

Tapes 71-72, (A)  
Work Session:  
SB 814

SENATE COMMITTEE ON REVENUE AND SCHOOL FINANCE

March 12, 1991 1:00 PM Hearing Room A State Capitol Building

Members Present: Senator Jane Cease, Chair Senator Joan Dukes, Vice Chair (arrived 1:56) Senator John Brenneman Senator Shirley Gold Senator Ron Grensky Senator Bill McCoy (arrived 1:29) Senator Tricia Smith (arrived 1:56)

Staff Present: Terry Drake, Legislative Revenue Office  
Mary Ann Zimmermann, Committee Assistant

Witnesses Present: John Fairchild, Department of Education (DOE) Frank McNamara, Portland Public Schools

TAPE 71. SIDE A

005 CHAIR CEASE called the meeting to order at 1:26 P.M. and conducted administrative business.

025 JOHN FAIRCHILD presented a document depicting the Oregon Pupil Transportation Statistics. EXHIBIT 1

044 JOHN FAIRCHILD addressed the summary of the overall county expenditures for transportation. The remaining pages of the document deal with the individual county breakdown of costs. EXHIBIT 1

091 CHAIR CEASE referred to questions dealing with districts that contract busing services to private contractors.

092 FRANK MCNAMARA presented information regarding the transportation expenditures in Portland Public Schools. The transportation budget is between 10 and 11 million dollars. About 30 percent of the total students are transported by the district with one percent transported on Tri-Met (the Portland Public Transit System).

151 FRANK MCNAMARA explained that only students between preKindergarten through eighth grade are transported.

192 FRANK MCNAMARA continued providing information regarding transportation costs in the Portland Public Schools. Reference was made to contracting with Tri-Met.

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.

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248 CHAIR CEASE commented on the information from Portland would be difficult to relate with other districts in the state. Questions were raised in regard to contracting transportation services.

260 FRANK MCNAMARA explained the contracting policy in Portland. Reference was made to routing. Portland made the decision to go with a large private contractor after evaluating cost and efficiency.

299 CHAIR CEASE referred to other smaller districts in the state would not have the available contractor to provided the necessary services.

301 JOHN FAIRCHILD explained if the advantages are significant enough then every opportunity would be made to make the service available.

319 CHAIR CEASE referred to EXHIBIT 1 in pointing out districts that are not providing transportation.

330 JOHN FAIRCHILD explained the document displays only the transportation service provided during the 1989-90 school year.

359 TERRY DRAKE reviewed the three policy options presented in the 3/11/91 Senate Revenue meeting. EXHIBIT 2

377 TERRY DRAKE explained taking fourteen school districts that cover a wide variety of different districts and ran a regression analysis on the districts.

400 TERRY DRAKE explained a regression analysis involves taking many variables such as route miles, density, or number of students and develop a statistical method that attempts to estimate how best to predict cost of various observations if the variables are known for each of the observations. Regression analysis provides a good method for coming up with an equation for determining the cost. EXHIBIT 2

TAPE 72 SIDE

A

032 TERRY DRAKE discussed the goal is to find the shortest, most important list of variables.

035 TERRY DRAKE ran an example regression based on the cost factor being a function of two things; the number of kids transported and route miles. The estimate was 98.4 percent of the total variation in transportation cost of the sample which predict the differences in expenditures per student thus creating an equitable piece into the formula for distribution.

048 TERRY DRAKE referred to Minnesota who uses a regression based model and explained many of the factors were similarly found in Oregon.

085 CHAIR CEASE asked if the Committee wanted to address the policy of regression/resource cost of transportation then a large picture could be depicted involving all the factors the committee desires to address.

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088 TERRY DRAKE explained the possibility of developing relationships between the districts that are using a particular factor and those which are not. Using data from the DOE would be helpful to obtain necessary information for the various factors.

100 CHAIR CEASE felt the committee should give the Legislative Revenue Office (LRO) and the DOE the go ahead to provide information on the regression/resource option because it gives the most flexibility to make a final decision.

102 MOTION SEN. SMITH moved for the committee to give the LRO and DOE the go ahead to provide information on the regression/resource option for determining transportation cost.

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

113 JOHN FAIRCHILD explained the information must be obtained from the various districts. It was pointed out that Minnesota has a specific define service level while Oregon is vastly different in service level among the various districts.

123 SEN. SMITH requested a system that allows adequate transportation services within certain parameters therefore information must be supplied naming the districts in which the transportation services are not included.

138 TERRY DRAKE pointed out that information may be available on contracting for transportation.

153 Reference was made to a special study on Contract Pupil Transportation from the state of Washington. EXHIBIT 3

160 Discussion follows regarding the upcoming agenda for the Senate Revenue Committee. It was pointed out that the House Committee on Revenue will begin working on SB 815.

184 CHAIR CEASE adjourned the meeting at 2:09 P.M.

Mary Ann Zimmermann, Committee Assistant  
Kimberly Taylor, Office Manager  
EXHIBIT SUMMARY

1. Oregon Pupil Transportation Statistics, DOE, 3/12/91 - SB 814
2. Blackboard Illustration, LRO, 3/12/91 - SB 814
3. Washington State Study of Contract Pupil Transportation, OSEA, 3/12/91 - SB 814

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