

SENATE COMMITTEE ON EDUCATION

April 5, 1999 Hearing Room B

1:00 p.m. Tapes 64-65

MEMBERS PRESENT:

Sen. Tom Hartung, Chair

Sen. Susan Castillo, Vice-Chair

Sen. Peter Courtney

Sen. Verne Duncan

Sen. Gary George

Sen. Avel Gordly

Sen. Marylin Shannon

MEMBER EXCUSED:

STAFF PRESENT:

Jan McComb, Administrator

Karen O'Kelley, Administrative Support

MEASURES HEARD:

SB 756 Public Hearing

SB 469 Public Hearing

SB 786 Public Hearing

SB 837 Public Hearing

SB 634 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 64, A		
004	Chair Hartung	Opens meeting at 1:05 p.m. and opens public hearing on SB 756.
<u>SB 756 PUBLIC HEARING</u>		
009	Rep. Lane Shetterly	House District 34. Testifies in support of SB 756. States that the bill helps to address the cost of a higher education for families. Believes that the bill is well drafted.
034	Rep. Randall Edwards	House District 15. Submits (EXHIBIT A). Explains that SB 756 establishes a college savings plan, which allows Oregon residents to defer state and federal taxes on earnings used to pay college expenses.
082	Rep. Edwards	Believes that the strength of this bill is that it is flexible. Explains that money saved under the plan could pay for tuition, room and board, and books at any accredited post-secondary institution in the U.S.
		Refers to the ñ1 amendments included in EXHIBIT A . Explains that the amendments would remove the "Public Employees Retirement Board," from line 45, and insert the "State Treasurer." Recommends that the committee adopt the ñ1 amendments.
127	Sen. Courtney	Asks what role the State Scholarship Commission (SCC) would have with the program.
132	Rep. Edwards	Responds that he has not had a direct conversation with the SCC, although he knows that they are interested in managing the program.
145	Sen. Courtney	States that he will need to hear more testimony on this bill before he can make a decision on the -1 amendments.
149	Chair Hartung	Closes public hearing on SB 756 and opens public hearing on SB 837.
<u>SB 837 PUBLIC HEARING</u>		
154	Tamara Dykeman	<p>Oregon Community College Association (OCCA). Submits (EXHIBIT B). Explains that the goal of SB 837 is to meet the employment needs of expanding Oregon industries by focusing resources on high-demand living-wage employment opportunities for Oregonians. Discusses the plan to achieve that goal.</p> <p>Lists the following industries that the State Board of Education and the OCCA identified as having significant employment opportunities:</p>

		<ul style="list-style-type: none"> • Food Processing • Corrections/Public Safety • High-tech Manufacturing/Semiconductor
232	Jim Craven	<p>American Electronics Association (AEA). States that the AEA is a co-sponsor and a strong supporter of SB 837. States that the high-tech industry has become Oregon's largest manufacturing sector.</p> <p>Thanks the community colleges for partnering with the AEA.</p>
272	Cheryl Hinerman	<p>Intel Corporation. Refers to a report included in EXHIBIT B. States that the focus of the report is to:</p> <ul style="list-style-type: none"> • Attract and match Oregonians to semiconductor careers. • Enable student workers to complete education and training programs. • Address the shortage of qualified technical faculty in high schools, community colleges, and universities.
374	Hinerman	Discusses the key strategies for the high-tech manufacturing/ semiconductor industry. Gives examples of career progressions in the semiconductor industry.
414	Dykeman	Discusses the current status for the corrections/public safety and food processing programs.
		<p>States that SB 837 would allow the OCCA to:</p> <ul style="list-style-type: none"> • Align training capacity with opportunities for high-skill, high-wage jobs.
TAPE 65, A		
001	Dykeman	<ul style="list-style-type: none"> • Target education and training programs capacity to meet employment opportunities.
014	Sen. Gordly	<ul style="list-style-type: none"> • Refers to the emphasis on "cultural diversity and minority leadership training" for the food processing industry. Asks if there is a similar emphasis for the corrections/public safety and high-tech manufacturing/semiconductor industries as well.
026	Hinerman	Responds that the high-tech industry has been making an effort to target females and under-represented minorities.
031	Sen. Gordly	Asks if the high-tech industry has an "identifiable goal" of having an emphasis on cultural diversity.
039	Hinerman	Responds that "diversity outreach" is one of the criteria that Intel measures the community colleges' success against.

042	Sen. Gordly	Asks if the corrections industry has a goal of achieving cultural diversity.
044	Dykeman	Responds that they do not have a representative present today. States that she will get back to Sen. Gordly with an answer.
047	Chair Hartung	Recesses public hearing on SB 837 and opens public hearing on SB 469.
<u>SB 469 PUBLIC HEARING</u>		
051	Rep. Al King	House District 44. Believes that Oregon needs a college savings program. Explains that SB 469 allows the private sector to administer the program. Refers to the -4 amendments which are included in (EXHIBIT C) . States that the Treasurer's Department is in agreement with the -4 amendments. States that it is important for SB 469 and SB 756 to be coordinated.
140	Chair Hartung	Requests that Rep. King meet with the sponsors of SB 756.
153	Sen. Lee Beyer	Senate District 21. Explains that both bills have the same objective.
167	Chair Hartung	Closes public hearing on SB 469 and opens public hearing on SB 756.
<u>SB 756 PUBLIC HEARING</u>		
170	Martin Rohrer	Vice-President and Trust Officer, U.S. Bank, Clackamas. Testifies in support of SB 756. States that this bill would allow more people to set-up accounts for their families without the administrative and tax costs. Discusses the administrative details and costs that are involved with trusts.
218	Thomas Turner	Director Special Services, SCC. Testifies in support of SB 756. States that the citizens of Oregon should have the opportunity to participate in a college savings program. States that the SCC would need to have additional staff and financial resources in order to implement the bill. States that his comments also apply to SB 469.
276	Eric Lindauer	Attorney. Testifies in support of SB 756 and submits (EXHIBIT D) . States that he and Edmonds represent the Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF). States that both SB 469 and SB 756 would provide a qualified tuition savings program for Oregon.
330	Jim Edmonds	Attorney. States that his only concern is that the bill would need "to take close note of Section 529 of the IRS code statute." Explains that Section 529 indicates that the state needs to take an active role in administering the program in order to gain the benefits from the statute.

344	Lisa Zavala	Associate Director Government Relations, Oregon University System (OUS). Testifies in support of SB 469 and SB 756 and submits (EXHIBIT E) . States that a tuition savings program, such as outlined in SB 469 and SB 756, could be an integral part in providing greater access to higher education for Oregon residents.
390	Gary Andeen	Executive Director, Oregon Independent Colleges Association. Testifies in support of SB 756 and submits (EXHIBIT F) . Refers to a chart included in EXHIBIT F that gives a summary of all state-sponsored savings programs for the 50 states.
433	Sen. Gordly	Reads from the last paragraph of Andeen's written testimony, "I hope that you will recognize that this savings program can be utilized only by those Oregonians who have discretionary income for such investment. For many Oregonians this will not be an adequate or frequent option. We must not overlook the clear and immediate need for far better financing of Oregon's Need Grant program." States that she agrees with Andeen.
TAPE 64, B		
013	Steve Delaney	Public Employees Retirement System (PERS). Approves of the -1 amendments to SB 756 which would remove PERS from the bill. Explains that PERS funds cannot be used for any expenses that would be required.
028	Sen. Gordly	Asks about a fiscal impact for 1999-2003.
045	Jan McComb	Committee Administrator. Responds that the fiscal impact statement was completed prior to the amendments.
052	Sen. Gordly	States that she would like a detailed response from the fiscal office.
054	Chair Hartung	Closes public hearing on SB 756 and reopens public hearing on SB 469.
<u>SB 469 PUBLIC HEARING</u>		
056	Chair Hartung	Closes public hearing on SB 469 and opens public hearing on SB 786.
<u>SB 786 PUBLIC HEARING</u>		
067	Dykeman	Testifies in support of SB 786 and submits (EXHIBIT G) . States that this bill relates to adult literacy. States that the bill would update the statutory language related to adult literacy programs to reflect the new federal statutes.
106	Mark Turpin	Director, Developmental Education, Chemeketa Community College (CCC). Testifies in support of SB 786. Explains that an on-going goal of adult education

		is to help adults build the skills that are necessary to function effectively in society. States that the English as a second language population is the fastest growing group that they are serving. Believes that the resources available under SB 786 would go a long way to help CCC meet the increased demand for services.
171	Margaret Carter	Portland Community College (PCC). Testifies in support of SB 786 and submits (EXHIBIT H) . States that the bill would expand adult literacy programs in community colleges across the state. Explains that SB 786 would make adult literacy and Skill Center programs available across the state. States that PCC is one of seven community colleges in Oregon with a Skill Center. Explains that Skill Centers provide people with the basic skills they need to compete for jobs that pay living wages. States that this bill would provide funding for Skill Centers at the remaining 11 community colleges. Encourages the committee to support SB 786.
300	Sam O'Brien	Skill Center Alumnus, PCC. States that while attending an alternative high school he also attended the PCC Skill Center. Comments that his internship with U.S. Sen. Gordon Smith was a direct result of being involved with the PCC Skill Center.
397	Carter	Refers to U.S. Sen. Gordon Smith's visit to the PCC Skill Center. Believes that Skill Center programs are worth replicating across the state.
429	Sen. Duncan	States that this program is very positive. States that he hopes that this bill does not "get lost" in the Ways and Means Committee.
442	Sen. Gordly	States that members of the PCC Skills Center did testify before the Joint Ways and Means Committee last week.
		Sees this bill as a significant investment that must be made this session. Commends O'Brien for his accomplishments.
TAPE 65, B		
022	Carter	States that Skill Centers are not limited to a particular age group. States that she would appreciate the committee's consideration of SB 786.
047	Chair Hartung	States that there will not be a work session on SB 668 today.
062	Leslie Rasor	Division Chair, Adult Basic and Secondary Education, Lane Community College (LCC).
065	Dave Oatman	Director, Business and Industry Services, LCC. Testifies in support of SB 786 and submits (EXHIBIT I) . States that LCC does not have a Skills Center. Explains that many adults in Lane County need the services that a Skill Center would provide.

118	Rasor	<p>Describes LCC's Adult Basic and Secondary Skills program. States that they need additional resources to:</p> <ul style="list-style-type: none"> • Increase family literacy programs. • Serve parents with children under the age of five. • Provide evening programs for working parents. • Serve rural communities. • Increase bilingual classes.
164	Chair Hartung	Closes public hearing on SB 786 and opens work session SB 634.
<u>SB 634 WORK SESSION</u>		
177	Sen. Duncan	MOTION: Moves SB 634 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
		<p>VOTE: 6-0</p> <p>EXCUSED: 1 - Sen. Courtney</p>
190	Chair Hartung	Hearing no objection, declares the motion CARRIED.
191	Chair Hartung	Closes work session on SB 634 and opens public hearing on SB 837.
<u>SB 837 PUBLIC HEARING</u>		
203	Oatman	States that he is in support of SB 837.
205	Thomas Wiedeman	Chair, Advanced Technology Division, LCC. Testifies in favor of SB 837 and submits (EXHIBIT J) .
208	Oatman	<p>States that LCC has accomplished the following workforce training initiatives:</p> <ul style="list-style-type: none"> • Implemented successful workforce training partnerships to match Oregonians with jobs. • Added capacity for workforce training. • Partnered with new companies to bring jobs to Lane County.
239	Wiedeman	Discusses how "high technology" has impacted the workforce in Lane County. States that SB 837 would address the specific training needs of "high-tech" industries. Comments that there are thousands of workers in Lane County that need "high-tech" training. Urges the members to pass SB 837.

272	Vice-Chair Castillo	States that LCC has done an excellent job of partnering with businesses and creating productive training programs.
282	Chair Hartung	Closes public hearing on SB 837 and adjourns meeting at 2:54 p.m.

Submitted By, Reviewed By,

Karen O'Kelley Jan McComb

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 756, written testimony, -1 amendments and article, Rep. Randall Edwards, 5 pp

B ñ SB 837, written testimony and report, Tamara Dykeman, 24 pp

C ñ SB 469, -4 amendments, Rep. Al King, 11 pp

D ñ SB 469 and SB 756, written testimony, Eric Lindauer, 1 p

E ñ SB 469 and SB 756, written testimony, Lisa Zavala, 1 p

F ñ SB 756, written testimony and chart, Gary Andeen, 3 pp

G ñ SB 756, written testimony and charts, Tamara Dykeman, 9 pp

H ñ SB 786, written testimony and newsletter, Margaret Carter, 17 pp

I ñ SB 786 and SB 837, written testimony, Dave Oatman, 25 pp

J ñ SB 837, written testimony, Thomas Wiedeman, 3 pp