

**PUBLIC HEARING ON HB 2819, HB 2923,
HJR 45, HB 2486, HB 3271, HB 2629, HB 2630, HB
3052, HB 3451, HJR, 27, HB 3500, HJR 13, HB2556,
HB 3607, HB 2837, HB 2598, HB 2599, HB 2601,
HB 2602, HB 2604, HB 3278
TAPE 120, 121, A-B**

**HOUSE REVENUE COMMITTEE
APRIL 11, 2003 8:30 AM STATE CAPITOL BUILDING**

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

Members Excused: Representative Wayne Scott, Vice Chair

Witness Present: Representative Mary Nolan, District 36
Representative Jerry Krummel, District 26
Representative Susan Morgan, District 2
Steve Chiovaro, Superintendent Days Creek School
Dr. Bruce Herbert, Florence
Brian Reeder, Department of Education
William Lay, Pioneer Youth Corps of Oregon
Catherine Lay, League of Oregon Charter Schools,
Charter School Operator
Nicole Bregato, Staff for Representative Cliff Zauner
Daniel Sell, Gervais district resident
Laurie Wimmer Whelan, Oregon Revenue Coalition

Staff Present: Paul Warner, Legislative Revenue Officer
Mazen Malik, Legislative Revenue Office
Steve Meyer, Legislative Revenue Office
Lizbeth Martin-Mahar, Legislative Revenue Office
Kathy Tooley, Committee Assistant

TAPE 120, SIDE A

004 Chair Shetterly Calls meeting to order at 8:35 a.m. HB 3079 has been withdrawn from consideration.

OPENED PUBLIC HEARING ON HJR 45

010 Mazen Malik Provided description of HJR 45, (Exhibit 1).

040 Rep. Mary Nolan Spoke in support of HJR 45, part of two piece proposal for education funding. A strong and prosperous economy relies on a successful high quality education system. Described companion piece in Education Committee that seeks to establish a common statewide definition of a basic education. This bill allows the ability to provide a quality level of education beyond a basic education; noted communities may want to supplement basic education, exceeding or augmenting education based on local industry requirements.

148 Rep. Hopson Regarding the issue of equity, more dollars wouldn't necessarily mean better, but different, how do you see this as not separating the haves and have-nots

in regards to educational opportunity?

- 160 Rep. Nolan Would like to see Quality Education Model implemented statewide so every K-12 school district has the capacity, management structure, teaching staff to deliver the education achievements the model represents. Schools are not there today, and don't believe it will happen this session. Equity demands the definition of a floor that is consistent statewide, that is the equity element. Current structure does not provide for equity.
- 198 Chair Shetterly Where this proposes a local option, there is opposition by OEA and COSA; have you had response from them to this proposal?
- 206 Rep. Nolan Have had conversation with education advocates and representatives, who would prefer a different end result, but acknowledge their option may not be there at sine die.
- 218 Rep. Barnhart Have you considered separating the pieces of this to the extent that it may not become a revision? The bill addresses two different issues one as discussed, a second issue is how a local election would be needed and the vote totals required to pass a measure.
- 219 Rep. Nolan Having chosen a revision, would prefer one conversation about the issue, rather than multiple measures which can be confusing.
- 258 Chair Shetterly Recess HJR 45.

OPENED PUBLIC HEARING ON HB 2819

- 266 Rep. Jerry Krummel This is a policy choice providing flexibility for parents, students and school districts. The concept is to stop paying for seat time; it is aimed at helping student get what they need for a rounded education. Also helps with Army National Guard Youth Challenge Program. Enables part of money from school district to follows student.
- 319 Rep. Jerry Krummel Registration based on ADMw, for attendance effective September 1 annually in resident school district. Allows transfer to another district that fits student needs and 80% of dollars travel with them.
- 360 Rep. Krummel Discussed and supported -1 amendment from Rep. Zauner.
- 382 Rep. Verger Provided examples of a child living in a district, and transferring to another district where the money does follow. How is that different from HB 2819? The amendment says student can move without the consent of the school district. Can't students currently transfer and have the money follow?
- 389 Rep. Krummel Currently, school districts have a choice to decline the application, or allow child to go, but not send the money with child.
- 390 Rep. Krummel Currently takes approval of the school district. With the amendment if the district declines a transfer, the parent and student could still transfer with 80% of dollars.
- 435 Rep. Verger Currently system is reciprocal?
- 439 Rep. Krummel Answered affirmatively
- 441 Steve Meyer For clarification the statute with amendment appears to still require written consent; inquired if wording was as Rep. Krummel intended?

456	Rep. Krummel	Need to check with Legislative Counsel on correct language.
464	Chair Shetterly	Noted other mandatory language that may need to be reconciled.

TAPE 121, SIDE A

032	Rep. Barnhart	Regarding establishment of a count as of September 1, what about mobility of students during the school year, and where families aren't registered by September 1.
057	Rep. Krummel	Would prefer a census twice a year, November 1 and March 1 to capture that turnover.
065	Chair Shetterly	Recounted ECONorthwest study which show dramatic attendance differences during the year.
067	Rep. Krummel	The November count would be registration by the parent; the March would be a count by the district of who has moved in and out.
075	Chair Shetterly	Recess Public Hearing on HB 2819

OPENED PUBLIC HEARING ON HB 2923

078	Steve Meyer	Described HB 2923, (Exhibit 4).
087	Rep. Susan Morgan	Discussed letter from Anh Nguyen, Oregon Department of Education, (Exhibit 5), described a transfer could be made without statute change, asks the committee to hold the bill pending further conversation with Legislative Counsel.
100	Steve Chiovaro	Spoke in support of HB 2923. Provided history of small school correction (Exhibit 6).
219	Rep. Barnhart	On switching from public school to a charter school, what are the considerations?
222	Chiovaro	Small schools need educational reform, not enough money to have in depth educational reform required. Charter school law provides \$50,000 in start up grants to allow Days Creek to see what does work in the state and nation. Secondly, a federal grant provides for \$300,000 which allows for continued operation of the school.
242	Rep. Hopson	How many students are at Days Creek High School?
243	Chiovaro	Approximately 220 for K-12.
246	Rep. Hopson	Days Creek High School currently receives \$300,000 from Basic Schools for the high school?
251	Chiovaro	A little more approximately \$326,000.
240	Dr. Bruce Herbert	Spoke in support of HB 2923. Reiterated testimony of Chiovaro. Working to establishing a charter high school, many issues discussed are seen in Florence. Will have amendment that addresses comprehensive high school programs in rural areas.
388	Brian Reeder	As it addresses Days Creek issue, do not believe need a bill; have not seen

the proposed amendments.

405 Chair Shetterly Close Public Hearing HB 2923

REOPENED PUBLIC HEARING ON HB 2819

TAPE 120, SIDE B

090 William Lay, Spoke in opposition to HB 2819, concerned with -1 amendment; parent should be able to decide what school a child attends.

144 Catherine Lay Spoke in opposition to HB 2819, described referrals process, level of bureaucracy created for child to attend school of choice.

260 Nicole Bregato Discussed -1 amendment (Exhibit 3). Amendment allows child to transfer out without district consent, if the school is failing. Discussed Audrey Swett's written testimony regarding Gervais school District Report Card compared to Silver Falls (Exhibit 7).

317 Rep. Hopson Would it be possible for the districts to merge?

323 Bregato There is discussion, but resistance from Gervais School Board.

340 Rep. Williams Cosponsors legislation, HB 3104, with Chair Shetterly, calling for review of school district operations, and offers balanced plan for reorganization which could encourage additional consolidation. There are instances that would behoove students and community to consider district consolidation.

380 Daniel Sell Concurred with Lays in that the bill does not give the student a right to attend a particular school, however the bill is a stating point (Exhibit 8). Gervais closed all transfers. Discussed unanswered threats to children, and removal of child from Gervais school. Currently trying to have Gervais declared a failing school district under the "No Child Left Behind Act", enabling the family the right to choose where the child attends school; discussed Silverton school district and problems with recordkeeping.

047 Chair Shetterly Closed Public Hearing on HB 2819

OPENED PUBLIC HEARING ON HB 2486

056 Lizbeth Martin-Mahar Provided description of background HB 2486, (Exhibit 9).

080 Matt Meador Represented Rep. Nelson, spoke in support of HB 2486 (Exhibit 10).

119 Chair Shetterly For the record, received written testimony from the Oregon Auto Dealers Association, (Exhibit 11)

124 Laurie Wimmer Spoke in opposition to HB 2486, creating a tax exemption for consumer debt is not in the state's interest. It is not means tested, opposes new tax credits if cannot meet criteria and if cannot be revenue neutral.

143 Chair Shetterly Closed Public Hearing on HB 2486.

REOPENED PUBLIC HEARING ON HJR 45

130 Brian Reeder This bill would make fundamental changes to school funding, putting control into local hands. Department of Education supports change to structure of funding system as local control is a fundamental part of education.

187 Chair Shetterly Closed Public Hearing on HJR 45.

OPENED PUBLIC HEARING ON HB 3271

218 Chair Shetterly Closed Public Hearing on HB 3271 (Exhibit 12).

OPENED PUBLIC HEARING ON HB 2629, HB 2630, HB 3052, HB 3451, HJR 27, HB 3500, HJR 13, HB 2556, HB 3607, HB 2837, HB 2598, HB 2599, HB 2601, HB 2602, HB 2604, HB 3278

230 Chair Shetterly Closed Public Hearing on HB 2629, HB 2630, HB 3052, HB 3451, HJR 27, HB 3500, HJR 13, HB 2556, HB 3607, HB 2837, HB 2598, HB 2599, HB 2601, HB 2602, HB 2604, HB 3278.

233 Chair Shetterly Meeting adjourned at 10:15 a.m.

Tape Log Submitted by,

Kathy Tooley, Committee Assistant Reviewed by Kim Taylor James

Exhibit Summary:

1. Mazen Malik, "Staff Measure Summary HJR 45", 1 page
2. Meyer, "Staff Measure Summary HB 2819", 1 page
3. Rep. Krummel, "-1 amendment HB 2819", 1 page
4. Meyer, "Staff Measure Summary HB 2923", 1 page
5. Morgan, "Nguyen letter, Oregon Department of Education", 1 page
6. Chiovarro, "Testimony HB 2923", 1 page
7. Bregato, "Testimony Audrey Sweet HB 2819", 5 pages
8. Sell, "Testimony of Lorrie Freer HB 2819, 8 pages
9. Martin-Mahar, "Staff Measure Summary HB 2486, Income Tax Credit for Interest Paid on Debt", 2 pages
10. Meador, "Testimony of Rep. Donna Nelson on HB 2486", 2 pages
11. Written Testimony, "Oregon Auto Dealers Association HB 2486", 1 page
12. Malik, Staff Measure Summary on HB 3271", 1 page