

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.

HOUSE COMMITTEE ON EDUCATION

May 15, 1991 Hearing Room F 1:30 p.m. Tapes 84-85

MEMBERS PRESENT: Rep. Carolyn Oakley, Chair Rep. Vera Katz, Vice-Chair Rep. Bruce Hugo Rep. Delna Jones Rep. Mike Nelson Rep. Bob Pickard Rep. Walt Schroeder

STAFF PRESENT: Lee Penny, Committee Administrator Carolynn Gillson, Committee Assistant

MEASURES CONSIDERED: HB 3469 - Pre-apprenticeship training program, PAW SB 237 - State Land Board reinvest dividend income from Common School Fund, PAW SB 737 - Hospital foundation issue annuities, PAW

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TAPE 84, SIDE A

005REP. CAROLYN OAKLEY, chair: Calls the meeting to order at 1:40 p.m.

HB 3469 - Establishes pre-apprenticeship training program for high school students Public Hearing Witnesses: Alden Knapp, Oregon State Advisory Council Dan Faddis, National Electrical Contractors Association Dan Campbell, Central Electric JATC Terry Arsnauld, State Apprenticeship Counsel Clyde Rasmussen, Department of Education Quint Rahlberger, Bureau of Labor and Industries

010 LEE PENNY, committee administrator: Reviews what the bill does and reviews the changes in the HB 3469-2 amendments (EXHIBIT A).

046 ALDEN KNAPP, Oregon State Advisory Council for Career and Vocational Education: > Reviews his testimony in support of HB 3469 (EXHIBIT B). > Refers to chart in attachment showing how Oregon compares with other countries in key economic, education and job training statistics. > Refers to illustration of the model Workforce 2000 Training.

098 DAN FADDIS, director of training, National Electrical Contractors Association and the International Brotherhood of Electrical Workers Local 48: Only question I have with the amendment is on the nonresident training agent. Requests deleting Section 4 (2) (a) on page 3, line 21. > Provides testimony outlining three major concerns with the amendment (EXHIBIT C).

129 DAN CAMPBELL, training director, Central Electrical JATC: Talks about the changes made in the language in the -2 amendment. > Nothing

spelled out in Section 2 (6), (7) or (8) requiring any certain number of hours of class work. Prefer to have it spelled out.

166 REP. BRUCE HUGO: Doesn't the language on page 3 imply there will be 20 hours of class work?

CAMPBELL: That is certainly the intent. Don't want apprentice work to completely replace course work.

REP. HUGO: I would prefer not to get real tight with the language.

192 REP. DELNA JONES: Addresses question of tax credit. An out-of-state employer cannot earn tax credit without paying taxes in Oregon. It would be a credit against taxes due. This is not for refundable credits.

194 TERRY ARSNAULT, sheet metal worker and employe member of the State Apprenticeship Counsel: Which of the two state agencies will be watching over the nonresident training agent? Are we going to look at training programs in other states? I do approve of the concept but have some concerns in regards to these issues.

REP. HUGO: Explains how Section 4 will deal with nonresident taxpayers. > My concern is allowing the tax credit to be carried forward.

258 FADDIS: Our request was to limit the carry over to one or two years rather than five years since this is a pilot program.

LEE PENNY: Suggests the committee confine itself to the educational and training policy and allow the Revenue and School Finance Committee to address the tax credit question.

296 REP. JONES: Where are the time frames in the amendment?

CAMPBELL: We did discuss the lack of an ending date and were told, since it is being called a pilot program, the ending date could be considered the end of the biennium.

REP. VERA KATZ: Explains the importance of putting a sunset in the bill.

350 CLYDE RASMUSSEN, program specialist, Department of Education: Oregon is on its way to expanding and improving public education. The Department strongly supports HB 3469 which allows for a much needed pilot apprenticeship program for schools. This provides a great opportunity to keep the young people in school and give them the opportunity to explore the real world of work.

390 QUINT RAHLBERGER, director, Apprenticeship and Training Division, Bureau of Industries: Refers to testimony distributed at last hearing on the bill (see EXHIBIT F, May 1, 199 1 minutes). The majority of the apprenticeship community's concerns have been addressed.

REP. JONES: How many jobs will kids not be able to participate in because of limitations in the bill?

RAHLBERGER: Those limitations would not be any significant impediment or have a major impact in the number of participants. It limits more carefully what the apprenticeship communities see as a more realistic apprenticeship experience.

REP. JONES: Does this affect the prevailing age issue?

RAHLBERGER: If apprentices, as defined in the act were to be included, it could potentially have a statistical effect on wage determinations. It is not my area of expertise.

TAPE 85, SIDE A

HB 3469 - Establishes pre-apprenticeship training programs for high school students Work Session

017 MOTION: Rep. Hugo moves the -2 amendments be amended on page 2, line 7, substituting "federal" with the word "state" and add a sunset clause effective July 1, 199 5.

REP. JONES: Need to add comma on page 3, line 4. There was no objection to adopting the - 2 amendments as amended.

040 MOTION: Rep. Hugo moves HB 3469 as amended to the Committee Revenue and School Finance with a do pass recommendation.

REP. HUGO: I am uncomfortable with carrying forward provision for the tax credit and will testify in the committee that it be limited some how.

REP. SCHROEDER: Do you feel comfortable with the 20 hours of class time?

REP. HUGO: The way it is written, with 40 hours per week total and no more than 20 hours a week on the job, it implies there will be 20 hours of class time.

VOTE: In a roll call vote, the motion carried with all members present voting AYE. Excused: Reps. Nelson and Pickard

SB 237 - Authorizes State Land Board to reinvest dividend income derived from Common School Fund Public Hearing Witnesses: Janet Neuman, Division of State Lands Sen. Joyce Cohen Barbara Miller, Good Samaritan Hospital Foundation Jeanne Sarti, Good Samaritan Hospital

063 JANET NEUMAN, director, Division of State Lands: Reads her testimony in support of SB 237 which would enhance the flexibility of the investment policies of the State Land Board for the Common School Fund (EXHIBIT D).

REP. JONES: Who determines what your target is for distributing money to schools?

NEUMAN: The State Land Board, through discussions with the school lobby. In the past, we have not negotiated or targeted a specific distributable amount each year. The growth has been regular and steady. There was a decrease when we changed the method of paying operating expenses.

REP. KATZ: Can the Board decide to distribute the \$28.5 million to reduce class size in kindergarten to third grade?

NEUMAN: Those kinds of discussions have taken place. The actual distribution formula is set in Oregon's constitutions with broad

perimeters. There is nothing limiting the purpose. The Board has interpreted it's responsibility not to direct it.

REP. JONES: Points out there are bills this session concerning the purpose of the Common School Fund.

271 REP. HUGO: How much money per pupil is going out?

NEUMAN: About \$25 per pupil per pupil with a total cost of about \$4,000 a year.

SB 237 - Authorizes State Land Board to reinvest dividend income derived from Common School Fund Work Session

293 MOTION: Rep. Hugo moves SB 237 to the Revenue and School Finance Committee with a do pass recommendation.

REP. KATZ: Do you need the Legislature to tell the State Board it has the authority to change the use of those funds?

NEUMAN: We would need authority from the Legislature to limit the purpose of the funds. > Talks about the annual review cycle of the State Land Board.

REP. HUGO: Sometimes the Land Board feels the greatest cash return is their charge. I disagree. It is the greatest benefits.

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

SB 737 - Authorizes hospital foundation to issue annuities Public Hearing

395 SEN. JOYCE COHEN, District 13: Urges the committee to pass the bill. It would allow hospital foundations to issue annuities in their fund raising efforts.

411 BARBARA MILLER, director of Plan Giving, Good Samaritan Hospital Foundation: Originally, the bill was established to allow nonprofits to issue charitable annuities. Hospitals were included. At that time, most hospitals did not have foundations. This would allow smaller community hospitals to issue gift annuities as they so choose.

TAPE 84, SIDE B

016 JEANNE SARTI, general counsel, Good Samaritan Hospital: Currently, there is a problem regarding management issues as the hospital legally issues the annuity but the hospital foundation is responsible for management and payment to annuitants. This appears to be either an omission from the statutes in 1971 or hospitals did not have foundations. > This bill would allow hospital foundations to directly issue the annuities. It does not detriment any smaller institution or any hospital that wants to utilize the statute as it is currently written. It is a mechanism allowing a foundation to accomplish a goal.

SB 737 - Authorizes hospital foundation to issue annuities Work Session

040 MOTION: Rep. Jones moves SB 737 to the floor with a do pass recommendation.

VOTE: In a roll call vote, the motion carried with all members voting  
AYE. Carrier: Rep. Jones

058 CHAIR OAKLEY: Adjourns meeting at 3:40 p.m.

Submitted by:      Reviewed by:

Carolynn GillsonLee Penny Assistant      Administrator

EXHIBIT LOG: A -            HB 3469-2 amendment - Committee staff - 6 pages  
B            -            Testimony on HB 3469 - Alden Knapp - 7 pages  
C            -            Testimony on HB 3469 - Dan Faddis - 1 page D-Testimony on SB  
237 - Janet Neuman - 4 pages