

Tapes 51-52, (A\B) Work Session -  
SB 441 & School Distribution  
SENATE COMMITTEE ON REVENUE AND SCHOOL FINANCE

February 21, 1991 1:00 PM Hearing Room A State Capitol Building

Members Present: Senator Jane Cease, Chair Senator Joan Dukes, Vice Chair  
(departed 1:43) Senator John Brennehan (arrived 1:19) Senator Shirley Gold  
Senator Ron Grensky Senator Bill McCoy (arrived 1:35) Senator Tricia Smith

Staff Present: Jim Scherzinger, Legislative Revenue Officer  
Steve Meyer, Legislative Revenue Office  
Mary Ann Zimmermann, Committee Assistant

Witnesses Present: Gil Riddell, Association of Oregon Counties (AOC) Karen  
Brazeau, Department of Education  
Dave Boyer, Finance Director-Multnomah County Frank McNamara, Portland  
Public Schools

TAPE 51. SIDE A

005 CHAIR CEASE called the meeting to order at 1:18 P.M. and conducted  
administrative business. Students from Taft Middle School were welcomed.

WORK SESSION - SB 441

019 STEVE MEYER recapped the Committee request for information regarding  
the County School Fund.

031 GIL RIDDELL suggested the request for amendments to SB 441. AOC feels  
the cuts made necessary by Measure 5 should be equitable and if County levy  
collections are reduced by Measure 5 then the statutory required  
contribution for the County School Fund be reduced by the same proportion.

058 GIL RIDDELL presented a list of counties and funds regarding the County  
Schools. EXHIBIT 1

070 SEN. DUKES questioned the obligation of the County General Fund to make  
up lost revenue due to Measure 5 in counties having a tax levy.

These minutes paraphrase and/or summarize statements made during this  
meetings. Text enclosed in quotation marks reports the speakers exact  
words. For complete context of proceedings, please refer to the tape  
recording.

Senate Committee on  
Revenue and School Finance  
February 21, 1991 Page 2

079 GIL RIDDELL responded that the statutory obligation is separate from  
Measure 5.

082 Discussion and questions follow regarding the County  
School Funds.

101 GIL RIDDELL referred to the Attorney General's opinion of the operation  
of Measure 5 in which the County has the option to determine under which  
category (school or nonschool) the levy amount or contribution to the  
County School Fund comes.

112 CHAIR CEASE suggested AOC gather remaining data and work on presenting  
the necessary amendments to the Committee.

135 CHAIR CEASE presented a letter from the city of Albany regarding SB  
441 . EXHIBIT 9

147 KAREN BRAZEAU expressed concern with SB 441 in how the County School Fund billing is used to support Special Education. Figures are presented on how much of County School Fund billings go into state operated Special Education programs. EXHIBIT 2

155 The Handicapped Child Fund is explained to be state money which reimburse school districts for their cost of Special Education. Discussion and questions follow regarding the Handicapped Child Fund and the relationship to the County School Fund.

200 SEN DUKES questioned the transferring of County School Fund money from the county to the schools and going through the Education Service District (ESD) with most of it going to general education.

205 KAREN BRAZEAU mentioned there is another distribution of these funds to schools.

212 DAVE BOYER explained how the money is transferred from the General Fund to the County School Fund in the county's budget. The money is then transferred to the ESD.

222 Discussion follows regarding statutory funding of Special Education programs.

237 FRANK MCNAMARA explained how money not spent through the billing process for state programs is distributed to each local school district.

365 SEN. DUKES would like to know how much money coming into the County School Fund is actually going toward Special Education. Reference was made to what the local school districts do with the funds.

277 KAREN BRAZEAU presented figures of the County School Fund billings for Special Education according to county. EXHIBIT 3

298 CHAIR CEASE closed the Work Session on SB 441.

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Senate Committee on  
Revenue and School Finance  
February 21, 1991 Page 3

INTRODUCTION LC 3803

320 MOTION SEN. MCCOY introduced LC 3803 as a committee bill. EXHIBIT 4

330 ORDER There being no objection, CHAIR CEASE so ordered.

342 JIM SCHERZINGER presented the full document of the Florida finance program. EXHIBIT 5

350 JIM SCHERZINGER also referred to a news article regarding the Texas school finance plan. EXHIBIT 6

365 CHAIR CEASE recognized that the majority of the Committee would now like to work on the short range distribution as well as working on the long range.

365 SEN. BRENNEMAN clarified that he still prefers to work on a long range formula.

383 JIM SCHERZINGER explained the Legislative Revenue Office is working on obtaining necessary data regarding the various adjustable factors in a distribution formula.

418 The upcoming agenda was discussed.

463 CHAIR CEASE expressed concern on making necessary decisions by March 1, 1991 so the school districts can begin working on their budget.

TAPE 52 SIDE

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030 SEN. GOLD pointed out that on March 1, 1991 the State Department of Education and Superintendent of Public Instruction will publish what each school district will get next year regardless of the decisions made by the Committee. It was strongly urged to deal with the first year formula before addressing the long term formula.

046 SEN. SMITH declared changing her vote to working on a first year

formula rather than attempt to develop a long range formula in two weeks.

INTRODUCTION LC

299 4

070 MOTION SEN. BRENNEMAN moved LC 2994 be introduced as a Committee bill.

EXHIBIT 7

075 ORDER There being no objection, CHAIR CEASE so ordered.

081 JIM SCHERZINGER referred to the outline of school distribution decisions. It is hoped the Committee will identify some options in which the staff can prepare analysis. EXHIBIT 8

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Senate Committee on

Revenue and School Finance

February 21, 1991 Page 4

100 JIM SCHERZINGER suggested addressing the options under basic school support decisions.

114 CHAIR CEASE called a recess at 1:55 P.M.

120 CHAIR CEASE reconvened the meeting at 2:19 P.M. with the announcement of adjournment until February 25, 1991.

Mary Ann Zimmermann, Committee Assistant

Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. County School Funds, AOC, 2/21/91 - SB 441
2. Special Education County School Fund Impact of SB 441, Department of Education, 2/15/91 - SB 441
3. SB 441's Impact on Funding Special Education Programs, Department of Education, 2/4/91 - SB 441
4. Draft LC 3803, LRO, 2/20/91 - LC Drafts
5. 1990-91 Florida Education Finance Program, LRO, 2/21/91 - School Distribution
6. News Article, LRO, 2/21/91 - School Distribution
7. LC Draft, LRO, 2/21/91 - LC Drafts
8. School Distribution Decisions, LRO, 2/20/91 - School Distribution
9. Letter from Steve Bryant, Albany, 2/19/91 - SB 441

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