

HOUSE COMMITTEE ON EDUCATION

July 1, 1993 Hearing Room B 1:30 p.m. Tapes 111 - 112

MEMBERS PRESENT: Rep. Carolyn Oakley, Chair Rep. Jim Whitty, Vice-Chair
Rep. John Meek Rep. Patti Milne Rep. John Schoon Rep. Larry Sowa Rep.
Sharon Wylie

STAFF PRESENT: Linda Sample Brown, Committee Administrator
Carolynn Gillson, Committee Assistant

MEASURES CONSIDERED: SB 26B - Education Service Districts
definition - PAW SB 898A - Family Service Plans - WRK HB 3191 - School
District Territory - WRK SB 881A - Juvenile Corrections Education
Program - PUB [--- Unable To Translate Graphic ---]

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. [--- Unable To Translate Graphic
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TAPE 111, SIDE A

004 REP. CAROLYN OAKLEY, Chair: Calls meeting to order at 1:42 p.m.

Public Hearing on SB 26B Rep. Del Parks Jerry Bennett, Linn-Benton ESD
Ozzie Rose, COSA John Young, Washington ESD Ron Pittman, Yamhill ESD
Steve Johnson, Dayton School District Jim Redland, Yamhill ESD Jonathan
Hill, Lake ESD Terry Drake, Legislative Revenue Office Wilma Wells, COSA

008 REP. DEL PARKS, District 53: Talks about the problem addressed
by the SB 26-B19 amendment (see EXH. A, 6/22) which was proposed by Rep.
Denny Jones.

023 JERRY BENNETT, superintendent of Linn-Bennett ESD and chair
of OAESD Legislative Committee: The SB 26-B19 would establish an
ESD for Klamath County at a time when the whole effort in SB 26 has
been to downsize and improve the overall operations of regional
service in the state. > The amendment also directs Klamath County to
have an election to create a new tax base to operate the ESD instead of
Lake county annexing Klamath county as proposed in SB 26. Annexation
could take place before the 1994-95 school year instead of waiting to
see if a tax base can be passed. If the tax base does not pass, there
is no other revenue source to operate an ESD. > Not good policy to adopt
the SB 26-B19 amendment.

061 OZZIE ROSE, COSA: Supports the bill the way it was reported
out of the Senate. ESDs will gain efficiencies from a larger student
base which is the whole purpose of restructuring.

092 REP. LARRY SOWA: This bill looks like it takes ESDs away from
DOE and makes them stand alone. It seems like replacing ESDs with
satellite offices of the DOE would be more efficient in providing the
necessary services.

ROSE: There would be some disadvantages such as loss of local control.

131 JOHN YOUNG, superintendent, Washington County ESD: Reviews his testimony in favor of SB 26B which would regionalize four ESDs and provide for improved educational opportunities and support for all school districts and their students (EXH. A).

175 CHAIR OAKLEY: What will be the total budget of the combined ESD district?

YOUNG: A combined budget would be over \$20 million. Approximately \$7 million are tax dollars and the rest are generated by grants and contracts. > Eliminating duplicated services and positions. > Maintaining current budget and not increasing amount of tax dollars used for services. > Hopes to provide more services by decreasing contracted costs and fees to local school districts.

CHAIR OAKLEY: How many less staff will you have with the combined district?

YOUNG: Six administrative service positions.

210 REP. MILNE: What kind of cost savings will there be?

YOUNG: Uncertain at this time. Still in the planning process.

232 REP. MEEK: How much is the Washington county tax base and what will be the change following the merger?

YOUNG: Just under \$4 million. Reviews tax rates of the four counties and the impact following the merger. Feels the costs for services to school districts will be lower.

283 RON PITTMAN, board member of Yamhill ESD: Talks about the importance of ESDs and urges support of SB 26B in its present form. Feels breaking away from Marion county is essential in order to properly serve the students in their area.

349 STEVE JOHNSON, superintendent of Dayton School District: Represents the Yamhill county superintendents by testifying in favor of SB 26B. > Talks about strengthening the programs in both Polk and Yamhill counties by using ESD services. > Saving tax dollars by using ESD services.

424 JIM REDLAND, superintendent of Yamhill ESD: Supports SB 26B because it will lead to greater cost competencies. ESDs are the vehicles for balancing local needs with state interests. Need new ways of doing things and SB 26B is an important step.

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030 CHAIR OAKLEY: When Yamhill and Polk merge, will you cut down on the number administrators?

REDLAND: Yes, going from five to four next year in Yamhill county. Expects Polk county to lose one administrative position as well.

065 JONATHAN HILL, Lake ESD: Reviews information in his handout (EXH. B) concerning size of school districts and operating costs per student in California unified school districts. > There is no

correlation between the size of the district or the size of the school and the amount of money it spends per student. > Explains how the central office approach is always looking for efficiencies. Function of administration is to bring the costs down. > Smaller ESDs can be as cost-effective as a larger one. Costs savings and efficiencies are not tied to the size of the office but to the effectiveness of the administrator. > Reviews comfortable myths/realities in his handout. > Believes there are economic problems with the bill and requests that Lake county be excluded from the merger.

208 REP. MEEK: Regionalization does not always mean savings and there are no figures or data saying we can do more for less.

Testimony submitted by Jim Maxwell, superintendent of Lane ESD (EXH. C).

252 TERRY DRAKE, LRO: Reviews information on a chart showing how the merger/annexation process will impact tax rates and tax payers (EXH. D). > New ESDs will generate more money which will be invisible to the K-12 school districts and the taxpayers. > Present system where some school districts are in an ESD and some are not is fundamentally inequitable. > Does not see where the bill would lower the costs of ESDs. It generates more money for ESDs but it may not change the level of service. > The newly merged ESDs will get additional property tax dollars and replacement dollars. > The tax rate is extended into the annexed areas.

TAPE 111, SIDE B

056 REP. MEEK: Would the constitutional tax base increase of six percent be over all the merged areas along with the new annexed area?

DRAKE: That is correct.

068 WILMA WELLS, COSA: Talks about the task force that met last interim and came up with the recommendation in SB 26. > More services can be added if programs are cost-effective.

Work Session on SB 26B

110 MOTION: Rep. Meek moves to adopt the SB 26-B20 amendment (EXH. E). > There is no objection. MOTION: Rep. Meek moves to adopt the SB 26-B17 amendments (see EXH. F, 6-29). > There is no objection. MOTION: Rep. Meek moves to adopt the SB 26-B19 amendments. > There is no objection. MOTION: Rep. Schoon moves to adopt the SB 26-B22 amendment with some specified changes (EXH. F). > There is no objection.

A summary of the amendments to SB 26B is provided for the record (EXH. G).

158 MOTION: Rep. Schoon moves SB 26B as amended to the Appropriations Committee with a do pass recommendation.

REP. MEEK: Talks about ESDs.

CHAIR OAKLEY: Notes there will be further discussion of ESDs during the interim.

VOTE: In a roll call vote, the motion carries with Rep. Sowa voting NO.

Work Session on SB 898A

220 CHAIR OAKLEY: Talks about the SB 898-A5 amendment (EXH. H) which provides if the federal funding goes away the program would continue at it's current level of service.

MOTION: Rep. Meek moves to adopt the SB 898-A5 amendments. > There is no objection. MOTION: Rep. Meek moves SB 898A as amended to the floor with a do pass recommendation. VOTE: In a roll call vote, the motion carries with all members voting AYE. Carrier: Rep. Wylie

Work Session on HB 3191

277 CHAIR OAKLEY: Reads a letter to be sent to the Redland, Gladstone and Oregon City school district superintendents (EXH. I). > Members agree the letter should be sent from the committee chair.

REP. SCHOON: Suggests removing the word "directive" from the second sentence.

Work Session on SB 898A

MOTION: Rep. Wylie moves to suspend the committee rules so Rep. Sowa can vote. > Rep. Sowa votes AYE. Public Hearing on SB 881A Karen Brazeau, DOE

380 KAREN BRAZEAU, DOE: This bill establishes an additional funding source for the educational programs in the juvenile correction centers. > These programs have been underfunded for many years and have not received the same level of funding that similar populations have received in the public school system. The programs are administered by DHR whose main concern has been incarceration and treatment and not education. > Eighty percent of the kids in the programs are eligible for special education services. The schools are not in compliance with federal mandates to meet those needs. > Under this bill, the school portion of the program would generate funding from the Basic School Support Fund with a \$1 million cap for this biennium and transfer the oversight and management of the educational portion of the program to the DOE one year from now.

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010 REP. MILNE: What are some of the things that need to be done to bring the programs up to meet federal requirements?

BRAZEAU: Greatest examples are lack of speech and language services, services for the hearing impaired and services for kids with learning disabilities. A correlation exists between kids with learning disabilities and kids who end up in trouble with the law.

REP. MILNE: Are any special needs being met now?

BRAZEAU: The schools have tried to the best of their ability to meet some of the special ed needs.

REP. MILNE: What about additional staff for the programs?

BRAZEAU: The DOE has asked that additional staff come from DHR.

CHAIR OAKLEY: Closes the work session on SB 881.

070 REP. WYLIE: Speaks about the state's inability to interact with federal government requirements and rules. Resolutions and memorials are toothless. > Suggests working in partnership with local school districts, school boards and administrators to define wasteful compliance activities. > Use political clout to get more waivers for Oregon from the federal rules and regulations. > Linked to the work of our Joint Legislative Data Processing Committee. Not sure the federal requirements are catching with up with where we are rapidly going in our use of technology to provide more efficient ways of compliance. > Provides written statement for the record (EXH. J).

CHAIR OAKLEY: Maybe we can work with the DOE on this issue during the interim.

120 GREG McMURDO, DOE: Yes, we could pursue this during the interim.

137 CHAIR OAKLEY: Adjourns meeting at 3:15 p.m.

Reviewed and submitted by:

Carolynn Gillson Assistant

EXHIBIT LOG: A - Testimony on SB 26B - Washington ESD - 4 pages B - Testimony on SB 26B - Lake ESD - 9 pages C - Testimony on SB 26B - Lane ESD - 2 pages D - Testimony on SB 26B - LRO - 1 page E - SB 26-B20 amendment - Rep. Milne - 1 page F - SB 26-B22 amendment - Rep. Schoon - 1 page G - Testimony on SB 26B - committee staff - 1 page H - SB 898-A5 amendment - Chair Oakley - 1 page I - Testimony on HB 3191 - Chair Oakley - 2 pages J - Statement on federal mandates - Rep. Wylie - 2 pages