMMITTEE ON EDUCATION

March 26, 2003 Hearing Room E  
1:00 PM Tapes 53 - 54

**MEMBERS PRESENT:**       Rep. Vic Backlund, Chair  
                                  Rep. Pat Farr, Vice-Chair  
                                  Rep. Elaine Hopson, Vice-Chair  
                                  Rep. Brad Avakian  
                                  Rep. Billy Dalto  
                                  Rep. Mary Nolan  
                                  Rep. Wayne Scott

**STAFF PRESENT:**         Jim Keller, Committee Administrator  
                                  Jeana Harrington, Committee Assistant

**MEASURES HEARD:**         HB 2450 – Work Session  
                                  HB 2807 – Work Session  
                                  HB 3044 – Public Hearing  
                                  HB 3103 – Public Hearing

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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.

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 53, A</b>		
004	Chair Backlund	Calls meeting to order at 1:10 PM. Welcomes colleagues and audience. Opens work session on HB 2450.
<b>HB 2450 WORK SESSION</b>		
009	Jim Keller	Committee Administrator. Reads Staff Measure Summary (SMS) on HB 2450. Notes amendments.
013	Rep. Deborah Kafoury	House District 43. Refers members to the -8 amendments <b>(EXHIBIT A)</b> . Notes there is no fiscal impact with the amendment.
029	Chair Backlund	Asks Rep. Farr to explain the -6 amendments.
032	Rep. Farr	Discusses -6 amendments <b>(EXHIBIT B)</b> . Explains the amendments would include more schools.
042	Chair Backlund	Asks if the -6 would create a precedent for other related issues such as the Oregon Opportunity Grant (OOG).
046	Rep. Farr	Believes the issues are different.
<b>050</b>	<b>Rep. Hopson</b>	<b>MOTION: Moves to ADOPT HB 2450-6 amendments dated 03/13/03.</b>
053	Rep Nolan	States she supports the -6 amendments.
<b>056</b>		<b>VOTE: 7-0</b>
	<b>Chair Backlund</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>058</b>	<b>Rep. Hopson</b>	<b>MOTION: Moves to ADOPT HB 2450-8 amendments dated 03/26/03.</b>
<b>059</b>		<b>VOTE: 7-0</b>
	<b>Chair Backlund</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
<b>063</b>	<b>Rep. Hopson</b>	<b>MOTION: Moves HB 2450 to the floor with a DO PASS AS AMENDED recommendation and the</b>

**SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.**

070	Rep Nolan	Voices hope the program will continue to expand the program in the future.
072	Chair Backlund	Comments on the evolution of the bill.
076		<b>VOTE: 7-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>The motion CARRIES.</b> <b>REP. KAFOURY will lead discussion on the floor.</b>
088	Chair Backlund	Closes work session on HB 2450. Opens work session HB 2807.
<b><u>HB 2807 WORK SESSION</u></b>		
091	Jim Keller	Reads SMS on HB 2807. Notes subsequent referral to Ways and Means.
095	Rep. Farr	<b>MOTION: Moves HB 2807 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b>
101	Rep. Nolan	Applauds the work of the consortium to increase access to educate in the eastern part of the state. States she does not support a do pass recommendation without knowledge of the consequences to the current budget. Supports a no recommendation motion. Wants to know the consequences of funding to other programs if the bill is passed.
115	Rep. Avakian	Concurs that although the program is laudable, funds may not be available. States he does not support passage.
122	Rep. Hopson	Echoes the opinions and concerns of her colleagues.
127	Chair Backlund	Asks if Rep. Farr would consider withdrawing the motion.
130	Rep. Farr	Asserts he would consider withdrawal.
130	Chair Backlund	Requests the Rep. Farr withdraw the motion.
134	Rep. Farr	<b>Withdraws earlier motion.</b>
135	Rep. Farr	<b>MOTION: Moves HB 2807 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means by prior reference.</b>
144	Passes	<b>VOTE: 6-1</b> <b>AYE: 6 - Dalto, Farr, Hopson, Nolan, Scott, Backlund</b> <b>NAY: 1 - Avakian</b> <b>The motion CARRIES.</b>
157	Chair Backlund	Closes work session on HB 2807. Opens public hearing on HB 3044.
<b><u>HB 3044 PUBLIC HEARING</u></b>		
158	Jim Keller	Reads SMS on HB 3044.
165	Steve Little	Senior Program Technician, Business Division, Oregon Department of Revenue (ODR). Testifies on HB 3044 <b>(EXHIBIT C)</b> . Explains the origin of the bill with regard to debt collection. Informs the committee of fees collected authorized by statute. Notes a fiscal impact does not yet exist. Estimates the requirements of the bill. Notes amendments.
212	Chair Backlund	Clarifies a statistic given.
214	Little	Answers every 5,000 accounts. Explains the potential funding.
226	Rep. Hopson	Poses question on costs.
234	Little	Responds.
242	John Bohlander	Principal, McNary High School. Testifies on HB 3044. Explains

		data is currently being compiled on the issue. Provides data on outstanding bills for students at McNary High School ( <b>EXHIBIT D</b> ). Comments on the categories with regard to funds.
364	Chair Backlund	Points out the total funds missing.
367	Bohlander	Comments on the total funds with regard to accountability of students. Notes the items included have been missing since grade school in some cases.
<b>TAPE 54, A</b>		
003	Rep. Hopson	Asks why the ODR would have a better chance of collecting the funds.
010	Little	Responds of the consequences of outstanding funds.
014	Bohlander	Informs the committee of the policy with regard to dropout students.
022	Chair Backlund	Adds there are amendments coming that provide for more flexibility. Discusses the need of funds considering the current budget crisis. Speaks to the situation from his perspective as a former teacher. Comments on the loss of books.
051	Rep. Nolan	Asks if Mr. Bohlander knows the proportion of the students are currently enrolled versus those who are dropouts.
055	Bohlander	Replies he is unsure.
057	Rep. Nolan	Requests an estimate.
059	Bohlander	Estimates 75% of students with outstanding fees are still enrolled. Notes textbooks are now checked out by barcode. Discusses the situation of lost textbooks.
067	Rep. Hopson	Requests other methods ODR uses to collect funds when students leave school.
072	Little	Explains items are turned to liquid form of dollars and explains the process.
084	Rep. Hopson	Inquires how ODR could be more successful than schools in collection.
089	Little	Replies ODR has greater capability given more information on the students and parents.
094	Rep. Dalto	Requests other conventional methods of asking for funds by schools.
102	Bohlander	Provides an example of collecting funds. Discusses the methods of accounting for textbooks.
130	Rep. Dalto	Restates his question focusing on student remaining in school.
145	Bohlander	Notes the semester grades are withheld and diplomas are withheld upon graduation.
155	Rep. Dalto	Asserts the current methods are not working.
157	Bohlander	Concurs.
159	Rep. Hopson	Requests why students are not then kept from walking at graduation.
161	Bohlander	Responds it is the policy of the school district. Believes academic responsibility has been fulfilled despite outstanding fees.
169	Rep. Dalto	Inquires the bill would create a new mechanism for leverage.
170	Bohlander	Affirms.
173	Chair Backlund	Comments on the totality of funds in a biennium. Believes the issue involves great funds.
188	Matt Markee	Oregon Collections Association (OCA). Testifies on HB 3044. Comments on the intent of the bill. Notes there is a related bill in existence. States he would be in favor of including all fees owed.
214	Rep. Avakian	Asks if he implies that families owing money debt be consolidated to the collection agency.

221	Markee	Explains families that owe in one respect may owe in others.
225	Rep. Nolan	Inquires if the intent is to change the ranking of debt with regard to school districts. Provides example.
241	Little	Explains when ODR collects fees, money goes to the general fund.
249	Rep. Nolan	Poses situation. Asks if funds collected are shared proportionally.
256	Little	Clarifies.
257	Rep. Nolan	Asks if the bill would change the priority of collections.
258	Little	Negates.
260	Rep. Dalto	Asks Mr. Markee if there is a cost associated with collection action to the school district.
268	Markee	Explains fees.
275	Rep. Dalto	Clarifies there is no separate fee to the school itself.
278	Markee	Provides that if OCA does not collect, no one is paid.
292	Rep. Avakian	Asks if a school district would need a judgment to pursue garnishment.
299	Little	Answers that an administrative ruling would be necessary to make funds liquid.
305	Markee	Explains the process school districts would most likely initiate.
310	Rep. Avakian	Clarifies.
315	Markee	Affirms.
320	Bohlander	Comments. Believes Bob Barker hosted Lets Make A Deal. No one notices.
344	Rep. Farr	Comments.
345	Chair Backlund	Closes public hearing on HB 3044. Opens public hearing on HB 3103.

**HB 3103 PUBLIC HEARING**

346	Jim Keller	Reads SMS on HB 3103.
358	Rep. Hopson	Discusses HB 3103, related bills, and the interest of better school funding. Comments on the purpose of a task force.
394	Ozzy Rose	Confederation of Oregon School Administrators (COSA). Speaks to the issue of consolidation of school districts. Testifies in favor of HB 3103.

**TAPE 53, B**

004	Rose	Discusses the consolidation of school districts. Informs the committee of task force bills.
019	Chair Backlund	Clarifies.
020	Rose	Speaks on HB 3103. Provides history of school districts. Believes the task force is a solid idea. Believes the bill should include Education Service Districts (ESD) and that it needs an amendment.
102	Rep. Farr	Offers he was a school board member of School District 52. Discusses the philosophical difference between the schools in the area. States he does not believe the action will be successful.
120	Chair Backlund	Asks if there will be a cost.
125	Rose	Affirms. Comments on demographics and communities.
140	Rep. Dalto	Asks how a school system could be created from scratch in 2003.
148	Rose	Remarks.
152	Rep. Dalto	Restates question.
155	Rose	Suggests a task force could look at an efficient method of program delivery.
165	Rep. Hopson	Asks Brian Reeder to testify.
170	Brian Reeder	Oregon Department of Education (ODE). Comments on a study performed by ODE with regard to delivery of services. Discusses

200

Chair Backlund

the outcome being a J-shaped curve. Notes some districts in Oregon may be too large.  
Closes public hearing on HB 3103. Adjourns the meeting at 2:21 PM

**EXHIBIT SUMMARY**

- A – HB 2450-8, Staff, 1 p**
- B – HB 2450-6, Staff, 1 p**
- C – HB 3044, Steve Little, 1 p**
- D – HB 3044, John Bohlander, 1 p**