SENATE COMMITTEE ON EDUCATION

February 18, 1993 Hearing Room 343 3:00 p.m. Tapes 20 - 21

MEMBERS PRESENT: Sen. Catherine Webber, Chair Sen. Stan Bunn Sen. Ron Cease Sen. Shirley Gold

MEMBER EXCUSED: Sen. Paul Phillips

STAFF PRESENT: Jan Bargen, Committee Administrator Julie Mu§iz, Committee Assistant

MEASURES CONSIDERED: SB 168 - Relating to Public Broadcasting; Declaring an Emergency -PPW Informational Meeting: SB 26

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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 ---]

TAPE 20, SIDE A

007 CHAIR WEBBER: Calls meeting to order at 3:10 p.m.

(Tape 20, Side A) SB 168 - RELATING TO PUBLIC BROADCASTING; DECLARING AN EMERGENCY - PUBLIC HEARING WITNESSES: Bill Wyatt, Oregon Public Broadcasting Commission Maynard Orme, Oregon Public Broadcasting Commission Bill Nessly, Oregon Department of Justice Kim Duncan, Oregon Public Broadcasting

030 BILL WYATT, OREGON PUBLIC BROADCASTING COMMISSION: Reviews written testimony, (EXHIBIT A).

107 SEN. CEASE: People currently on the payroll will be given a choice as to whether they wish to remain on PERS, while new employees would not be on PERS? Does that seem to be a common approach with other deregulated

agencies?

120 CHAIR WEBBER: I think Bill Nessly will discuss that.

125 Wyatt: The Commission on Public Broadcasting originally intended that the Governor would continue to make appointments to the Board. This is

not included in this legislation.

138 CHAIR WEBBER: Are you offering that as an amendment?

139 Wyatt: No.

142 SEN. CEASE: Do you know why that was eliminated?

145 Wyatt: The Governor's office believes that if we leave, we leave completely.

148 SEN. CEASE: That's an obvious response -- they're not completely leaving if they have state money. There may come a time when you won't

need state funds, but that won't be in the near future?

153 Wyatt: Correct.

155 SEN. CEASE: If the state continues to fund you, having a Governor appointed board isn't that bad. If you don't have Governor

appointments, what's the arrangement?

160 Wyatt: We built in a provision for appointments. The arrangement would be that the Governor would make those appointments, but that would not

be a requirement by statute.

172 SEN. CEASE: I would like to look at that issue in work session.

175 MAYNARD ORME, OREGON PUBLIC BROADCASTING COMMISSION: Reviews written testimony, (EXHIBIT A).

230 KIM DUNCAN, OREGON PUBLIC BROADCASTING: Reviews booklet, (EXHIBIT B). Describes programs and services provided by OPB. The private proposal

shouldn't change OPB. We have applied to receive a General fund grant

that would give us a 20% reduction of our general fund appropriation.

291 CHAIR WEBBER: There's an emergency clause that makes it go into effect July 1. Is there anything else that makes it go into effect on that

date?

296 Duncan: We have an emergency clause. We're using that date for our own purposes.

298 CHAIR WEBBER: If this bill went into effect sooner, would that be a problem for you?

300 Duncan: No. Continues review of booklet, (EXHIBIT B).

330 SEN. BUNN: Would the programming be sold to out of state stations?

335 Duncan: Yes, around the country and around the world.

342 SEN. BUNN: Do you provide any of those services in state at this time?

346 Duncan: Yes.

350 SEN. BUNN: I want to be sure we don't have in state charges for things sold out of state instead of providing them free. It could be lucrative to sell services within the state.

361 Orme: Gives example of instructional television as a service that would end if no additional revenue were found.

377 SEN. BUNN: That's what I'm getting at. I'm concerned that OPB might narrow the opportunity to access to those services by charging for them.

390 Orme: So long as there's financial support, we would not do that.

391 SEN. BUNN: We're could make a policy statement that we won't do that.

398 Wyatt: We'll be asking viewers to send us money to support a certain service. Someone has to pay for it.

408 SEN. BUNN: Financially restricted groups don't always make the best judgements on what should be charged for or not. One of the benefits of state overview is the objectivity it has.

425 Orme: In our process of developing funds through productions and sales, there's the possibility we won't be able to develop net revenue. If we

can't do that and there is no state money and we can't charge for the

services, then we are forced to shut them down.

438 SEN. BUNN: I think now is the time to discuss this.

446 SEN. CEASE: I think it raises the issue of whether we want to release state responsibility to this extant. As the state divests from other

programs, it raises the same question. Sen. Bunn suggests that we shouldn't release this much control. OPB has done a marvelous job, but the state doesn't have that much control now. If you're in a financial squeeze, you'll take what you can get where you can get it.

484 Orme: We've never wanted to end the partnership with the state.

(Tape 21, Side A)

035 Duncan: Discusses planned revenues. Continues review of booklet, (EXHIBIT B).

095 BILL NESSLY, OREGON DEPARTMENT OF JUSTICE: Reviews proposed

amendments to SB 168, (EXHIBITS D & E). Reviews written testimony (EXHIBIT C).

Speaks to question on PERS transfer discussed in 5 amendment.

180 CHAIR WEBBER: The nature of the license is not an assignment of the state?

185 Nessly: The Federal Communications Commission has control over the transfer of licenses. This isn't just a piece of property that can be

given away; it's subject to federal control. It has to be consistent

with federal law. 200 Duncan: We may see another bill that relates to OPB that would allow the new agency to purchase employee benefits through BUBB. OPB would

not have a problem with that.

210 SEN. CEASE: I would be sympathetic with that concern, but cutting the umbilical cord wouldn't be complete.

218 Duncan: This is an option only available to the employer.

(Tape 21, Side A) INFORMATIONAL MEETING: SB 26 WITNESSES: Joyce Benjamin, State Board of Education Al Meunier, Chair, Task Force on Education Service Districts Jim Maxwell, President, Oregon Association of Educational Service District Bob Burns, Oregon Department of Education Ron Wilkerson, Superintendent, Marion Education Service District:

240 JOYCE BENJAMIN, STATE BOARD OF EDUCATION: Clarifies mistake found in ESD reorganization handout, (EXHIBIT F). Discusses need and reason for

SB 26. Reviews history of ESDs, how and why they evolved. Reviews

services provided by the different ESDs around the state. Discusses the need for ESDs today. Submits copy of Task Force Report, "The White

Book," (EXHIBIT G) and section-by-section guide to SB 26 (EXHIBIT H).

(Tape 20, Side B)

035 AL MEUNIER, CHAIR, TASK FORCE ON EDUCATION SERVICE DISTRICTS: ESDs provide a range of services. They provide opportunities for students

who otherwise wouldn't get them; SB 26 would extend these services to new districts. There are a lot of regional differences but districts can work together. If we're going to implement the Oregon Educational Act for the 21st Century, resources will be restricted. ESDs are good for resources and provide more at a higher quality. 110 SEN. BUNN: This would allow services to be expanded and allow a higher quality of services? I'm not sure if this proposal or the status quo is best. Lane provides ESD-type services without an ESD. Why are these

programs supposed to be better? I'm not convinced that this will expand our services and do better than what we're doing now.

150 Meunier: I think that children are being served now, but there could be better coordination.

185 SEN. BUNN: I think there is difference between coordination and consolidation. I need examples. There are huge differences in the

various regions of this state.

205 Meunier: The Task Force Report does not get at that level.

210 SEN. BUNN: If we're making a change, then we need to identify specifically both the good and the bad.

216 Benjamin: I think we can do that for you.

218 SEN. CEASE: I have not had positive experiences with ESDs. There are useful in a general way but I'm concerned about the accountability. My

sense is that they aren't accountable to anyone. If you're going to

make them bigger, you'll have a greater control factor. How do you deal with that?

246 Benjamin: I think that ties into the resolution process. New ESDs will be subject to a standardization process, a delegation of duties that is not possible now because of the disparity. We have in effect regional

governments already. That makes it really difficult to coordinate

things.

277 SEN. CEASE: That's a good point.

280 Benjamin: We have some ESDs doing well, others doing poorly. We should either fix the system and make it work or abandon it and create a new

one.

290 SEN. GOLD: I'm not wedded to any configuration in particular. There are certain services that could be centralized. But there are certain

services that need to be delivered. There are also some areas of the state that don't have any. There are many efforts trying to coordinate these services. I hope we can come to a conclusion that includes those efforts.

360 CHAIR WEBBER: The elected boards are an odd way of doing business. Why is there additional board structure?

385 Meunier: That was one of the more difficult tasks the Task Force faced. When you put them al together, there has to be a way to represent those new districts.

409 CHAIR WEBBER: I thought about the representation from other boards coming together as a group.

412 Meunier: I wanted that, but didn't get it.

420 BOB BURNS, OREGON DEPARTMENT OF EDUCATION: Discusses Workforce Quality Council influence on the overall structure of the ESDs.

450 SEN. GOLD: Is the Workforce Quality Council already bound by those configurations?

462 Burns: As I understand it.

474 SEN. BUNN: The attempt to coordinate is very important. But sometimes the different missions of the different groups get confused. Each group has a separate mission and they need to coordinate these missions.

(Tape 21, Side B)

035 Burns: I agree. Discusses issue of accountability. All ESDs have a resolution process, which is a mechaniSMby which the school districts

have control over the ESDs. It's a great accountability feature.

 $074\,$ SEN. CEASE: How does that work in areas with compression now with Measure 5?

080 Burns: The ESDs levies are treated the same as the school districts. Refers to chart, (EXHIBIT I).

090 JIM MAXWELL, PRESIDENT, OREGON ASSOCIATION OF EDUCATIONAL SERVICE DISTRICT: Reviews written testimony, (EXHIBIT J). We support many of

the changes in the bill and the Task Force Report.

290 Burns: Summarizes written testimony and reviews charts and handouts, (EXHIBIT I).

348 CHAIR WEBBER: Right now \$175 per pupil goes directly to ESD, out of the general fund?

355 Burns: Out of the current 1992-1993 levies for ESDs, \$172 per student is appropriated on a state-wide basis.

361 CHAIR WEBBER: So it's coming from local levy. What's the variance.

367 Burns: The high is \$807, the low is less than \$20. Continues

summary of written testimony, (EXHIBIT I).

398 CHAIR WEBBER: How do students at McLaren and Hillcrest get ESD services?

400 Burns: They don't.

405 RON WILKERSON, SUPERINTENDENT, MARION EDUCATION SERVICE DISTRICT: We have modest services for them.

413 CHAIR WEBBER: Adjourns meeting at 4:58 p.m.

Submitted by:

Reviewed by:

Julie Mu§iz Administrator Jan Bargen Assistant

EXHIBIT LOG:

A - Testimony on SB 168, Oregon Public Broadcasting, 6 pgs. B -Booklet on SB 168, Oregon Public Broadcasting, 19 pgs. C - Testimony on SB 168, William Nessly, 4 pgs. D - Hand Engrossed SB 168, Oregon Public Broadcasting, 2 pgs. E - SB 168 amendments, Oregon Public Broadcasting, 2 pgs. F - Updated ESD reorganization handout, Staff, 41 pgs. G - ESD Task Force Report, Joyce Benjamin, 100 pgs. H - Guide to SB 26, Joyce Benjamin, 4 pgs. I - Testimony on SB 26, Bob Burns, 8 pgs. J -Testimony on SB 26, James Maxwell, 8 pgs.