

HOUSE COMMITTEE ON EDUCATION

March 03, 1999 Hearing Room E

1:30 PM Tapes 57 - 59

MEMBERS PRESENT: Rep. Ron Sunseri, Chair

Rep. William Morrisette, Vice-Chair

Rep. Chris Beck

Rep. Betsy Close

Rep. Elaine Hopson

Rep. Bob Jenson

Rep. Tim Knopp

Rep. Lynn Lundquist

Rep. Carl Wilson

Rep. Jackie Winters

MEMBER EXCUSED:

STAFF PRESENT: Norm Fox, Administrator

Joan Diaz, Administrative Support

MEASURE/ISSUES HEARD: SB 100A 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 57, A		

005	Chair Sunseri	Calls meeting to order at 1:55 p.m. Opens work session on SB 100A.
<u>SB 100 A WORK SESSION</u>		
006	Joyce Harris	Director, Equity Center of the Northwest Regional Educational Laboratory. Discusses work of the Center. Recommends amendments to SB 100A. (EXHIBIT A)
079	Rep. Wilson	Refers to section 5 (y) "add gender to racial and ethnic balance."
083	Harris	Responds with discussion of single sex classrooms or single sex schools. Cautions a court case may result.
092	Rep. Wilson	Asks for opinion on single sex classrooms, notwithstanding any legal issues.
099	Harris	Comments research shows girls tend to do better in single sex classrooms particularly in math and science. Explains the Office of Civil Rights does not consider it a Title IX issue.
103	Rep. Hobson	Asks if there is a concern that charter schools will end up in a bi-modal distribution; "at risk" students and "TAG" (talented and gifted) students.
113	Harris	Responds that research on charter schools is still preliminary.
132	Rep. Hobson	Asks if there are Oregon schools that specifically address the "at risk" students.
138	Harris	Responds that there are not, compared to other states.
142	Rep. Beck	Asks who is liable if a lawsuit should result.
155	Harris	Responds it would be the same as a public school in a public school district; the school district is liable. Comments there is always the possibility of civil liability.
166	Rep. Beck	Presents scenario of a school board rejecting an application; Department of Education (DOE) reviews the charter and (DOE) becomes the sponsor. Asks if, in that case, the school board would not be liable.
172	Harris	Responds she is not sure on the flow of accountability in legal terms. Suggests it would be the sponsor.
178	Rep. Beck	Discusses charter schools with "at risk" missions. Asks if she is aware of this possibility.

190	Harris	Responds that this is providing choice for parents and communities.
195	Rep. Beck	Asks if there is a definition for "at risk."
210	Harris	Responds she is not sure. Discusses types of "at risk" students. Comments definition might be specified by the DOE.
224	Chair Sunseri	Discusses possibility of creating a specially designed charter school focusing on disabled individuals, or on gender basis, or on ethnicity, as long as it is open to everyone.
245	Harris	Responds it has to be open; does not preclude a special focus. Explains that in the eastern U.S. there are schools like this.
252	Rep. Lundquist	Comments that "access to everyone" depends on parents taking that opportunity.
260	Harris	Responds that the burden to ensure that school is open is the sponsor's responsibility. Explains there should not be a pattern of exclusionary enrollment.
285	Chair Sunseri	Refers to the §60 amendments for comments. (EXHIBIT B) Reads Section 17 (3).
290	Harris	Responds that wording seems reasonable.
295	Rep. Hobson	Asks does not the law address perception of discrimination.
322	Harris	Discusses example of Elizabethan studies; using content as a basis for a charter school is not a discrimination problem.
325	Rep. Hobson	Clarifies previous question.
330	Harris	Responds that trouble occurs when a school excludes students.
336	Rep. Hobson	Ask what problems would result for a school responding to a discrimination suit.
341	Harris	Explains the district would take responsibility because a charter school is a public school. Explains the need for the sponsor to be aware of discrimination laws.
397	Chair Sunseri	Comments a charter sponsor would probably not let a charter school get into a liability position.

TAPE 58, A

002	Harris	Discusses the need for vigilance.
006	Chair Sunseri	Comments there would not be any more risk than any other traditional school.
012	Harris	Comments existing public schools are still struggling with harassment policies and procedures.
021	Rep. Jenson	Asks what is the "chain of liability" in an alternative private school.
025	Harris	Responds that the schools are under the auspices of the local school district; the responsibility is with the district.
050	Harris	Shares experience of a fee-paid, pre-school which was set up with exclusionary enrollments. Discusses preference given to students already in the school.
069	Chair Sunseri	Asks questions regarding siblings.
072	Harris	Responds there is some precedent; it has been acceptable to give preference to siblings.
075	Chair Sunseri	Asks whether students enrolled in a previous year have preference on enrollment.
079	Harris	Responds that is acceptable.
082	Rep. Hobson	Discusses issue of some schools which are unable to take special needs children.
092	Harris	Responds that school is going to be in trouble; law says they have to provide access. States charter school informs district of special needs.
099	Chair Sunseri	Comments the federal requirement is for the school district to be responsible for special education students.
109	Harris	Agrees the district needs to work it out with a charter school.
119	Chair Sunseri	Comments on school in his district who receives special education students that are transported by the school district.
125	Harris	Discusses parental choice in placing special education student.

133	Rep. Hobson	Asks what would be the cost of violating the IDEA (Individuals with Disabilities Education Act).
140	Harris	Responds that it is hard to determine.
146	Rep. Winters	Asks if there are any civil rights violations involving charter schools.
150	Harris	Responds affirmatively; discusses case in North Carolina.
159	Rep. Winters	Discusses providing a preventive prescription.
170	Harris	Refers to a university in Detroit which sponsored a charter school that subsequently had financial difficulties. Recommends thorough preparation to avoid legal problems.
184	Chair Sunseri	Discusses funding mechanism; comments SB 100A is at 95% of the ADMw (Average Daily Membership weighted).
193	Rep. Hobson	Asks if the superintendent of public instruction will present information to the committee.
201	Chair Sunseri	Comments the superintendent will attend Friday's meeting. Discusses balance of Friday's agenda.
203	Rep. Lundquist	Discusses a funding variable between 100% and 50%. Discusses difference in costs between elementary and secondary schools. Suggests keeping funding at 80% with room for negotiation.
240	Rep. Beck	Asks if there should be a financial incentive for the charter applicants to negotiate with the board; suggests starting at a lower figure and then negotiating.
263	Chair Sunseri	Asks what would the school district provide in order to receive 25% funding.
270	Rep. Beck	Responds that would be part of the negotiation.
292	Chair Sunseri	Discusses responsibilities of a sponsor. Comments on the 95% stated in SB 100A. Discusses the percentage negotiated between Howard St. Charter School and the district.
328	Rep. Hobson	Comments that the Howard St. Charter School worked closely with the district; the charter schools with difficulty were the ones loosely connected to the school districts. Discusses opportunity for negotiation; biggest expense is personnel.

340	Chair Sunseri	Asks if she is arguing for a larger percentage.
352	Rep. Hobson	Responds she would suggest a lower percentage, and then negotiate up depending on services required.
376	Chair Sunseri	Comments he would agree that traditional schools need to have rules and regulations eased.
380	Rep. Morrisette	Argues for 100% funding, if charter schools are part of the school district.
TAPE 57, B		
002	Rep. Jenson	Supports starting at a lower percentage and then negotiating up depending on services required. Comments that traditional elementary schools currently receive 90% funding.
028	Rep. Lundquist	Discusses the need for cooperation between school district and charter schools; difficult to legislate cooperation.
035	Rep. Morrisette	Comments his impression was Howard St. Charter School receives 110% funding; expenses and services.
046	Chair Sunseri	Asks for input on a two-tier funding system for high schools and grade schools.
052	Rep. Beck	Prefers that funding start high and negotiate down. Asks for clarification.
065	Rep. Morrisette	Discusses Howard St. Charter School funding and what the district provides.
078	Rep. Beck	Asks if the committee specifies funding per student in the bill, will the sponsor be prohibited from reducing it, if they provide the services.
082	Chair Sunseri	Comments that the ADMw is not the only money a school receives. Quotes information from the Department of Education. (EXHIBIT C)
088	Rep. Beck	Asks where does the balance of funding come from.
095	Chair Sunseri	Responds various sources, such as federal grants.
102	Rep. Beck	Discusses a proposal that could be made between school districts and a charter school.
105	Chair Sunseri	Discusses example of the amount a school district expends per student versus per

		ADMw.
121	Rep. Lundquist	Comments that a charter school can also apply elsewhere for other funds.
129	Chair Sunseri	Agrees. Clarifies that charter schools cannot access local property tax; cannot usually acquire buildings which are provided to public schools. Clarifies ADMw percentages; each school is different.
135	Rep. Morrisette	Clarifies purposes of funding received; asks for a breakdown of funds above the ADMw.
140	Chair Sunseri	Comments he has asked for a breakdown of building costs by district.
150	Ozzie Rose	Executive Director, Confederation of School Administrators (COSA). Discusses audited 1996-97 report; categories of expenditures. Explains if the number of students are reduced, revenue is reduced but not necessarily expenditures; fixed costs remain.
175	Chair Sunseri	Discusses Exhibit C from Legislative Counsel.
186	Rose	Discusses inconsistent funding source and cash carryover.
231	Chair Sunseri	Comments that actuals have always been less than the projected costs.
235	Rose	Discusses special education costs.
238	Chair Sunseri	Discusses special education factor: double ADMw.
243	Rose	States that a student who goes to a charter school is not a special education student; accounts for one ADMw. Comments that a review of district by district needs to be conducted to determine precise expenses.
256	Rep. Winters	Asks for information regarding high school costs versus elementary school costs.
264	Rose	Responds that the difference is recognized in the formula; does not think charter high schools will form.
281	Rep. Lundquist	Comments that the costs are going to be ongoing; not going to reduce teaching staff. Explains how a district loses the special education percentage.
320	Chair Sunseri	Comments that the double ADMw will average out.

330	Rep. Morrisette	Comments on the Springfield School District and special education programs. Asks what other monies are included.
335	Rose	Explains funding formula and underfunding of schools. Discusses the 45,000 students who might move into charter schools.
379	Chair Sunseri	Discusses last session's home school bill.
385	Rose	Explains consequences of private/home school students returning to public/charter schools.
TAPE 58, B		
002	Chair Sunseri	Explains committee would like to review financial items which are debatable; asks for information in writing.
014	Rep. Morrisette	Explains the need to know what dollars are coming into a district that vary, and what are the sources.
020	Chair Sunseri	Discusses small schools and other unique situations.
023	Rose	Comments federal funds are directed to specific services.
026	Chair Sunseri	Comments the most difficult accounting is ascertaining is the cost of buildings.
028	Rep. Knopp	Asks what percentage of home school students will enter charter schools.
035	Rose	Responds he is not sure; estimates 1-5,000 over the next three years.
041	Chair Sunseri	Comments that the district is not teaching those students now.
045	Rose	Explains Salem School District student population.
061	Rep. Winters	Asks for further explanation of current home school students who would enter public schools.
063	Rose	Responds with reasons parents enroll children in small schools.
068	Rep. Lundquist	Comments total funding is an estimation; funding per student would be easier to understand.

069	Chair Sunseri	Comments it is "unbelievably complicated."
072	Rose	Responds that there is an advantage to a straight formula; disadvantage is that every student is a significant source of revenue. Explains if 20 students leave, one teacher is lost to the district.
089	Chair Sunseri	Asks is the converse true.
094	Rose	Responds affirmatively.
096	Rep. Morrisette	Clarifies there are fixed total dollars divided among an unknown number of students.
103	Rose	Responds affirmatively.
106	Rep. Hobson	Asks to receive statistical information from Legislative Counsel.
109	Chair Sunseri	Responds affirmatively; waiting for information on building costs.
112	Rep. Morrisette	Asks for total dollars, how many students, and distribution of resources.
120	Chair Sunseri	Responds it depends on the program.
125	Rose	Clarifies the ADMw, the equity formula, and stop/loss funding. Discusses the audited 1996-97 report.
149	Steve Buckstein	President, Cascade Policy Institute. Describes the institute.
156	Maurice McTigue	Visiting Scholar, George Mason University's Mercatus Center. Discusses charter schools in New Zealand. Explains public education in New Zealand converted its schools to all charter schools. (EXHIBIT D)
266	McTigue	Discusses elimination of all Boards of Education; establishment of a Board of Trustees for each school.
303	Rep. Hobson	Asks what percentage of New Zealand's student population is minority.
305	McTigue	Discusses ethnicity of New Zealand's population.
340	Rep. Hobson	Asks what percentage of the budget, country wide or regional, is dedicated to education.

345	McTigue	Describes central government; no state government. Explains general taxation and resources from a national level. States 15% of the national budget is spent on education.
356	Rep. Winters	Asks what kind of difficulty was encountered at the beginning.
	McTigue	Explains concern regarding parents taking control and managing the schools; apprehension not well founded; parents good managers. Explains of the 4,300 schools, none are in financial difficulty.
393	Rep. Winters	Asks how long did the process take.
405	McTigue	Responds approximately five years.
TAPE 59, A		
002	McTigue	Explains the changes made in how education funds were spent; better utilization of facilities resulted in savings.
014	Chair Sunseri	Asks what indicators caused the changes.
020	McTigue	Explains it was a social concern when young people were leaving the country in the middle 1980is.
035	Chair Sunseri	Asks if there have been major changes since creating charter schools.
040	McTigue	Responds negatively; changes have withstood through two governments, with some fine tuning. Explains they are moving away from social promotion.
060	Rep. Morrisette	Asks how are costs determined.
065	McTigue	Responds that the methodology used will give you different results.
082	Buckstein	Discusses employee costs; staff and administrator is not a teacher cost.
096	Rep. Beck	Asks if funding stayed constant.
105	McTigue	Explains there were high deficits in early stages; eventually had surpluses which were invested in education/computer technology.
121	Rep. Wilson	Asks how are students with handicaps dealt with.

135	McTigue	Explains policy of mainstreaming and parental choice. Explains there were some social problems more than problems due to disabilities. Explains a module system; all students learning at different levels.
157	Rep. Hobson	Clarifies types of schools.
169	McTigue	Explains every school has a charter; both private and public, funded with public dollars. States the quality of education is identical.
175	Chair Sunseri	Thanks witnesses.
180	Buckstein	Invites committee to Room 50, Thursday for luncheon and presentation.
184	Chair Sunseri	Closes public hearing on SB 100A. Adjourns at 4:00 p.m.

Submitted By, Reviewed By,

Joan Diaz, Norm Fox,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 100A, written testimony, Joyce Harris, 2 pp

B ñ SB 100A, proposed ñ60 amendments, staff, 38 pp

C ñ SB 100A, written material, staff, 3 pp

D ñ SB 100A, written testimony, Maurice McTigue, 2 pp