

SENATE COMMITTEE ON EDUCATION

May 9, 1991                      Hearing Room 343 3:00 p.m.                      Tapes 76 - 77  
MEMBERS PRESENT: Sen. Shirley Gold, Chair Sen. Bill McCoy, Vice-Chair  
Sen. Peter Brockman Sen. Ron Grensky Sen. Paul Phillips Sen. Cliff Trow  
MEMBER EXCUSED: Sen. Joan Dukes STAFF PRESENT: Jan Bargaen,  
Committee Administrator Angela Muniz, Committee Assistant

MEASURES HEARD: HB 2098 - Relating to school districts, declaring an emergency; PH/VVS SB 916 - Relating to Oregon Higher Education Opportunity Grant Program; WS SB 1146 - Relating to children; appropriating money; prescribing an effective date; WS - 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 76, SIDE A

005 CHAIR GOLD: Calls the hearing to order at 3:20 p.m.

SB 1146 - EARLY INTERVENTION SERVICES - WORK SESSION: Witnesses: Karen Brazeau, Department of Education James Toews, Mental Health Division Alan Tresidder, Oregon School Board Association 019 BARGEN: Submits meeting preview (EXHIBIT A) and -6 amendments (EXHIBIT B). Reviews bill history and explains bill. We have two fiscal summaries on this. I think the figures are the same, it outlines the cost (EXHIBIT C). There is also an update analysis from the Alliance for Early Intervention, (EXHIBIT D), a sample OEIP form (EXHIBIT E) and an item from the Department of Education (DOE) (EXHIBIT F). 145 CHAIR GOLD: The question before us is whether or not we chose to act on it today and in what manner. If we don't act today, are we likely to find ourselves in trouble for not having complied with the federal law. 175 SEN. BROCKMAN: The House bill complies with federal law. 177 CHAIR GOLD: I meant if we as the Legislature chose not to act. There's a possibility that if there's not action, we'll find that there has to be action anyway. 182 SEN. TROW: Who's going to administer this? 184 BARGEN: The Department of Education will be the lead agency. It's discussed in 613. 191 SEN. TROW: Is there some kind of an agreement between the agencies as to how that plan would take place? 194 CHAIR GOLD: Before we go into detail, do we want to proceed? 198 SEN. BROCKMAN: I don't see any sense in duplicating, but I'm only one person. 199 SEN. TROW: What is your recommendation? 200 CHAIR GOLD: I would like to proceed. We won't see the House bill for a while. If we use this vehicle, then we send our message even if it disagrees with the House version. If the only message Ways and Means gets from us is the earlier program that is different from compliance. 218 SEN. PHILLIPS: What do the experts in education recommend we do? 225 BARGEN: We've tried to do it as jointly as possible. Each side initiated a vehicle because both sides had concerns expressed to them before session. 239 SEN. PHILLIPS: Did anyone say not to move the bills? 249 BARGEN: Not beyond what was previously explained. 251 CHAIR GOLD: I gather that there has been some contention over details of the bill, but the document before us is a fair compromise. 260 SEN. TROW: If this bill is in good shape, it's better than we can do if we deal with SB 1146 in addition. 265 CHAIR GOLD: That is the amendment that Jan has. 266 SEN. TROW: This is not as it has passed the House committee? 267 BARGEN: It is as it passed the House Education Committee. Explains amendments passed in the House (EXHIBIT B) and conceptual changes made. 286 SEN. TROW: Does not mind

substituting this as the bill and sending it to Ways and Means. Should talk about interagency planning. ~ Committee OD Education May 9, 1991-  
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304 BARGEN: Refers to section 13, pg. 11, line 7 of amendments (EXHIBIT B). That means that each side can appoint the respective ones in their domain. 325 SEN. TROW: Didn't the original bill say something about placing early intervention programs under the jurisdiction of the Department of Education? Do we do that in this bill now? 334 SEN. GRENSKY: The objective is to get into compliance with the federal law. This is something totally new. The amendments are a whole different bill. We have a Ways and Means member here and can send a message with him. I don't understand why we're spending time on that. Doesn't feel comfortable. 350 CHAIR GOLD: We don't need to vote today, we can wait until you feel comfortable. This is a major thing to accomplish in a session of low revenue. It is important to send a message from both houses. 372 SEN. GRENSKY: How many times are we going to revisit this issue? 375 CHAIR GOLD: This is the last time. 379 SEN. GRENSKY: We have a lot of bills we need to look at. If this is the only way we can do it, then it's the only way. ~ 402 SEN. MCCOY: These bills have already been to Ways and Means? 406 CHAIR GOLD: As of yesterday. 415 SEN. TROW: Are you going to do planning? How are you going to involve the interested parties so they feel as though they are participating? 418 KAREN BRAZEAU, DEPARTMENT OF EDUCATION: This bill is filled with interagency collaboration. Explains role of DOE and other agencies that provide services to children with disabilities. 436 SEN. TROW: What is the nature of the unhappiness with the planning group in §13? 438 BRAZEAU: Norma Paulus was not happy with the idea of another management group on top of an advisory group and interagency agreements. It was unfortunate language in one of the amendments because it was not intended to be a management group. 459 SEN. TROW: What's the difference between a management group and an interagency planning group? 460 BRAZEAU: In the minds of the people who drafted the bill, I don't think there was a difference. 465 SEN. TROW: What is in the minds of those who object to changing it to a planning group? 470 JAMES TOEWS, MENTAL HEALTH DIVISION: There is no objection. This is an improvement on what we are already doing. The point of the federal legislation is that we

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develop an individual and family service plan and link these agencies together.

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029 SEN. TROW: So you don't see any reason to be concerned with it? It will work?

030 TOEW: Yes, from our perspective.

031 ALAN TRESIDDER, OREGON SCHOOL BOARD ASSOCIATION: Is supportive of the language in the bill now. 040 CHAIR GOLD: Talks about the money of the bill. The idea was if those monies were intertwined it would get you into what this supposedly does. Is that what we are dealing with here? 059 BRAZEAU: Yes. The fiscal office report takes into account

the planning for expansion of the state pre-kindergarten program.

062 CHAIR GOLD: How many children are you serving? 067 BRAZEAU: I think about 300 hundred will be added into the pre-kindergarten program with additional funds to meet their needs. 071 CHAIR GOLD: And in early intervention, those kids are included in that? 073 BRAZEAU: To comply we need to serve about 2000 children more. This fiscal analysis takes into account the specialized services for all the kids. 080 CHAIR GOLD: Bottom line is we would be serving more kids then? 084 BRAZEAU: We wouldn't necessarily be serving more children, we could just tell the federal government that we are using the federal dollars to serve those children. 090 SEN. TROW: Can we go ahead and accept this bill now and move it to Ways and Means? 093 MOTION: Sen. Trow moves to amend SB 1146 with the contents of HB 3403-6 as amended by the House Education Committee. 104 SEN. TROW: We are sending another bill down to Ways and Means, but it is worth doing for good reasons. It reinforces the message to Ways and Means about our priorities, and we have spent a great deal of time on this issue. 116 VOTE: Motion carried by acclamation. 117 MOTION: Sen. Trow moves SB 1146 as amended to Ways and Means with a do pass recommendation. 128 VOTE: Motion carried, 5-1-1. Voting no: Sen. Grensky. Excused: Sen. Dukes.

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HB 2098 - SCHOOL DISTRICTS - PUBLIC HEARING: Witnesses: Allan Thede, Superintendent of Multnomah Education School Districts John Marshall, Oregon School Boards Association Greg McMurdo, Department of Education

162 ALLAN THEDE, SUPERINTENDENT OF MULTNOMAH EDUCATION SCHOOL DISTRICTS: Presents written testimony, (EXHIBIT G). 215 JOHN MARSHALL, OREGON SCHOOL BOARDS ASSOCIATION: Reviews bill. It's important local citizens understand how the process works. This bill explains that and allows those activities to occur if both school boards agree to it. Urges support of the HB 2098. 237 GREG MCMURDO, DEPARTMENT OF EDUCATION: Supports the bill. Speaks to proposed amendments (EXHIBIT H). These are very specific amendments that would apply to any similar consolidation in the state. 307 SEN. MCCOY: When would be the next effective date? 308 MCMURDO: May 31, 1992. These are very simple amendments that make it clear that it applies only to school districts that meet the criteria in §29. There is also an emergency clause. 331 CHAIR GOLD: The Senate is falling behind in floor sessions, so you would have to talk with the President to keep this moving. Do OSB A or Mr. Thede have any objection to these amendments? 348: THEDE: No. 350 MARSHALL: No.

352 CHAIR GOLD: It's my understanding that Rep. Hugo is also in support of this.

HB 2098 - SCHOOL DISTRICTS - WORK SESSION:

363 MOTION: Sen. McCoy moves the proposed amendments (EXHIBIT H) to HB 2098. VOTE: Hearing no objection, so ordered. 395 MOTION: Sen. McCoy moves HB 2098 to the floor as amended with a do pass recommendation. 410 VOTE: Motion carried, 5-0-2. Excused: Sen. Dukes, Sen. Grensky. Sen. McCoy will lead the floor discussion. 419 SEN. PHILLIPS: Requests staff to draft a letter to the Senate President explaining the time restraints and to move this bill ahead.

453 CHAIR GOLD: For the record, the amendments just adopted are HB 2098-A6, dated 5/9/91 (EXHIBIT I). \_ Senate Committse on Educadon M'ty 9, 1991 rage 6

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SB 916 - STUDENT NEED GRANTS - WORK S ESSION: Witnesses: Gary Andeen, Independent College Association Lynn Pinckney, Oregon Student Lobby Dana Spielman, Oregon Community College Association Jeff Lee, Director of the State Scholarship Commission Roger Bassett, State System for Higher Education 024 BARGEN: Explains -1 amendments (EXHIBIT J). The bill was not what the requestors requested. That was part of the problem between the opposition and proponents that last time we heard this.

041 MOTION: Sen. Phillips moves the -1 amendments (EXHIBIT J). Hearing no objection to letting the amendments replace the bill, so ordered. . 048 SEN. TROW: Objects to the original bill but not to letting the amendments replace the bill. 053 BARGEN: Explains discussions with student lobby, community colleges and independent colleges. 075 CHAIR GOLD: Was the fiscal analysis based on the original bill or the -1? 080 BARGEN: That was on the original bill. The concerns about the proposal regarded what would happen if it could not be fully funded. 110 GARY ANDEEN, INDEPENDENT COLLEGE ASSOCIATION: Supports the -1 amendments, (EXHIBIT J). It is what was originally requested. 119 LYNN PINCKNEY, OREGON STUDENT LOBBY: We have fewer objections to the bill as amended. I have concerns that this is not the best use of additional funds to financial aid. It targets dollars to help fewer students with larger amounts. This is not the time to experiment. 131 SEN. TROW: So there could be no adjustment, it would go by the formula? We would pay more to some students and the rest don't get anything? 135 PINCKNEY: That is the way I understand it. The new program requires providing 50% of the remaining need. We feel it would be better to try to bring up all the grants closer to a funding level rather than targeting a small group of students. 144 SEN. TROW: The existing need grant program at the Scholarship Commission can do that? 144 PINCKNEY: Yes. 145 SEN. PHILLIPS: There is not enough money in the system. That's not reflective of the bill. This bill does what we should have done long ago. We are helping those with the greatest need. Do you object to not helping them?

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156 PINCKNEY: No. But my fear is that we will run out of money too soon and turn people away with no aid at all.

159 SEN. PHILLIPS: That gets back to the primary issue. Wants to move the -1 amendments to Ways and Means where we can fight it out. At some point you need to draw the line.

167 SEN. TROW: There are two ways to look at the need. We can look at the fiscal circumstances of the individual; then many people would not get any money. Or we can consider need in terms of the cost of the various institutions. It's more expensive to go to a private school. The difference is that the state supports and subsidizes the state schools. The existing program tries to stretch the money. The best way to spend this money is to expand the present need grant program.

196 SEN. PHILLIPS: I can appreciate where you are coming from with the private vs. public institutions. The private institutions have given a great return to Oregon. Their value should not be understated.

206 SEN. TROW: Understands the contribution the private schools give. The need grant does give them a differential. We can't give them the differential they are asking for and stretch that money farther.

212 DANA SPIELMAN, OREGON COMMUNITY COLLEGE ASSOCIATION: Supports existing program. This is not the path to take. It's still unclear that if the program is not fully funded whether or not the priority would revert back to full-time students. When there are limited dollars, the Scholarship Commission needs to have a rationing system that revolves around deadlines. This rationing factor causes problems for community college students. To base it on the income of the family is better.

247 SEN. PHILLIPS: Have your financial aid individuals looked at the -1 amendments as to how they would impact the community college financial aid system?

251 SPIELMAN: No.

252 SEN. PHILLIPS: The big gain could be for the community colleges using the scenario of need versus time line. It seems strange that you are concerned when your institutions would probably be the big winners.

266 SPIELMAN: It depends on how many dollars are in the system. The money is limited. I'm concerned that the deadline will be used as the rationing determinant.

278 SEN. PHILLIPS: This bill will help the community colleges the most.

283 JEFF LEE, DIRECTOR, STATE SCHOLARSHIP COMMISSION: Presents written testimony (EXHIBIT K). The ultimate goal of the Scholarship Commission and SB 916 are the same. This is the direction we want to go, but we don't know how to get there. We have been concerned with the higher cost of private institutions with annual student budgets of \$20,000 a utions with annual student budgets of \$20,000 a year. Our plan would truncate the amount of a private school budget and would not allow these budgets to exceed the cost of a public school education plus the amount of direct support those Senate Committee on EducJItion May 9, 1991 - Page 8

institutions receive from the Legislature.

350 SEN. TROW: How would that work, again?

351 LEE: The budget for a student attending a public four year institution would be \$8000.

354 SEN. TROW: How much would that student get? 354 LEE: Explains how much the bill would require the Scholarship Commission to give a public institution student versus a private institution student.

393 ROGER BASSETT, STATE SYSTEM OF HIGHER EDUCATION: The real issue is how much the state should invest in keeping the door open to higher education in any form. The result of the tuition surcharge is that tuition will carry the cost of financial aid as well as the student's share of education. We prefer the state to continue with the existing need grant program.

434 CHAIR GOLD: We could choose to send SB 916 to Ways and Means, not to send the bill and send a letter speaking to the need of student aid, or both.

453 MOTION: Sen. Phillips moves SB 916 to Ways and Means as amended with a do pass recommendation. 482 SEN. TROW: Opposes sending it to Ways and Means with a do pass recommendation. Isn't opposed to sending it with no recommendation but wants the letter stating that if the Legislature can fully fund this bill, then the committee will go along with it, but if it can't be fully fund, the additional money should go to the existing need grant.

TAPE 77, SIDE B

042 VOTE: Motion fails, 3-2-2. Voting no: Sen. Trow, Sen. Gold. Excused: Sen. Dukes, Sen. Grensky. 041 MOTION: Sen. Trow moves SB 916 as amended to Ways and Means with no recommendation and a letter that says the Committee supports the fully funded bill but wants the money to go to the existing need grant program if the bill can't be fully funded. 047 SEN. PHILLIPS: Objects, but will vote aye to get the bill down to Ways and Means. I would rather you separate the two parts of the motion. 054 CHAIR GOLD: Have you looked at the letter we drafted? Is that letter something you'd support? 055 SEN. PHILLIPS: I would rather make it more specific in what we need to do and the contingencies that we face. 065 CHAIR GOLD: You will all see the letter before it goes to Ways and Means.

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070 VOTE: Motion carries, 4-0. Excused: Sen. Brockman, Sen. Dukes, Sen. Grensky. 102 CHAIR GOLD: Adjourns the hearing at 4:55 p.m.

Transcribed By, Reviewed By, Julie Muniz Jan Borgen  
Assistant Administrator

EXHIBIT LOG A - Meeting preview, Staff, 3 pages B - HB 3403-6 amendments, Staff, 25 pages C - Fiscal office memorandum, Staff, 4 pages D - Update analysis, Alliance for Early Intervention, 10 pages E - OEIP Form, Staff, 6 pages F - Department of Education memorandum, Karen Brazeau, 3 pages G - Testimony, Allan Thede, 1 page H - HB 2098 proposed amendments, Greg McMurdo, 1 page I - Amendments to HB 2098, Staff, 1 page J - SB 916-1 amendments, Staff, 4 pages K - Testimony on SB 916, Jeff Lee, 2 pages

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