

SENATE COMMITTEE ON
EDUCATION

Hearing Room
Tapes - 66

MEMBERS PRESENT:

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

STAFF PRESENT:

Fallie Calder, Committee Administrator
Carolynn Gillson, Committee Assistant

MEASURES HEARD:

SB 101-students in juvenile correction programs considered in allocation &
distribution of State School Fund, WRK
SB 467-exempts certain schs from mandatory merger requirement, WRK
SB 262-changes requirement of OSB E order designating ESDs, 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 A

006 SEN. TOM HARTUNG, Chair: Calls the meeting to order at 8:03 a.m.

WORK SESSION ON SB 101

010 MOTION: Sen. Gold moves to ask the Senate President to re-refer to SB
101 to the Senate Government Finance & Tax Policy.

MOTION PASSES: In a roll call vote, the motion passes with all members
present voting AYE. Excused: Sen. Trow and Sen. Shannon

WORK SESSION ON SB 467

020 MOTION: Sen. Baker moves the Committee Rules be suspended to reconsider
SB 467.

MOTION ADOPTED: There are no objections.

MOTION: Sen. Baker moves to reconsider SB 467 as amended.

MOTION ADOPTED: There are no objections.

FALLIE CALDER, Committee Administrator: Reviews the technical change
proposed in the SB 467-7 amendment to the -6 amendment previously adopted
by the Committee (EXH. A).

> Makes the language building-to-building rather from district to district.

MOTION: Sen. Baker moves to adopt the SB 467-7 amendment.

MOTION ADOPTED: There are no objections.

MOTION: Sen. Trow moves SB 467 as amended to the floor with a do pass
recommendation.

MOTION PASSES: In a roll call vote, the motion passes with all members present voting AYE.

> Excused: Sen. Shannon. Carrier: Sen. Baker

PUBLIC HEARING ON SB 262

Witnesses: Greg McMurdo, Department of Education (ODE)
Bill Houts, Jefferson County ESD
Sen. Gred Walden
Walter Ponsford, Jefferson County ESD Board
Brian Dyer, Yamhill ESD
Peyton Lieuallen, Polk ESD
Frank Pender, Polk County ESD
John Young, Washington County ESD
Sally Bunnell, Washington County ESD
Edith Lippert, Washington County ESD
Jerry Bennett, Linn-Benton & Lincoln County ESD
Vickie Totten, Oregon School Boards Association (OSB A)
Wilma Wells, Confederation of School Administrators (COSA)

070 GREG McMURDO, DOE: Reviews background on ESDs and SB 26 enacted last session.

> A Constitutional amendment passed in late 1980s that would combine the tax bases of two school districts that merged. The Department of Revenue questioned whether an ESD was a school district.

> Attorney General ruled in January, 1994 that an ESD is not a school district and if merged they could not combine their tax bases.

148 > Talks about purpose of the SB 262-4 amendment (EXH. B) which uses the annexation sections of the Constitution, Article 11, Sec. 4B

> Reviews language in each section of the original bill.

377 SEN. BAKER: Regarding Sherman, Wheeler and Gilliam counties, do they have enough of a tax base, population base and infrastructure to be a viable ESD?

McMURDO: Yes, I think so.

413 BILL HOUTS, Jefferson County E.S.D.: Reviews testimony in opposition of SB 262 (EXH. C).

TAPE 65A

010 HOUTS: Continues his testimony.

100 SEN. BAKER: Did you consolidate in 1993?

HOUTS: We are still doing our own thing right now. Strong concerns because of ethnic backgrounds and distance traveled.

SEN. TROW: Did you indicate your position in past sessions?

HOUTS: Yes.

154 SEN. GREG WALDEN, District 28: Testifies on SB 262. Two issues - Sherman, Wheeler and Gilliam counties would like to be set up on their own as a unit (see EXH. B).

> The -6 amendment (EXH. D) allows Baker and Grant counties to stand alone and the -7 amendments (EXH. E) puts them together.

> Refers to language in SB 704.

246 SEN. TROW: Are you satisfied that those districts as independent entities would be cost effective?

SEN. WALDEN: Yes, or they would not be proposing this.

CHAIR HARTUNG: Talks about use of technology by ESDs in rural areas.

SEN. WALDEN: Believes the counties are taking advantage of the technology.

331 HOUTS: Talks about dealing with situations locally and being more effective.

SEN. MARYLIN SHANNON: Once you consolidate, there is no provision for the money to be divided back up and there is no going back.

SEN. BAKER: Talks about location of Deschutes ESD.

HOUTS: Trying to get ESD office in Redmond so it is a central spot if they have to consolidate.

437 WALTER PONSFORD, Jefferson County ESD Board: Reviews testimony expressing concern about Jefferson County ESD consolidating with Crook and Deschutes counties (EXH. F).

TAPE 64B

026 PONSFORD: Continues his testimony.

150 CHAIR HARTUNG: Talks about importance of diversity. Better not to be isolated.

PONSFORD: Last thing we should do is reject innovation. Knows about ongoing problem in their area and need to keep working on it.

SEN. GOLD: Talks about problems in her Southeast Portland district. There are situations that are not singular, either rural or urban.

SEN. TROW: Sometimes regional ESD operations can work very well for individual districts.

PONSFORD: Envisions their ESD, if it stays separate, working toward innovation.

SEN. SHANNON: Talks about importance of local control.

272 BRIAN DYER, Yamhill ESD: Testifies in opposition of SB 262. Desires to continue with the original annexation of Yamhill-Polk or stand alone for two years. If consolidation did occur, would seek to consolidate with ESD of similar philosophy and size.

SEN. TROW: He is talking about the -5 amendment that would discontinue the combination of Polk and Yamhill counties and would put Polk and Marion counties together.

300 PEYTON LIEUALLEN, Polk ESD: Reviews testimony in support of the SB 262-5 amendment which is included in his handout (EXH G).

392 SEN. BAKER: Under your proposal, Yamhill County would have to stand alone. Would they be better off to join Polk and Marion, or go up to Washington County?

LIEUALLEN: In the 1993 session when SB 26 was passed, Yamhill County

testified they wanted to stand alone.

> As it is now, Polk and Yamhill are together and Marion stands alone.

SEN. TROW: Seems as though Yamhill County was not at all interested in joining with Marion County.

442 FRANK PENDER, Chair, Polk County ESD Board: Education is a people business and keeping proximity and common activities are important issues.

TAPE 65B

019 JOHN YOUNG, Superintendent, Washington County ED: Reviews his testimony in support of SB 262 and concerning the merger of Clatsop, Columbia, Tillamook and Washington ESDs (EXH. H).

103 SALLY BUNNELL, Washington County ESD Board member: Talks about keeping the whole merger process for ESDs on track.

111 EDITH LIPPERT, Washington County ESD Board member: Feels SB 262 is good for the children.

Written testimony submitted in lieu of testifying by Jim Maxwell, Lane E.S.D. (EXH. I).

135 JERRY BENNETT, Superintendent of Linn, Benton & Lincoln County ESD: Provides copies of a cost efficiency study for regionalization and testifies in support of SB 262 (EXH. J).

> Describes the services they provide and the population they serve.

SEN. TROW: How many school districts are you serving?

BENNETT: Serving 29 school districts.

> Goes into more detail about school districts and demands for regional services.

> Notes the Cost Efficiency Study of Selected ESD Services was approved and paid for by all the ESDs.

250 VICKIE TOTTON, OSB A: Reviews written testimony in support of SB 262 with the -4 amendments, refers to a map of proposed ESD regions, and goes through changes in the proposed -3 amendments (EXH. K).

430 WILMA WELLS, COSA: Talks about information in the study handed out earlier (see EXH. J).

> ESDs cannot not access the State School Fund for school districts. They either provide services on contract or work it out through their resolution services.

> Talks about special education services provided by ESDs.

TAPE 66A

004 WELLS: Talks about opportunities for ESDs in SB 262.

> ESD Boards by law are required to appoint an advisory committee.

> OSB A's -3 amendment would allow for more people on ESD boards.

> LRO provides preliminary revenue impact statement on SB 262 -3 and -4 amendments (EXH. L).

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

Submitted by and reviewed by,

Carolynn Gillson
Committee Assistant

EXHIBIT SUMMARY:

A	SB 467-7	Committee staff	1 page
B	SB 262-4	ODE	3 pages
C	SB 262	Jefferson Co. ESD	7 pages
D	SB 262-6	Sen. Walden	3 pages
E	SB 262-7	Sen. Walden	3 pages
F	SB 262	Jefferson Co. ESD	2 pages
G	SB 262	Polk Co. ESD	8 pages
H	SB 262	Washington Co. ESD	6 pages
I	SB 262	Lane Co. ESD	4 pages
J	SB 262	Linn-Benton Co. ESD	132 pages
K	SB 262	OSB A	13 pages
L	SB 262	LRO	1 page