

HOUSE COMMITTEE ON EDUCATION

April 23, 2003 Hearing Room E
1:00 PM Tapes 75 - 76

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: **SB 374A – Public Hearing and Work Session**
 SB 185 – Public Hearing and Work Session
 SB 870 – 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.

TAPE/#	Speaker	Comments
TAPE 75, A		
004	Chair Backlund	Calls meeting to order at 1:40 PM. Welcomes colleagues and audience. Opens public hearing on SB 374A.
SB 374A – PUBLIC HEARING		
009	Senator Vicki Walker	District 7. Testifies in favor of SB 374. Explains the bill gives high schools diplomas upon request to veterans of certain wars. Notes that Sen. Hannon also proposed a similar bill and this bill is the result of the interests. Lists there is an emergency clause. Points out there are thirty two states already bestowing honorary diplomas on veterans.
044	Chair Backlund	Adds comment on Vietnam War.
048	Sen. Walker	Does not feel addition of the war in Vietnam should be added.
050	Rep. Dalto	Speaks on a separate bill.
056	Sen. Walter	Responds on the inclusion of student in the process.
060	Chair Backlund	Appreciates the inclusion of World War I (WWI).
065	Sen. Walter	Offers her father participated in World War II (WWII).
070	Paula Brown	Oregon Department of Veterans' Affairs (DVA). Testifies in favor of SB 374 A. Lists reasons veterans should receive an honorary diploma. Speaks on the learning experiences of veterans. Notes the DVA worked with the Oregon Department of Education (ODE) and states the diplomas are 'honorary' due to Certificate of Initial Mastery and Certificate of Advanced Mastery (CIM/CAM) requirements.
120	Dennis Hooyman	Vietnam Veteran. Explains he is not offended by being excluded by the bill. Believes the Korean veterans should be honored. Testifies in favor of SB 374A.
125	Brown	Recognizes there are six living WWI veterans in Oregon.
130	Greg Warnock	Oregon Veterans' Association. Testifies in favor of SB 374A.

150 Rep. Nolan Believes it is a tangible honor to veterans. Asks what the tangible value of a 'real' versus 'honorary' diploma. Requests differentiation.

155 Warnock Explains veterans typically receive honorary notes often, and that a real diploma is more meaningful.

171 Hooyman Agrees with Mr. Warnock that an 'honorary' award was often a 'fake' award as many Vietnam awards were 'honorary'.

190 Rep. Nolan States she wishes to honor veterans. Explains she has difficulty in awarding a full diploma to veterans.

204 Brown Explains a real high school diploma validates veterans' time served. Submits that those who received a full diploma would not take issue with the veterans' receipt of a full diploma.

232 Rep. Avakian Clarifies that the government would give the benefit of the doubt in the situation and have received a full diploma.

238 Brown Believes that is a fair statement.

245 Warnock Explains that is exactly what the intention.

252 Chair Backlund Closes public hearing and opens work session on SB 374A.

SB 374A – WORK SESSION

258 Rep. Scott **MOTION: Moves SB 374A to the floor with a DO PASS recommendation.**

260 **VOTE: 6-1**
AYE: 6 - Avakian, Dalto, Farr, Hopson, Scott, Backlund

NAY: 1 - Nolan
The motion CARRIES.

REP. DALTO will lead discussion on the floor.

269 Chair Backlund Closes work session on SB 374A. Opens public hearing on SB 185.

SB 185 – PUBLIC HEARING

280 Jim Keller Committee Administrator. Reads Staff Measure Summary (SMS) on SB 185.

282 Jeff Svejcar Oregon Student Assistance Commission. Explains the reasoning behind SB 185 and why the bill is before the committee. Refers committee to the information provided on the student loan guarantee business (**EXHIBIT A**). Points out the loan program provides for state government service changes. Speaks further on the loan program.

373 Rep. Farr Asks if the bill would diminish opportunities for Oregon students.

376 Svejcar Responds it would not.

385 Rep. Farr Confirms.

389 Rep. Hopson Clarifies the student loans policy.

401 Svejcar Affirms and explains that the commission has relationships with border states coming into Oregon schools.

TAPE 76, A

007 Rep. Hopson Understands the policy for those in close proximity. Clarifies Oregon is providing a process for out of state students. Asks what is missing.

016 Svejcar Responds that students do not care who their guarantor is.

020 Rep. Hopson Asks why they are providing the service to out of state students.

024 Svejcar Responds it is a federal student loan program and that the federal government accepts the program and would allow for more resources.

031 Rep. Hopson Questions how Oregon benefits from this.

033	Svejcar	Answers that increased volumes allow for more resources to use for Oregon students.
040	Rep. Nolan	Asks what the default rate is.
042	Svejcar	Answers five percent.
044	Rep. Nolan	Asks what occurs there is no adverse impact for those from other states who default on the loans.
052	Svejcar	Explains they are reinsured by the federal government.
057	Rep. Nolan	Inquires if other states 'poach' on Oregon.
059	Svejcar	Affirms and adds the bill would allow us to compete nationally.
063	Rep. Nolan	Asks how the commission would measure performance.
066	Svejcar	Revenue and budget expenditure standpoint would allow the commission to redirect funds.
075	Rep. Nolan	Requests the net benefit from the bill the commission the commission assumes for its 2003-2005 budget.
085	Svejcar	Answers \$160,000 net.
091	Chair Backlund	Asks about the number of student the commission guarantees and what it would project.
095	Svejcar	Notes he does not have the information.
103	Chair Backlund	Closes the public hearing and opens work session on SB 185.

SB 185 – WORK SESSION

106	Rep. Farr	MOTION: Moves SB 185 to the floor with a DO PASS recommendation.
111	Rep. Nolan	Notes the bill seems like a reasonable experiment, and would be comfortable with it being treated as a pilot with a sunset clause to show it is helping Oregon students.
122	Chair Backlund	Notes the subsequent referral to Ways and Means.
126	Rep. Farr	Withdraws motion.
127	Rep. Farr	MOTION: Moves SB 185 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
129	Rep. Nolan	Explains her concerns with the bill. State she will vote no on passage.
136	Rep. Hopson	Offers she will vote yes, but shares Rep. Nolan's concerns. Poses question regarding funds.
140	Rep. Dalto	Questions the reason for subsequent referral.
144	Jim Keller	Notes there is a fiscal impact.
155	Chair Backlund	Informs the committee the bill will be brought back.
165	Rep. Nolan	Adds this will give the commission to amendment the bill. Comments on the subsequent referral to Ways and Means. Amend it too. And rescind ref.
171	Rep. Farr	Withdraws motion.
173	Chair Backlund	Closes work session on SB 185. Opens public hearing on SB 870.

SB 870 – PUBLIC HEARING

185	Jim Keller	Reads SMS on SB 870. (EXHIBIT B).
205	Dr. Phillip Creighton	President, Eastern Oregon University (EOU) Testifies in favor of HB 870. Notes EOU intends to work closely with the state board on the matter. Explains the reasoning for the pilot program and its intentions.
235	Chair Backlund	Asks if supports the -1 amendment.
240	Dr. Creighton	Affirms he does.
244	Dr. Jim Sorenson	President, Treasure Valley Community College (TVCC). Testifies in favor of HB 870. Believes there are great benefits in

		the pilot program.
296	Rep. Farr	Asks if he is comfortable with the -1 amendments.
300	Dr. Sorenson	Prefers the original language, but would be comfortable with the -1 amendments.
310	Rep. Farr	Believes one of the sponsors of the bill is has concerned with the -1 amendments.
317	Grattan Kerans	Oregon University System (OUS). Testifies in support of the -1 amendments to SB 870 as it would be acceptable to OUS and the State Board of Education (EXHIBIT C). Explains the -1 amendments.
351	Cam Preus-Braly	Commissioner of Community Colleges, Department of Workforce Development (CCWD). Testifies on SB 870. Notes CCWD does not have calendar authority. States CCWD support the bill with the -1 amendments. Believes quarter and semester system issues should be taken on at a state level.
371	Kerans	Adds that in a conversation with Rep. Greg Smith, it was indicated that if the university presidents agreed with the -1 amendments, he would also. Suggests a work session at the next meeting to allow for work on the amendments.
400	Rep. Hopson	Clarifies that the work group would encompass the whole university system.
405	Kerans	Responds that the study would include the joint boards and the three institutions.
414	Rep. Hopson	Asks if the colleges have already approached the state board.
419	Kerans	Notes he is not aware of any formal requests for a study
424	Rep. Hopson	Asks why the universities would not then approach the state board on the matter.
430	Kerans	Defers to Dr. Creighton
435	Dr. Creighton	Responds that the parties involved felt that legislative direction would be a helpful first step.
TAPE 75, B		
003	Rep. Hopson	Questions if it would be appropriate to got through the State Board of Education.
007	Dr. Creighton	Responds that the parties are not seeking to change the schedule, but to implement a pilot program.
011	Rep Avakian	Asks if the State Board of Education has the authority to agree to the pilot program, why that outlet is not utilized.
015	Dr. Creighton	Answers and speaks on a legislative mandate being helpful.
032	Kerans	Speaks on what the -1 amendments would accomplish. Explains they would call for a feasibility study.
047	Rep. Farr	Notes Rep. Smith is in the audience.
052	Rep. Greg Smith	House District 57. Testifies in favor of SB 870 in its current form. Explains the bill would allow universities to put additional dollars into its program.
080	Rep. Hopson	Clarifies the savings incurred by a switch in semester and quarter system.
084	Rep. Smith	Responds with regard to various savings enjoyed by the change in system. Shares that the idea came from the educational leaders in Eastern Oregon.
101	Rep. Hopson	Wonders why OUS and the community college system are not suggesting the system.
107	Rep. Smith	Notes today was the first time he knew of any opposition to the bill.
114	Rep. Hopson	Asks if there has been attempt to work with OUS and the

		community college system on the program.
116	Rep. Smith	Believes so.
117	Rep. Hopson	Requests what the outcome was.
119	Rep. Smith	Responds with the reasons he supports the measure. Reiterates the program is an opportunity to save funds to redirect them to students. Restates he does not wish for the bill to be amended.
130	Rep. Hopson	Asks about the fiscal impact.
132	Jim Keller	Responds there is a fiscal, and upon recess it will be received.
136	Kerans	Responds to Rep. Smith's earlier comments. Explains his situation for failure to testify in opposition and his request for amendments and apologizes to Rep. Smith.
152	Preus-Braly	States she is aware of what has transpired on the issue. Adds she cannot imagine interest in a pilot that would offer a cost savings.
171	Rep. Hopson	Clarifies that all community colleges are now on the quarter system.
173	Preus-Braly	Affirms.
175	Rep. Hopson	Clarifies that ODE makes the decision of quarters versus semesters for colleges.
177	Preus-Braly	Negates. State Board of Education. Speaks further on control over the issue.
197	Rep. Hopson	Understands that the community colleges involved have the authority to make the change of system from semesters to quarters.
200	Preus-Braly	Affirms the colleges do, but adds that all the other colleges have quarter systems.
207	Rep. Farr	Believes the intent of the bill is valid. Requests his concerns with the amendments.
213	Rep. Smith	States this is the first opportunity he has had to see the amendments. Believes that if there was opposition, he should have been informed of it prior to the public hearing.
232	Chair Backlund	Closes public hearing and opens work session on SB 870.
<u>SB 870 – WORK SESSION</u>		
236	Rep. Farr	MOTION: Moves SB 870 to the floor with a DO PASS recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
252	Rep. Hopson	Avows she is strongly opposed to the measure. Believes the colleges involved are able to make decisions on their own. Does not feel it is the place of the legislature to make the decision, and it should fall to OUS. Notes she is not opposed to the quarter or semester system. States she will be a 'no' vote.
272	Rep. Avakian	Agrees with Rep. Hopson's opinions with the exception that he is frustrated that the parties would attempt to pass a law on the issue seeing as they may already have the authority to accomplish the task. Asserts that for that reason he must oppose the bill.
289	Rep. Scott	Asks Rep. Smith for his reasons for opposing the -1 amendments.
301	Rep. Smith	Responds the university system would like to maintain the relationships it currently enjoys. Notes the constituents of his district have requested he seek savings and that funds be directed to classroom instruction. Points out the Senate agreed. Mentions if the bill does pass he will work with opposition on the measure.
344	Chair Backlund	States discontent with the disagreement among the committee on the measure. Adds he will be a 'yes' vote.
367	Dalto	Requests the motion be restated.

370 Chair Backlund Repeats the motion.
374 **VOTE: 4-3**
AYE: 4 - Dalto, Farr, Scott, Backlund
NAY: 3 - Avakian, Hopson, Nolan
Chair Backlund **The motion CARRIES.**
377 Chair Backlund **REP. SMITH will lead discussion on the floor.**
Closes work session on SB 870. Adjourns the meeting at 3:04 PM.

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EXHIBIT SUMMARY

- A – SB 185, Jeff Svejcar, 1 p**
- B – SB 870-1, Staff, 1 p**
- C – SB 870, Grattan Kerans, 1 p**