

WORK SESSION ON SB 346 TAPE 101 A

**SENATE REVENUE COMMITTEE**

---

**APRIL 3, 1997 - 9:00 A.M. - HEARING ROOM B - STATE CAPITOL BUILDING**

---

Members Present: Sen. Ken Baker, Chair

Sen. Neil Bryant, Vice Chair

Sen. Joan Dukes (arrived at 9:12 a.m.)

Sen. Verne Duncan (left at 9:30 a.m.)

Sen. Tom Hartung

Sen. Randy Leonard (arrived at 9:10 a.m.)

Witnesses: Ozzie Rose, Confederation of Oregon School Administrators

Staff: Steve Meyer, Economist

Carol Phillips, Committee Assistant

-

**TAPE 101, SIDE A**

005 Chair Baker Opened meeting at 9:05 a.m.

OPENED WORK SESSION ON SB 346

012            Exhibit A - SB 346 (-23). Read and discussed changes. On 4/2/97 the Senate Revenue  
Steve        Committee adopted a change to limit districts that received over \$7,000 in 1996-97 to  
               \$6,720 per ADMw for 1997-98. This is found on page one beginning line 21. Page 2

- Meyer beginning line 1 identifies this condition for Riverdale and The Dalles School Districts. For 1998-99 those two districts would be treated the same as all other districts as far as the \$4,800 limit per ADMw.
- 065 Meyer The Amendments are the bill. Basically the original bill is stripped and replaced with these Amendments. Sections 2, 3, 4, and 5 deal with the constraints of \$4,800, adding \$50 for the flat grant, and the \$100 in the second year of the biennium.
- 076 Meyer Section 6 page 5 beginning line 31 contains the Education Service District language.
- 078 Meyer Sections 7, 8, and 9 beginning page 6 line 14 deal with Out-of-State Disabilities Placement Education Fund designating \$400,000 per year for that fund.
- 089 Meyer Page 9 contains language regarding changes to resident pupil definition to prevent switching back and forth between districts under a tuition agreement or an agreement between school boards (the Petersburg situation).
- 095 Meyer Section 12 page 10 beginning line 1 is the Facility Grant language.
- 097 Sen. Had a question regarding charter schools. If the charter bill were to pass, does language in  
Hartung (-23) cover all eventualities?
- 104 Meyer Answered that the charter school amendment counts the charter school students with the district. Everything that applies to a district would apply to a district with a charter school. Questions and discussion.
- 120 Meyer Page 13 beginning line 24 is the Portland PERS language. Line 30 is Facility Grant 6% construction cost language. Top of page 14 line 4 is definition of new school building.
- 130 Meyer Section 16 page 17 beginning line 30 is Portland desegregation language being excluded from Local Revenue. Page 18 line 7 indicates 3% growth limitation. Line 10 indicates sunset date of July 1, 2005.
- 141 Meyer Section 18 page 18 beginning line 11 discussed Youth Corrections Education Program being funded as though it were an equalization school district without transportation costs and a teacher experience factor equal to the state average.
- 145 Meyer Section 19 page 19 beginning line 24 is language giving Department of Education authority to adjust district estimates for students when the district estimates do not add up to a statewide projection.
- 151 Meyer Page 20 is a reference addition.

- 158 Meyer Exhibit C - Revenue Impact Statement. Contains description of the bill and all changes made through Amendments to date. Refers to State School Fund Run 27. May add language about progress toward equalization. Tried to lay out how total fund of \$4.5 billion would be divided.
- 192 Meyer Exhibit B - State School Fund Run 27. Trying to incorporate changes in SB 346 as amended by (-23). Local revenue numbers will change. There will be more computer runs as bill moves to House side and as things firm up on Measure 47. Should also do another computer run after session ends to get better dollar amount estimate. Questions and discussion.
- 250 Meyer This computer run is comparable to Run 26 but includes about 800 more students. Net effect for equalization districts is about \$8 or \$9 reduction per student compared with Run 26 to fund additional 800 students now included. Minor changes in student counts. Two anomalies on page 5 where change per student is over \$1,000 -- two small stop loss districts (Pratum and McDermitt). Questions and discussion interspersed.
- 296 Ozzie  
Rose If no legislation passed, Pratum will be merged next school year.
- 330 Meyer Riverdale and Petersburg will be flat funded at \$6,720 per student.
- 342 Sen.  
Hartung MOVES (-23) AMENDMENTS TO SB 346 BE ADOPTED.  
HEARING NO OBJECTION, THE CHAIR SO ORDERED.
- 348 Sen.  
Hartung MOVES SB 346 AS AMENDED BY THE (-23) AMENDMENTS TO THE SENATE FLOOR WITH DO PASS RECOMMENDATION.
- 354 Sen.  
Dukes Will be voting against SB 346 today and on the Floor, not because what the Senate Revenue Committee is doing is not good but because of how it is being done. If this were not coming out of the State School Fund she would vote aye. Does not believe legislature can afford to put money into State School Fund in Ways and Means Committee and then take it back out in Revenue Committee. This money actually comes out of equalization districts because it is run through the regular formula. Stop loss and flat funded districts are guaranteed their funding, and Riverdale and Petersburg are guaranteed their funding. But equalization districts, which are the poorest of the poor school districts in Oregon, will lose funding.
- 381 ROLL CALL VOTE: MOTION PASSES 5 - 1  
SENATORS VOTING AYE: DUNCAN, HARTUNG, LEONARD, BRYANT, BAKER.  
SENATOR VOTING NO: DUKES

Chair Baker will carry the bill on the Senate Floor.

389 Chair  
Baker Adjourned meeting at 9:32 a.m.

Carol Phillips

Committee Assistant

Kim James

Office Manager

Exhibit Summary:

A. SB 346, Meyer, (-23) Amendments, (CH/ps) 4/3/97, 21 pages

B. SB 346, Meyer, State School Fund Run 27, 8 pages

C. SB 346, Meyer, Revenue Impact Statement, 2 pages