

PUBLIC HEARING: SB 61, SB 260, SB 519

WORK SESSION: SB 61 (-1) AMENDMENTS

TAPES 043-044, A

SENATE REVENUE COMMITTEE

February 15, 2001 — 8:30 A.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Ted Ferrioli, Chair

Senator Lee Beyer, Vice Chair

Senator Susan Castillo

Senator Tony Corcoran

Senator Gary George

Senator John Minnis

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Steve Meyer, Economist, Legislative Revenue Office

Carol Phillips, Committee Assistant

Witnesses: Gary Conkling, Beaverton and Hillsboro School Districts

TAPE 043, SIDE A

005 Chair Ferrioli Meeting called to order at 8:38 a.m.

013 Steve Meyer Stated that SB 61 changes the definition of ADMw in the school equalization formula. Makes extended ADMw the highest yearly ADMw in the current year and four prior years. The (-1) amend-ments clarify over the prior four-year period it is the highest year within that

four-year period that is compared with the current year. (Exhibits 1, 2, and 3.) In utilizing the five-year period to arrive at ADMw, under current law the number of ADMw is increased from 643,712 to 654,784. That changes the average per extended ADMw from \$5,147 down to \$5,060, assuming no increase in the state school fund. That shifts \$32.5 million to 114 school districts that have experienced declining ADMw over the five-year period. That also would mean a slight decrease in 84 districts that have had increasing ADMw.

Questions and answers interspersed.

073 Chair Ferrioli Said there are several other similar bills currently under consideration by others in the legislature. The reason for this bill is to eliminate a drastic drop-off of funding for schools but create a "glide path" so the communities have time to respond to the economic issue. The purpose for the (-1) amendments is to clarify the language in the bill defining ADMw.

Comments, and questions and answers interspersed.

OPENED PUBLIC HEARING ON SB 61

188 Gary Conkling Stated that Exhibit 3 indicates that Beaverton and Hillsboro school districts seem to have been targeted for the largest reduction in funding and those funds distributed to other districts. Beaverton and Hillsboro have precipitous increase in student population. On average Beaverton School District adds 1,000 students per year. Feels the estimation of student enrollment itself has an adverse effect on the ultimate funding of students actually in each district. Districts historically underestimate their enrollment. Has a bill currently in Legislative Counsel that he feels will create a more standard mechanism to project enrollment.

Questions and answers interspersed.

353 Chair Ferrioli Agreed that all proposed bills regarding rapidly increasing or declining enrollments should be reviewed side-by-side.

355 Conkling Continued comments. Feels an arithmetic formula should be initiated that would accurately create a number factor based on perhaps the prior three years, which could be used for growing or declining districts.

CLOSED PUBLIC HEARING ON SB 61

OPENED WORK SESSION ON SB 61

420 Sen. L. Beyer MOTION:

MOVES (-1) AMENDMENTS TO SB 61 BE ADOPTED.

452 Chair Ferrioli ORDER:

ROLL CALL VOTE: MOTION PASSES: 6 —
1 — 0

SENATORS VOTING AYE: CASTILLO,
CORCORAN, GEORGE, STARR, L. BEYER,
FERRIOLI

SENATOR VOTING NO: MINNIS

CLOSED WORK SESSION ON SB 61

RE-OPENED PUBLIC HEARING ON SB 61

TAPE 044, SIDE A

023 L. Beyer Agreed that there are legitimate concerns from smaller communities about imminent closures, but larger communities are concerned as well. The Eugene School District announced today the closure of six schools and the potential closure of an additional four. Springfield District is looking to close one or two schools. Of those scheduled for closure, four are located

outside the city limits of Eugene and Springfield, so they are basically rural schools that would be lost.

- 040 Chair Ferrioli Asked Sen. Beyer to ascertain reasons for the scheduled closures of the schools in Eugene and Springfield and report his findings back to the Chair.
- 051 Sen. Corcoran Said it would be helpful to have someone from the Eugene and Springfield school districts speak to the Revenue Committee on the decision-making process for school closures. Suggested a joint revenue committee meeting with the House for side-by-side bill comparison and analysis.
- 074 Chair Ferrioli Thanked Sen. Corcoran for voting for the (-1) amendments and agreed a joint meeting with an orientation on all the similar bills should be scheduled.

CLOSED RE-OPENED PUBLIC HEARING ON SB 61

- 130 Chair Ferrioli Meeting adjourned at 9:15 a.m.

Submitted by, Reviewed by,

Carol Phillips Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. SB 61, Meyer, (-1) Amendments, (CH/ps) 1/29/01, 1 pp.
2. SB 61, Meyer, Revenue Impact Statement, 1 pp.
3. SB 61, Meyer, School Formula Extended ADMw 2001-02 Estimates, 6 pp.