

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

July 22, 2003 Hearing Room E
1:30 PM Tapes 99 -100

MEMBERS PRESENT: **Rep. Dan Doyle, Chair**
 Rep. Linda Flores, Vice-Chair
 Rep. Laurie Monnes Anderson, Vice Chair
 Rep. Vic Backlund
 Rep. Phil Barnhart
 Rep. Betsy L. Close

MEMBER EXCUSED: **Rep. Joanne Verger**

STAFF PRESENT: **Janet Adkins, Administrator**
 Cara Filsinger, Administrator
 Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: **Amendments to House Rules 2.20, 8.20, 9.01, 9.15, 13.05, and 13.10 – Work Session**
HB 3651 – 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 99, A		
004	Chair Doyle Chair Doyle	Calls meeting to order at 1:44 p.m. and reviews agenda items. Opens a work session on proposed amendments to House Rules 2.20, 8.20, 9.01, 9.15, 13.05, and 13.10.
<u>AMENDMENTS TO HOUSE RULES 2.20, 8.20, 9.01, 9.15, 13.05, 13.10.</u>		
018	Rep. Flores	MOTION: Moves to ADOPT AMENDMENTS TO HR 2.20, 8.20, 9.01, 9.15, 13.05, 13.10 DATED 7/16/03 (EXHIBIT A).
016	Chair Doyle Chair Doyle	Explains reason for the proposed rule changes and explains effect of each rule change. Explains further that the proposed rule changes provide flexibility to the budget process and preserve the process; it does not abolish Ways & Means.
100	Rep. Barnhart	Speaks in opposition to the motion.
160	Rep. Monnes Anderson	Speaks in opposition to the motion.
185	Rep. Close	Speaks in support of the motion.
194	Chair Doyle	Comments on budgeting efforts and proposals between the two parties. Believes the amendments allow a process that will get budgets to the other chamber.
281		VOTE: 4-2-0 AYE: 4 - Backlund, Close, Flores, Doyle NAY: 2 - Barnhart, Monnes Anderson EXCUSED: 1 - Verger The motion CARRIES. REP. DOYLE will lead discussion on the floor.
	Chair Doyle	

Chair Doyle

Closes the work session on amendments to the House Rules and opens a public hearing on HB 3651.

HB 3651 – PUBLIC HEARING

272 Rep. Billy Dalto

District 21. Testifies in support of HB 3651. States that HB 3651 is a good compromise from SB 10. Explains that there are three categories of students not eligible to receive in-state tuition in Oregon University System. The first category is the persons who are born here and are legal residents and citizen of Oregon, but if the parents do not have legal status, their children born here do not qualify for in-state tuition. States he wants to make sure citizens born in this country are eligible to receive in-state tuition.

333 Rep. Dalto

The second category is the legal immigrant, the Green Card holder; HB 3651 would allow those students, if they have resided in Oregon and have attended an Oregon high school for three consecutive years and received a diploma, to receive in-state tuition at a school in the University System.

350 Rep. Dalto

The third category is the student without legal status; this bill does not allow in-state tuition for those students.

Rep. Dalto

States that seven states, including Washington and Texas, have passed the broader version.

371 Rep. Dalto

Comments that the Legislative Revenue Office does not have a mechanism to put a statement on a bill like this; they work closely with the Legislative Fiscal Office and put something on the Fiscal Impact Statement. Reviews SB 10 Fiscal Impact Statement (**EXHIBIT B**). States that the three categories are not going to school because it is out of reach financially. If we enable the two categories, some would be going. He expects the Oregon University System (OUS) to testify they will receive an increase in tuition revenue. States that the differences of opinions were on the \$780,000 and \$1.64 million, whether it is a revenue impact or a fiscal impact.

444 Rep. Dalto

Makes analogy that one guest in the House Lounge supported by 85-90 members is at no additional cost and less than two dozen students entering the system with 59,000 other students; believes the fiscal impact is minimal.

485 Rep. Dalto

Notes comments in an earlier Fiscal Impact Statement saying “the number of students who would be considered residents for purposes of tuition and fees under SB 10, as amended, can not be estimated.”

TAPE 100, A

025 Rep. Dalto

Comments on challenges while working on this issue, and states it solidifies his feelings that he is doing the right thing.

066 Rep. Close

Comments that Oregon can not educate the whole world, and that her nephews live in Washington may want to go to school in Oregon but they can not get in-state tuition because historically Oregon has said that people who are citizens of Oregon take priority over people from Washington, or some other country, because Oregon cannot afford to educate the whole world.

081 Rep. Dalto

Responds by asking if there is a distinction between citizens and legal residents. Adds that people who have a Green Card and have legal status can work and pay taxes in Oregon.

091	Rep. Close	Comments that a person who is a citizen of the United States would have to be an Oregon resident in order for her to vote for this.
	Rep. Dalto	States that under HB 3651, they would have to be an Oregon resident and have attended an Oregon high school for three consecutive years and received a high school diploma.
097	Rep. Close	Comments there is a question about who is paying the tuition. There is a difference if the student is emancipated and paying on their own, or if their parents are paying as an illegal alien. It is a question of breaking the law.
104	Rep. Dalto	Comments he does not understand why it matters where the money is coming from to pay the tuition if someone who is born in this country and has legal status as a citizen under the Constitution of the United States wants to go to school. States he understands the questions on the immigration status of the parents. To him, it is a federal issue, not a state issue. The federal government is complacent in their responsibility to effectively manage our borders and are not doing the job they need to be doing. Adds that he does not believe people should be here illegally. Adds that it does not matter where the money comes from as long as they are able to pay.
125	Rep. Close	Responds that historically, it has mattered where the money comes from. Comments on taxpayers paying for the colleges and the schools are for Oregonians.
138	Chair Doyle	Asks Rep. Dalto to look at Section 2 (b) and (c) of the bill to help answer Rep. Close's question.
142	Rep. Dalto	Comments there is a higher standard under this bill for students in these two categories than for an American citizen coming from another state who would only have to be here one year and prove they have residency before they are eligible for the in-state tuition.
155	Rep. Close	Comments that she does not have a problem with the citizen; she has a problem with the non-citizen being considered a resident and getting in-state tuition over citizens from other states.
169	Rep. Barnhart	Comments that the requirements are conjunctive; they must meet all three tests in lines 9 through 17. The parents have to be residents under Section 2 (a), the student has to have been a resident of the state for three years while attending high school, and have received a high school diploma or the equivalent. Asks if that is correct.
181	Rep. Dalto Chair Doyle	Responds affirmatively. Clarifies that Section 2 (a) does not require the parents to be citizens. The residency status applies to the student. Adds that the basis for this is when determining tuition, and using the parents' residency status.
194	Rep. Barnhart	Comments that Section 2 (a) establishes the exception, that is, the student is a resident and the parents are not citizens of the United States.
	Rep. Dalto	Responds that the parents are not recognized as legal residents of the United States.
199	Rep. Barnhart	Questions if the use of the second "residency" in line 9 is being used in a different sense than "legal residency."
	Rep. Dalto	Responds he believes Rep. Barnhart is correct.

208	Rep. Barnhart	Comments that we are talking about people whose parents are living in Oregon, pay taxes and do the other things that anybody else who lives in Oregon does.
	Rep. Dalto	Responds that he agrees completely, but others would disagree.
222	Rep. Flores	Asks what the "broader version" is that other states have passed.
	Rep. Dalto	Responds that the broader version includes the third category--the student without legal status who resides in this country.
	Rep. Flores	Asks which states besides Washington and Texas have passed the broader version.
	Rep. Dalto	Responds he does not have the list with him, but Illinois and New York are two more.
236	Rep. Backlund	Reads the list of states that had passed legislation at the time SB 10 was heard: Texas, California, Utah, and New York. States that since that time Washington, Oklahoma, and Illinois have passed similar statutes.
262	Chair Doyle	Comments that SB 10 was in the House Education that was chaired by Rep. Backlund.
	Rep. Backlund	States that currently if parents are living in Oregon illegally, their children cannot get state tuition. We can say that the students are being held responsible for the sins of the parents. If we pass HB 3651, we are saying the parents who are here illegally will not prohibit a student from having an opportunity to attend higher education with in-state tuition.
281	Rep. Dalto	Responds affirmatively.
289	Rep. Flores	Asks if HB 3651 is to allow these students to receive in-state tuition, not scholarship money.
293	Rep. Dalto	Refers to the language in the Legislative Fiscal Statement that says there will be a net increase in revenue to the Oregon University System if these student decide to go to school. Suggest Rep. Flores ask the University System the same question.
314	Brenda Sifuentez	Co-chair, Oregon Students of Color Coalition. Testifies in support of HB 3651 (EXHIBIT A).
354	Jose Sandovol	Latinos Unidos Siempre. Presents a prepared statement in support of HB 3651 (EXHIBIT C).
362	Sara Sparks	Latinos Unidos Siempre. Presents a prepared statement in support of HB 3651 (EXHIBIT E).
441	Rep. Close	Asks if Sifuentez has numbers on Latinos who receive minority scholarships.
	Sifuentez	Responds she does not have them.
451	Rep. Close	Asks how many of Sifuentez' peers are paying out-of-state tuition. States she is trying to figure out what the use of minority scholarships is among the Latino population.
463	Sifuentez	Responds that she would say that most of her peers who are U. S. Citizens in college receive scholarships.
470	Rep. Close	Asks if the student must be a resident to receive the scholarship.
	Sifuentez	Responds the student must be a resident to receive scholarships.
475	Rep. Barnhart	Asks Sifuentez if the first two numbers on tuition in her fourth paragraph (EXHIBIT C) refer to the amounts paid per term for tuition.
493	Sifuentez	Nods yes.
TAPE 99, B 030	Phil Kennedy Long	Ecumenical Ministries of Oregon. Testifies in support of HB

		3651. Comments on services provided, including a small high school for children of immigrants or refugees who are struggling to succeed in the normal Portland Public School system or other school systems that they contract with. They support HB 3651 because it removes a barrier to education, and education is the key to success.
070	Bob Castagna	Oregon Catholic Conference. Testifies in support of HB 3651. States that the Catholic church, in its history and ministry, prizes education, and has over 50 private Catholic schools, K-12, in Oregon. The minority community is a significant part of the people they engage in outreach to and who participate in the schools. They wish the bill could be broader.
092	Grattan Kerans	Director, Government Relations, Oregon University System. Testifies in support of HB 3651. States that HB 3651 is a legislative solution to an equity question. The equity issue is those people addressed in the bill that would otherwise qualify for resident tuition status but are denied by virtue of their dependency. Agrees with Rep. Backland that the residency irregularities of the parents should not be visited upon their children if the children have normalized their residency status or were born here and have citizenship.
122	Kerans	It is an issue that needs legislative solution as in other states. It is not an issue that the State Board of Higher Education would drive itself into; they depend upon the legislature for legislative direction. The residency requirements of the University System are among the strictest in the United States; they are that way by legislative direction.
134	Kerans	The fiscal impact is a narrow gauge issue. Those covered by this bill would be those who are citizens by birth, and those who have achieved resident alien status on their own motion. That is a smaller group than those who would be non-citizens without normalized residency status but would otherwise meet the test of living here with a guardian or parent, attending a school for three years and getting a high school degree. Adds that the institutions have a bias in favor of access and they, too, hope the committee supports HB 3651.
153	Rep. Close Kerans	Asks if students would get in-state tuition if they have residency and chooses to pay their own tuition. Responds that is why there are such stringent residency requirements. Their legislative direction is that they be vigilant to make sure that only those who can qualify and make their way through the residency hurdles gain resident tuition. If the student is financially dependent, he/she faces an almost impossible hurdle of establishing independent status financially. States that the rules have been tested twice in Multnomah County Circuit Court and they have been sustained twice and neither case has been appealed. It would be extremely difficult for a student to be able to prove financial independence and establish a separate domicile, have a separate income stream, and become emancipated and be outside the supervision and control and financial support of their parents.
171	Rep. Close Kerans	Asks if they are considered independent if they have their own apartment and have their own income stream. Responds they can establish that. They would have to

		demonstrate clearly that they are financially independent, that they have no support from their parents and they do not share a domicile with the parents. If they can meet all the obligations of their education on their own, without financial contribution from their parents, they can be identified as an independent resident student. They would get in-state tuition.
198	Rep. Close	Asks if a student is born here and is a U.S. citizen and the parents are illegal aliens is eligible for a scholarship.
	Kerans	Responds they could be; it is a matter determined on the status of the student. If the person is a citizen of the United States of America and meets the residency requirement for the State of Oregon, they are eligible for the Oregon Opportunity Grant based upon their financial need. They would also be eligible for the federal PELL grant. The other class of students addressed in HB 3651 who would find themselves achieving resident alien status would not be eligible for either of the scholarships regardless of their financial need.
216	Rep. Close	Asks if they will look at the status of the parents for the PELL grant.
	Kerans	Responds he believes they would not; it is an issue determined by the status of the applicant, the student. If they are a dependent student, their parent's ability to contribute would be included in the equation, but the first issue is the status of the student. If the student is not a citizen, they are not eligible.
225	Rep. Close	Asks Kerans if he agrees that if the parents are paying the tuition and they are illegal aliens, then we are giving illegal aliens a break that a citizen does not get.
230	Kerans	Responds no; they look at the student. They are interested in the status of the student and their ability, whether there are academically prepared and can meet the admission standards and whether they are financially able, through whatever means, to progress. That is a bias in favor of access. They make the decision based on the equity needs of that student.
247	Rep. Barnhart	Asks what Kerans view is about this increasing enrollments.
	Kerans	Responds this bill would provide a net increase in tuition revenue to the institution by virtue of the marginal increase in admissions. It is a rather small amount.
	Rep. Barnhart	Comments this does not reduce tuition for anybody because students who qualify under this bill would not otherwise be going to school and paying non-resident tuition.
	Kerans	Agrees with Rep. Barnhart. Adds that there are very few students today who by virtue of their being undocumented are attending—it is less than two dozen in any given year. The average per year is 17 students out of an FTE of 59,000.
327	Rep. Flores	Asks if the OUS is looking for direction from the legislature in regard to this, and whether it is in the purview of the OUS to make the determination.
	Kerans	Responds he believes they are looking to the legislature for that direction. Reads Administrative Rule on determination of residency. States that he doubts the board would insert itself directly without legislative encouragement. They want the legislature to resolve this matter as a public policy.
373	Rep. Backlund	Comments that community college attendance has not been discussed and that it will be interesting to see how many students

	Kerans	might switch or transfer from the community colleges to a four-year university. Asks if Kerans has any idea of the numbers. Responds that a significant minority of OUS's undergraduate admissions are Oregon community college transfer students. Closes the public hearing and opens a work session on HB 3651.
376	Chair Doyle	
<u>HB 3651 – WORK SESSION</u>		
414	Rep. Flores	MOTION: Moves HB 3651 to the floor with a DO PASS recommendation.
418	Rep. Monnes Anderson	Speaks in support of the bill.
409	Rep. Barnhart	Speaks in support of the bill.
TAPE 100, B		
023	Chair Doyle	Speaks in support of HB 3651.
081		VOTE: 5-1-1 AYE: 5 - Backlund, Barnhart, Flores, Monnes Anderson, Doyle NAY: 1 - Close EXCUSED: 1 - Verger The motion CARRIES. REP. DALTO will lead discussion on the floor.
	Chair Doyle	
091	Chair Doyle	Closes the work session on HB 3651 and adjourns the meeting at 3:15 p.m.

EXHIBIT SUMMARY

- A – House Rules, amendments to H.R. 2.20, 8.20, 9.01, 9.115, 13.05, and 13.10, staff, 2 pp**
- B – HB 3651, Legislative Fiscal Statement on SB 10, Rep. Dalto, 1 p**
- C – HB 3651, prepared statement, Brenda Sifuentez, 1 p**
- D – HB 3651, prepared statement, Jose Sandoval, 1 p**
- E - HB 3651, prepared statement, Sarah Sparks, 1 p**