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Bill # and Hearing Type

House Committee on
State and School Finance
February 10, 1995 Page

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE

FEBRUARY 10, 1995 8:30 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Rep. John Schoon, Chair
Rep. Ron Adams
Rep. Lee Beyer
Rep. Tim Josi
Rep. Tony Federici, Vice Chair (8:35 am late arrival)
Rep. Jane Lokan
Rep. Anita Rasmussen
Rep. Ken Strobeck
Rep. Jim Welsh (8:45 am late arrival)

Witnesses Present: Rep. Lynn Lundquist, District
Bill Kuln, Morrow County School District
Molly Rill, Morrow County School District
Terry Tallman, Morrow County School District
Olivia Sagely, Morrow County School District
Tony Greenup, Morrow County School District
Phil Spicer, Morrow County School District
Greg Grant, Morrow County School District
Steve Dickinson, Heppner High School Principal

Staff: James Scherzinger, Legislative Revenue Officer
Steve Bender, Legislative Revenue Office
Terry Drake, Legislative Revenue Office
Rhonda Wehler, Committee Assistant

TAPE 57 SIDE A

007 Chair Schoon -calls the meeting to order at 8:30 am and conducts administrative business
012 Rep. Lundquist -introduces constituents from Morrow County
021 Bill Kuln -presents historical data re: Morrow County
-explains destructive effect of school funding on their schools (loss of programs, teachers, 4 day school week)
092 Rep. Adams -asks if personal kicker, if \$ come in 2% higher than estimated, \$ returned to taxpayers, would he personally use it for schools or self
110 Molly Rill -school board member, higher expenses they are no richer than anyone else in the state
-refers to Morrow County School District handout, Exhibit A
144 Molly Rill -education costs more per student to educate in Morrow County than the state average
-English as second language is necessary in north county since more students are Hispanic
-\$125,000 saved by cutting school days to 4
-cutting 20 staff positions, all extracurricular activities
-transporting kids requires more \$, flat-funding won't work, must have increase for inflation and student increases
204 Terry Tallman -chairman of planning commission in Boardman, refers to page ????, Exhibit A, Demographics for Boardman, Oregon, great increases in population, younger people, FFA, sports, annual all being eliminated
308 Olivia Sagely -5th grader, concerns about no middle school, librarian, sports, drama, field trips, art
341 Tony Greenup -8th grader, looking forward to Vo-Ag and art in high school
358 Phil Spicer-Kuhn-no way to keep curriculum because they will have less classes and fewer teachers, losing sports, art, concern for getting classes

he needs for college
387 Greg Grant -govt. must continue small school support
TAPE 58 SIDE A
006 Grant -encourages legislature not to pull someone else under to bring others up, make allowances for inflation, student growth, use lottery money,
don't return excess income tax, explore avenues to return control to local districts, empower people, make decisions for educational reasons and implement them politically rather than other way around
043 Steve Dickinson -difficulty in becoming job not to provide a good education, but to dismantle, loss of 25 positions, immediate equalization will cause them to go down, compare programs with those schools asking for this compared to what Heppner has to offer, it doesn't cost the same to educate every student in every place
093 Doug Drake -concerns for his children
118 Rep. Adams -comments he is a friendly vote
131 Rep Rasmussen -urges state-wide parent groups to represent them, how to best distribute \$ available, not how much \$ is available
155 Rep Beyer -assures group of his support, will decide school formula, Ways and Means Committee will determine how \$ will be spent
199 Chair Schoon -appreciates reminder about flat funding districts, eaten ending balances, no reserve left, higher spending districts also have a problem, know that low-spending districts are doing well, \$ they receive have been cut
233 Bob Sagely -stresses equity funding is not equal and does not work, many schools are spending less because they don't have to spend more, giving them more \$ doesn't help the higher spending districts, maintain education is what higher spending districts are doing with \$, with cuts they can not maintain
310 Chair Schoon -formula was developed with weighted amounts to keep rich rich, and poor
319 Sagely -if that intent was determined, it was not working
324 Chair Schoon -64% equalization has been reached in Oregon
332 Rep Josi-requests data for smaller schools maintaining
347 Greg Grant -eastern Oregon is considered a frontier community, not a rural community, geographics play large part, transportation, problem requests to return power of choice to local communities, they revolve around their schools, , check out similar sized districts with different geographics, right motivation, wrong information
TAPE 57 SIDE B
028 Chair Schoon -informs subcommittee will be appointed Monday to discuss school funding
033 Steve Dickinson -staff/student ratio is demographic issue, can't offer classes to 25 students, don't have that many students, to offer special needs classes on both sides of average, must offer to very small classes, now hitting labor pool because they have no excess \$, when local taxpayers had control they voted in extra \$ to keep community schools, remote school
extras are received by Heppner and Ione School Districts, schools are too far away to achieve unification, costs more in south county than in north county, 2,000 students in 2,000 square miles, people are fiercely loyal to local communities and know it would destroy community
131 Rep Josi-committee is not bad guys, have been fighting Measure 5
173 Dickinson -Morrow County did not vote for Measure 5
186 Terry Tallman -asks examples
190 Rep Josi-need data to analyze cost disparity between districts
211 Tallman -diverse district, no bond issue would be passed to centralize education, if staff is cut when they already have 25 students per classroom
what will happen
247 Rep Josi-2 issues, school funding formula, funding issue, sooner they can get to equity, state general fund is still reeling from Measure 5, willing to reallocate personal and corporate kickers, from personal returns
to school funding if support is possible
278 Rep Beyer -statistics
293 Vice Chair Federici -names representatives who are east of Cascades, whose votes are important, encourages constituents to speak to them
352 Chair Schoon -constituents don't like alternatives and expect legislators
to solve them
384 Lisa Reepman -Ione, OR, geographic isolation, navy bombing range and state-owned land consists of 100,000 acres, making it impossible to centralize
TAPE 58 SIDE B
006 Rep Lokan -summarizes vote of people in Measure 5 put them in that position
018 Greg Grant -comments would like to see faith restored in government officials
033 Rep. Adams -local option HJR 27, takes constitutional vote to be approved, \$2.50 outside of measure 5, local vote to appropriate
063 Rep Strobeck -swings back and forth between low/high funded schools
090 Danny Coiner -addresses sports restriction
098 Josh Sharp -addresses sports, having to play co-ed sports, better grades required
119 Chair Schoon -recesses meeting at 10:05 am
199 Vice Chair Federici -reconvenes meeting at 10:40 am
139 Steve Bender -explains Proposed Amendments to HB 2204, Exhibit C, Fiscal Impact Statement, Exhibit D, Revenue Impact, Exhibit E
161 Rep Beyer -moved -10 amendments
171 Vice Chair Federici THERE BEING
175 Rep Beyer MOVES HB 2204
ROLL CALL VOTE
196 -ASSIGNS CARRYING TO CHAIR SCHOON
PUBLIC HEARING HB 2201
208 Steve Bender -summarizes HB 2201,
-answers questions on scope of
226 Jim Bucholz -spoke with CPAs regarding concepts on 2201, when DOR required to fine penalties, DOR gets copies of audits, based upon results

of these audits, notice of deficiency, punish behavior they want to encourage, propose amount they owe and give them 30 days to respond, notice

of additional amounts due OSCPA is agreement with all provisions in bill
313 Rep Josi-asks if someone waits until they get caught by IRS, DOR is contacted, notice of assesment is sent, if a person voluntarily pays, they are assessed a penalty, done because they were self-assessing their own tax

347 Rep Rasmussen -

359 Rep. Adams -introduces students

372 -asks relating clause too broad

385 Steve Bender -

398 Vice Chair Federici -closes work session on HB 2201

TAPE 59 SIDE A

007 Vice Chair Federici -explains property tax limitations

023 Vice Chair Federici -adjourns meeting at 11:00 am