

Tapes76-77, (A\B)
Work Session: SB 814
SENATE COMMITTEE ON REVENUE AND SCHOOL FINANCE
March 18, 1991 1:00 PM Hearing Room A State Capitol
Building
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Members Present: Senator Jane Cease, Chair
Senator Joan Dukes, Vice Chair
Senator John Brenneman
Senator Shirley Gold
Senator Ron Grensky
Senator Bill McCoy
Senator Tricia Smith

Staff Present: Terry Drake, Legislative Revenue
Office

Mary Ann Zimmermann, Committee

Assistant

Witnesses Present: Karen Brazeau, Department of
Education

TAPE 76, SIDE A

005 CHAIR CEASE called the meeting to order at 1:20 and conducted
administrative business.

WORK SESSION - SB

814

021 TERRY DRAKE recapped transportation was the first issue addressed in
the long term formula of SB 814. Today the issue to be addressed will be
special education.

065 KAREN BRAZEAU explained special education is a federally mandated
program but the children are identified by the local school district. The
largest percentage of children are mildly impaired therefore are serviced
in the regular classroom.

100 SEN. GOLD asked if economic disadvantaged youth were considered part of
the special education mandate.

108 KAREN BRAZEAU explained the economic disadvantaged are not covered by
the federal special education law. The eligibility requirement for special
education is the child have one of the handicapping conditions (areas)
listed in Exhibit 2.

115 SEN. GRENSKY asked if there were objective standards for determining
the handicapped conditions.

120 KAREN BRAZEAU discussed the federal standards for special education and
the eligibility criteria for the various areas. Reference was made to
determining a serious emotional disturbance.

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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

March 18, 1991 Page 2

140 Discussion and questions follow regarding the identifying and
eligibility of a handicapped child.

173 KAREN discussed the categories for placing special education children
with 60 percent being in the regular classroom and 25 percent in a resource
room. The majority of the children are mildly disabled and placed in a
regular classroom.

198 CHAIR CEASE addressed differentiating regular and special education
costs.

215 KAREN BRAZEAU discussed the 1989-91 biennium funding with 69 percent relying on local funds, 19 percent from the state, 10 percent from federal funds and 2 percent coming from the County School Fund.

237 CHAIR CEASE clarified the local funds are primarily property tax.

248 SEN. MCCOY referred to federal mandate directing what must be done while only funding 10 percent.

277 KAREN BRAZEAU explained the funds received are based on reports sent by the various districts. The handicapped child fund and the TMR fund was addressed with reference to the excess cost formula which is used to distribute money back to the school districts for special education.

303 KAREN BRAZEAU presented a budget that the DOE operates from including the funding source for each special education category. Each category of was discussed. EXHIBIT 2

344 KAREN BRAZEAU explained the number of students in each handicapped category. EXHIBIT 1, Page 7

355 SEN. SMITH asked if any funds are allocated to educate the classroom teacher in identifying specific learning disabilities.

373 KAREN BRAZEAU explained federal funds are used for training usually attended by special education teachers

403 KAREN BRAZEAU continued discussing EXHIBIT 2.

420 CHAIR CEASE asked how the special education funding flows through the various agencies.

TAPE 77 SIDE

A

012 KAREN BRAZEAU explained the money that goes back to districts for special education reimbursement flows from the state to the DOE and then back to the districts. Various funding schemes were addressed.

034 KAREN BRAZEAU discussed the county school fund with reference to special education.

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Senate Committee on

Revenue and School Finance

March 18, 1991 Page 3

056 KAREN BRAZEAU addressed the complexity of the system of funding.

064 Discussion and questions follow regarding state funding.

072 KAREN BRAZEAU presented a document labeled Executive Summary EXHIBIT 3 which is a study commissioned by the US Department of Education which confirmed the costs for special education are relatively double the cost for nonspecial education. EXHIBIT 3

095 KAREN BRAZEAU referred to another document which is an overview of state special education finance systems. EXHIBIT 3, Page 4

114 KAREN BRAZEAU presented information regarding the special education funding programs in Vermont. EXHIBIT 3, Page 41

159 SEN. MCCOY asked if any of the funds are used for teacher training in the Oregon system.

163 KAREN BRAZEAU explained that very little state funds are used for training. Reference was made to the current training in Oregon.

179 SEN. SMITH asked how the federal funds filter down to the individual teachers.

186 KAREN BRAZEAU explained the process of districts receiving federal funds which are allocated based on the number of children.

210 SEN. SMITH pointed out that money is distributed based on the number of children already identified.

225 Discussion follows regarding teacher training.

243 KAREN BRAZEAU explained the reason for including the Vermont program is to urge thought in reference to programs issues as well as financial issues. Simplifying the funding system by weighting according to category does not work.

273 KAREN BRAZEAU added that another type of weighting could be according to placement but does not work well.

288 SEN. SMITH asked what does work.

291 KAREN BRAZEAU responded most states are attempting to blend old systems of funding with today's reality. A simple way to address the funding is to determine the cost for the regular classroom and double it for special education.

309 SEN. SMITH asked if there would be control so the special education funds would be truly appropriated for the kids in need.

315 KAREN BRAZEAU explained mechanisms can be used to assure the funds would be used for special education. It was urged not to fund based on anomalies because they don't represent a true picture of special ed.

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Senate Committee on
Revenue and School Finance
March 18, 1991 Page 4

343 SEN. GOLD referred to the title of the book in EXHIBIT 1 and questioned the special student services which also addresses students who have special needs but not necessarily special education.

397 KAREN BRAZEAU commented that many programs focus on the needs of students which may not be categorized as special education.

TAPE 76 SIDE B

008 SEN. Gold asked if the committee should keep the issues separate.

012 KAREN BRAZEAU discussed the programmatic side of the issues and addressed the main difference between special education children and the other categories included in special student services.

039 KAREN BRAZEAU presented a weighting formula for special education children. EXHIBIT 4

063 SEN. GOLD discussed the issue of weighting cost for special education in the various grade categories listed in Exhibit 4.

082 KAREN BRAZEAU pointed out the issue of higher weighting of primary grades would have an impact on special education.

105 SEN. SMITH addressed the concern of controlling special education funding so numbers are "fudged". It was urged to define a system that recognized early identification of disabled children.

125 SEN. SMITH requested data on how many kids are not being served because they are not being recognized.

129 CHAIR CEASE addressed the issue of what is being funded and what ought to be funded.

134 Discussion follows regarding the unidentified learning disabled children with reference to the drop out rate.

150 KAREN BRAZEAU discussed programmatic issues.

182 SEN. GOLD commented on where funds should be concentrated in a formula.

226 KAREN BRAZEAU explained many of the current special education services are because the districts choose to do it in a particular way.

245 SEN. SMITH asked for a comparison in the cost of effectiveness to educate as many special education kids as possible in the regular classroom versus in a special class.

254 KAREN BRAZEAU discussed the issue of educating children in the regular

classroom. Data shows the costs are not greater and what is made up in transportation cost is put into specialized services in the classrooms.

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Senate Committee on
Revenue and School Finance
March 18, 1991 Page 5

281 Discussion and questions follow regarding special education children integrated in regular classrooms.

307 SEN. GOLD commented special education also includes the talented and gifted. Discussion follows.

351 SEN. SMITH clarified the danger of loosing the most gifted and the least gifted because of the lack in resources to deal with special needs.

359 KAREN BRAZEAU pointed out the history aspect of how education is organized to deal with the children in the norm.

372 RAREN BRAZEAU explained the current system for funding special education does not take into account districts' ability to pay.

381 Discussion and questions follow regarding the DOE recommended budget for special education with reference to the source of funding. The budget cuts from the various categories were addressed. EXHIBIT 2

TAPE 77 SIDE

B

023 SEN. MCCOY clarified the budget cuts in the governor's recommended budget in Exhibit 2.

031 KAREN BRAZEAU explained all special education programs are translated into an Individual Education Program (IEP) which must be provided. The districts will be obligated to provide the services even if funds are reduced.

039 SEN. SMITH asked if the state could continue not to fund special education and have the local districts responsible for meeting the obligation.

050 KAREN BRAZEAU explained local governments are under obligation for maintenance of effort.

054 SEN. SMITH questioned how the local districts can have a maintenance of effort under Measure 5.

059 Discussion and questions follow regrading the state obligation to fund special education.

095 The total figures for the DOE budget for special education was discussed. It was clarified that none of the special education programs contain Basic School dollars except for the early intervention program which is run by the state. EXHIBIT 5

130 CHAIR CEASE adjourned the meeting at 2:55.

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Senate Committee on
Revenue and School Finance
March 18, 1991 Page 6
Mary Ann Zimmermann, Committee Assistant
Kimberly Taylor Office Manager

EXHIBIT SUMMARY

1. 1990 Status Report on Special Education and Special Student Services,

- DOE, (See Exhibit 5, Senate Committee on Revenue and School Finance meeting on 2/13/91 - Distribution)
2. Governor's Recommended Budget for Grant-In-Aid Programs, DOE, 3/18/91 - SB 814
 3. Special Education Packet, DOE, 3/18/91 - SB 814
 4. Defining a Standard Education for Oregon Students, DOE, 3/18/91 - SB 814
 5. Governor's Recommended Budget for Grant-In-Aid Programs with totals, DOE, 3/18/91 - SB 814
 6. General Classification of Special Ed. Funding Distribution, Be State, 199 0, LRO, 3/18/91 - SB 814

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