

**HOUSE REVENUE COMMITTEE**  
**MARCH 25, 2003 8:30 AM STATE CAPITOL BUILDING**

Members Present: Representative Lane Shetterly, Chair  
Representative Wayne Scott, Vice Chair  
Representative Joanne Verger, Vice Chair  
Representative Vicki Berger  
Representative Pat Farr  
Representative Mark Hass  
Representative Elaine Hopson  
Representative Max Williams

Members Excused: Representative Barnhart

Witness Present: Senator Bill Fisher, Senate District 1  
Dr. Robert Barber, Central Oregon Community College  
Margaret Bradford, Rogue Community College  
Rep, Tim Knopp, House District 54  
Mike Gaudette, Southwestern Oregon Community College  
Donald Reeder, Central Oregon Community College  
Dr. Jesus (Jess) Carreon, Portland Community College  
Cam Preus Braley, Commissioner, Community Colleges

Staff Present: Paul Warner, Legislative Revenue Officer  
Steve Meyer, Legislative Revenue Office  
Kathy Tooley, Committee Assistant

**TAPE 95, SIDE A**

004	Chair Shetterly	Calls meeting to order at 8:35 a.m.
005	Steve Meyer	Gave background of HB 2656 which prohibits commissioner for community college services from using amounts received from local property taxes in determining amount of state aid to be distributed to community college districts and community college services districts. HB 2656 has no revenue impact and has subsequent referral to Ways and Means Committee. Exhibit 1
021	Senator Fisher	In theory agrees with HB 2656, however testified in opposition to the bill. He emphasized that one community college should not be favored over another. Describes financial concerns of community colleges in his district and the negative effect of this bill on those schools. Notes a court case is pending regarding distribution of funding.
100	Bob Barber	Testifies in favor of HB 2656. Summarizes written testimony supporting removing property taxes as a factor in the community college formula... Exhibit 2
335	Rep Patridge	Testifies in support of HB 2656 which was introduced because of equity argument. His concern is the funding formula for community colleges. He terms the formula as fundamentally flawed and asks the committee to look was what is fair and equitable.
390	Margaret Bradford	Testifies in support of HB 2656. Reapportionment has meant higher tuition for students and monies should stay in the community that voted them in.



**TAPE 96, SIDE A**

142	Rep. Knopp	Sponsored HB 2656 to address inequities and begin discussion on community college funding.
172	Mike Gaudette	Testifies in support of HB 2656. Discusses lack of equity in the funding formula.
285	Don Reader	Discusses cuts in funding to the Central Oregon Community College. Summarizes testimony of students who testified before the community college board.
397		Questions and discussion
391	Rep. Farr	Voices supports for bill
410		Questions and discussion.
412	Barber	Discusses historical decision-making process for community colleges and the advisory role to the commission and then to the state board.  Questions and discussion

**TAPE 95, SIDE B**

008	Rep. Williams	Expressed concerns relating to passing bond measures for capital construction. There is a distinction between a capital bond that passes for bricks and mortar supported by the local community and the broader issue of operation expenses of a college that is funded substantially through state college. They are separate approaches in how community college funding is dealt with.  Discussion
027	Rep. Hass	Agreed with Rep. Williams' comments and stressed the need to find a solution to bring in more revenues rather than take community college funding from one another.
057	Barber	Responds that community colleges have been good partners and urged funding from state allocation not from other colleges.
083	Donald Reader	K-12 is based on the equity formula; however, each community college has special needs.
111	Jesus Carreon	Spoke in opposition to the bill and stressed the existing funding mechanism does not work for all agencies. Urged putting all funding on the table. Should not look at one portion when whole needs to be addressed.
186		Emphasized the public policy issue of parity.  Questions and discussion.
275	Cam Preus Braley	Does not support this legislation. The Community College Board realizes the formula is not working and requests a review of the formula. Urged a new formula to pay community colleges for the students served. Continues that this bill removes one factor, the formula needs to look at all the factors. Looking at one diminishes possibility of a finding answer for all.

308	Chair Shetterly	Clarified the committees Intention to revisit the formula.  Discussion
324	Rep. Hopson	What is the composition of rest of the community college board?
330	Braley	Responds five community college presidents and himself. .
333	Rep. Verger	If there was a plan, why would we have all this legislation?
342	Braley	Can't address impetus for legislation. Community College Board has been looking into funding formula since last April. Noted the need to build a new proposal.  Questions and discussion

Closes Public Hearing on HB 2656

389	Chair Shetterly	Meeting adjourned at 9:50 a.m.
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Tape Log Submitted by,

Kathy Tooley, Committee Assistant Summarized by Kim Taylor James

Exhibit Summary:

1. HB 2656, Meyer, Revenue Impact Statement, 2/14/03, 1 page
2. HB 2656, Barber/Reeder, Written Testimony 3/25/03, 7 pages
3. HB 2656, Levine, Written Testimony, 3/25/03, 2 pages
4. HB 2656, Gaudette, Written Testimony, 3/25/03, 2 pages
5. HB 2656, Carreon, Written Testimony, 3/25/03, 2 pages