

SENATE COMMITTEE ON
EDUCATION

February 16, 1995 Hearing Room 343
8:00 A.M. Tapes 35-36

MEMBERS PRESENT:

Sen. Tom Hartung, Chair
Sen. Ken Baker
Sen. Shirley Gold
Sen. Marilyn Shannon
Sen. Cliff Trow

STAFF PRESENT:

Fallie Calder, Committee Administrator
Carolynn Gillson, Committee Assistant

MEASURES HEARD:

HB 2172 Relating to libraries, PAW
SB 271 Higher Ed Administrative Efficiency Act, PUB

.
These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 35A

005 SENATOR TOM HARTUNG, Chair: Calls meeting to order at ~ 05 a m
PUBLIC HEARING ON HB 2172
Witnesses: Jim Scheppke, Oregon State Library
Carol Hilderbrand, Eugene Public Library

O 10 JIM SCHEPPKE, State Librarian: Reviews written testimony in support of
HB 2172 which would
 allow the State Library to continue to develop a new program called Oregon
LINK which has already
 shown success in improving library services for citizens of state
073 CAROL HILDERBRAND, Eugene Public Library and representing the Oregon
Library Assoc.:
 > Urges support of the bill
 > Oregon LINK presents a great opportunity for Oregon's libraries and
citizens and it is working.
 SEN BAKER Are the federal funds being replaced with assessments?
 SCHEPPKE SB 20 (1993 session) enacted an assessment of state agencies that
was intended to be
 phased
 in over two biennia Frees up federal Library Services and Construction Act
funds so they can be used
 for
 this program and others
 > Service is available to any college, university, public school or
community college library
 > Not direct link between this program and Ed Net

PUBLIC HEARING ON SB 271

Witnesses: Weldon Ihrig, Oregon State System of Higher Education
(OSSHE)
SENATE EDUCATION
February 16, 1995 - Page 2

Witnesses: Linda Grier, OSSHE
 George Pernsteiner, OS SHE
 Ed Dover, Western Oregon State College (WOSC)
 Bob Duehmig, Oregon Federation of Teachers, Education and Health
Professionals
(OFTEHP)
 Joe Cox, OSSHE Chancellor
 Jody Fisher, Oregon Rehabilitation Assoc.
 Emil Graziani, Garten Foundation
 Rich Peppers, Oregon Public Employees Union (OPEU)

158 WELDON IHRIG, OSSHE: Refers to summary from Peat Marvick Report (EXH. B).

> Provides list of statutes which OSSHE would no longer be subject to under the Act and refers to definition of semi-independent agency which is not in statute (EXH. C).

213 > Begins reviewing new language in the bill section by section review with Sec. 22 concerning insurance benefits for employees.

SEN. TROW: Is this related to finding health insurance for students?

IHRIG: No, it relates to employees

241 LINDA GRIER, Director of Legal Services, OSSHE: We have another bill that will make it clear

OSSHE has authority to get blanket health insurance for our students.

SEN. TROW: Do we have some employees who would qualify for the Oregon Health Plan?

IHRIG: We may. This would not change their ability to qualify.

> Reviews changes in Sec. 24 concerning data processing equipment used for accounting.

SEN. BAKER: Does this coordinate with all state schools having compatible processing equipment?

282 GEORGE PERNSTEINER, OSSHE: We continue to follow all the state's open system standards.

> This only deals with acquisition and operation of hardware and software associated with an accounting system approved in the last session by the Legislature.

> Will continue to need legislative approval for acquiring computer systems.

IHRIG: Reviews Sec. 30 concerning broadcast-communication, OSB HE authority for building,

entering into financial agreements, and defending and indemnifying employees acting within their scope of duties for a public purpose.

SEN. BAKER: Would OSSHE be obligated to pay the full sum to an indemnified employee who is sued?

GRIER: The tort limit would still be there. Gives OSSHE authority to make decisions concerning indemnification.

IHRIG: Goes on to Sec. 31(1) concerning collective bargaining and payroll authority.

378 SEN. GOLD: Suggests referencing parts of Ch. 243 that would clarify even more OSSHE's intention to maintain the same manner of bargaining.

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SENATE EDUCATION

February 16, 1995 - Page 3

GRIER: We could include a list of the right provisions of Ch. 243.

IHRIG: Continues on with Sec. 31(2) relating to purchasing of goods and services, and paying prevailing wage for work on projects. Plan amendment adding language providing the wages be determined by the Bureau of Labor and Industries.

SEN. GOLD: Suggests referencing ORS chapters.

477 SEN. BAKER: Not clear why we need Sec. 30, lines 22-25 - may be creating new right of action that would exceed the tort limit. Requests additional information.

TAPE 36A

007 GRIER: Want OSSHE to have authority for torts.

IHRIG: Reviews Sec 31(2)(b) on page 7 concerning affirmative action, recycling, purchase of services and goods from disabled individuals, providing worker's compensation insurance to workers on contract and with small businesses owned by minorities and women.

SEN. GOLD: If it is your intention to continue the policies that currently prevail in law, it is wise to reference where in current law they exist. Protection for you - clarify case law behind it.

PERNSTEINER: Not exempting themselves under statute - proposed language says the Board will continue with the rules and policies under statute.

059 SEN. SHANNON: Uncomfortable taking out laws concerning handicapped contracting.

IHRIG: Issue is not commitment on the part of the Board. Over \$6 million in contracting was done with those various organizations in the past year.

SEN. TROW: Should this become law and you have a Board with management authority, if you want to continue existing policies will you have to adopt new rules?

IHRIG: Current state policies continue to apply until the Board adopts supplemental ones. If they do not change there would be no reason unless the Board wanted to strengthen existing policies. Would need legislative approval to change policies.

100 SEN. GOLD: If it is your intention to continue, review and improve, you need words that say that

There

is existing language in statute to indicate continuing current policies until new ones are adopted. Plans

to

develop some language.

IHRIG: Explains the process they would use to continue to measure their performance against other

state

agencies and other entities. Continue to be held to same standard - process enables us to be more

effective

in meeting overall social policy goals.

164 SEN. SHANNON: Repeats her concern to restore language in the bill concerning the handicapped.

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SENATE EDUCATION

February 16, 1995 - Page 4

PERNSTEINER: Will take closer look. But need to keep in mind the responsibility Department of Administrative Services (DAS) has in ORS 279. No intention of changing process with those organizations now.

209 IHRIG: Goes on to Sec. 38 concerning OSSHE proposed biennial budget and appropriation of state resources.

SEN. TROW: Wants to make sure tuition and fees were considered part of the state contribution.

IHRIG: They are brought in and reviewed as part of the budget as well as enrollment levels to be achieved. > Total resources of state system incorporated in annual report to the Legislature. Further discussion.

275 IHRIG: Reviews Sec. 41 concerning management of forest lands and Sec. 43 concerning capital construction projects and state-backed bonding projects.
SEN. TROW: Would the Board have the authority to approve those projects?
PERNSTEINER: This language addresses reporting back to the Legislature on state-funded projects.
IHRIG: Sec. 45 concerning procedures for disposal of obsolete equipment and materials.
> Sec. 46 eliminates references to classified and management service employees (see Sec. 31).
> Sec. 47 concerning operating motor vehicles and Sec. 48 creates State System of Higher Education Fund and the State Treasurer would invest those monies.

352 SEN. BAKER: How much money?
IHRIG: Around \$6 million. Item not in current budget unless the bill passes.
SEN. TROW: Basically interest is being earned by what money?
IHRIG: Monies related to general fund, tuition, and various auxiliary operations - does not include endowment funds. Further discussion.
436 > Reviews Sec. 59 concerning reciprocal agreements for nonresident students (also in HB 2112) through Western Interstate Commission for Higher Education (WICHE).

TAPE 35B

039 SEN. TROW: In essence, we have been subsidizing out-of-state students while the same has not been done in other states for Oregon students.
IHRIG: Reviews Sec. 63 which deletes OHSU from list of OSSHE institutions if SB 2 or SB 275 become law.
> Sec. 70 increases number of special campus security officers.
> Sec. 93 includes revenue bonds in OSB HE bonding authority.
> Sec. 95 concerning employee payroll deductions for contributions.
> Sec. 96 eliminates for DAS approval for appointment of person to administer OHSU payroll system.
PERNSTEINER: Sec. 100-108 are housekeeping changes.

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SENATE EDUCATION
February 16, 1995 - Page 5

149 ED DOVER, WOSC Federation of Teachers: Reviews written testimony outlining their opposition to

SB 271 (EXH. D).
251 SEN. TROW: Any suggested language concerning collective bargaining?

DOVER: No proposed language but agrees with Sen. Gold on proposing some language.

SEN. BAKER: Your main concern is who you bargain with. The procedures are still intact for the process. Does the bill directly attack the process?

DOVER: Not directly but leaves the possibility. Bill has potential to prevent faculty unions from dealing directly with individual institutions. No restrictive language in bill now. > Further discussion.

346 SEN. HARTUNG: What about union stability?

DOVER: Talks about their union.

SEN. TROW: Hopes intention of the legislation is evolution of authority

downward, decentralization and more authority on individual campuses.
Measure does give OSB HE more power and authority.

SEN. HARTUNG: This will give the state Board more ability to cope with things that interfere with quality of education

420 BOB DUEHMIG, OFTEHP: Reviews testimony explaining why they believe SB
271 leaves too many
questions unanswered (EXH. E).

TAPE 36B

038 JOE COX, Chancellor of Higher Education: Begin decentralization by
empowering the Board to
really
manage the system and push decision making to the campus level. Unnecessary
duplication will
always
require coordination and having centralized final decision making.
> Propose nothing that would change collective bargaining contracts on each
campus. Opposed to
single
central contract. Conscious effort to preserve differences between
institutions.

SEN. TROW: How will your reward merits to faculty that has a teaching
responsibility in regional
colleges?

COX: Never done it. Funds for granting merits distributed to campuses
according guidelines

> Further discussion about defining merit uniformly.
SEN. HARTUNG: Requests Chancellor's input on the state's financial role in
funding higher
education.

130 JODY FISHER, Oregon Rehabilitation Assoc.: Reviews testimony listing why
they feel SB 271
could
adversely affect Oregonians with severe disabilities and proposes amendment
(EXH. F).

159 EMIL GRAZIANI, Garten Foundation: Reviews testimony suggesting
safeguards be built in to SB
271 for people with disabilities (EXH. G).

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SENATE EDUCATION

February 16, 1995 - Page 6

193 RICH PEPPERS, OPEU: Reviews written testimony outlining areas in SB 271
they have

concerns about
(EXH. H). Bill would exempt OSSHE from a number of statutes that are
important to them.

Chancellor's
office still part of the Department of Administrative Services (DAS) which
has the bargaining and
negotiation authority for employees.

280 SEN. GOLD: Really need to hear more about these concerns from DAS and
the Governor's office.

PEPPERS: Will return on Tuesday with LC amendments to address the concerns. >
Reviews the exemptions they are concerned about.

Testimony submitted by Michael Dawson, U. of O, opposing SB 271 (EXH. D; by
League of Women Voters supporting SB 271 (EXH. N; and AAUW supporting SB
271 (EXH. K).

WORK SESSION ON HB

2172

465 MOTION: Senator Trow moves HB 2171 to the floor with a do pass recommendation. MOTION PASSES: In a roll call vote, the motion passes with all members voting AYE.

484 CHAIR HARTUNG: Adjourns meeting at 10 a.m.

Reviewed and submitted

by,

Carolynn Gillson, Assistant

EXHIBIT SUMMARY ~

| | | | |
|---|----|------------------------------------|----------|
| A | -- | ~ \IB'~ Oregon State Library | 2 pages |
| B | -- | SB 271 OSSHE | 20 pages |
| C | - | SB 271 OSSHE | 7 pages |
| D | -- | SB 271 WOSC Federation of Teachers | 9 pages |
| E | -- | SB 271 OFTEHP | 1 page |
| F | - | SB 271 Ore. Rehabilitation Assoc. | 2 pages |
| G | - | SB 271 Garten Foundation | 3 pages |
| H | - | SB 271 OPEU | 3 pages |
| I | - | SB 271 Dawson | 3 pages |
| J | -- | SB 271 League of Women Voters | 1 page |
| K | - | SB 271 MUW | 1 page |

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