



February 24, 2014

Senate considers changes to OEIB membership; interdistrict transfer fix passes House

On Feb. 20, the Senate Education and General Government Committee heard testimony on **House Bill 4127**, sponsored by House Speaker Tina Kotek (D-Portland). As passed by the House, the bill would require that a majority of Oregon Education Investment Board (OEIB) members work, or have worked, in some part of the P-20 education system. It also requires that at least four of the OEIB members represent K-12 and at least two of the K-12 representatives now hold, or have held, a teaching license.

Currently, the OEIB is made up of 12 members appointed by the governor and confirmed by the Senate; the governor serves as chair. The board includes members who are teachers, superintendents, union leaders, business leaders, professors, academics and representatives of social service non-profits; however, there is not a sitting school board member.

OSBA has proposed an amendment to HB 4127 that adds the provisions of House Bill 4077, sponsored by Hood River County School Board member and State Representative **Mark Johnson** (R-Hood River). The amendment would add one board position to the OEIB that must be filled by a school board member.



OSBA Board member Betty Reynolds and OSBA Legislative Specialist Morgan Allen testify on HB 4127 before the Senate Education Committee.

OSBA members have been vocal in their desire that there be a sitting school board member on the OEIB. Newly elected OSBA Board member **Betty Reynolds** (West Linn-Wilsonville School District) told the Senate committee that "... The amendments would add a school board member to the Oregon Education Investment Board. As elected officials, school board members are a direct link to their communities and are responsible for implementing state education policy. For example, achievement compacts are agreements between school boards and the OEIB, but school boards don't have a seat at the table in designing those agreements."

During the hearing, OSBA Legislative Specialist Morgan Allen noted that "... being able to come to the table and share your thoughts, opinions and concerns is not the same as having a seat at the table and a vote. Right now there is a glaring omission from the Board. The voice and vote of an integral education stakeholder group is not at the table. The OEIB does not include a member who serves on a locally elected school board."

February 25 is the last day for the Senate committee to take action on the bill; it is currently scheduled for a possible vote. OSBA staff have been furiously lobbying for the inclusion of the school board member amendment.

The bill and amendment are opposed by Governor Kitzhaber and it is unclear if the committee will hold a vote before the deadline. For more information, contact Morgan Allen, mallen@osba.org.

View House Bill 4127:

<http://www.osba.org/Resources/Article/Legislative/BillTracking.aspx?s=14&c=50&key=HB 41270&ptadd=%20HB 41270%20Details>

IMPORTANT BILL UPDATE

At the request of OSBA, the House Education Committee introduced **House Bill 4007**. The bill makes technical changes to HB 2747, which passed during the 2013 Session and rewrote the state's interdistrict transfer law.

The bill is a result of feedback to OSBA and the Confederation of Oregon School Administrators (COSA) from the individuals in our school districts who are engaged in implementing transfers. The bill is intended to do three things:

1. It preserves transfer choices and options for students who are transfers this school year;
2. Allows districts and school boards to ensure continuity in enrollments; and

3. Gives school boards and districts the tools to implement the original legislation properly.

How are these goals accomplished in the legislation?

The bill:

- Requires districts to address student mobility and mid-year moves if requested by the student;
- Allows receiving districts to give lottery preference to students who currently have transfers this year if they choose;
- Clarifies that the receiving district in an interdistrict transfer will decide the length of the transfer.

The bill passed the Senate on a 29-0 vote Feb. 20 and now heads to the governor's desk for his signature. OSBA policy services staff will update sample policies to reflect the changes to interdistrict transfer law in the bill.

Contact OSBA Legislative Specialist Morgan Allen at mallen@osba.org if you have any questions about these bills.

View House Bill 4007:

<http://www.osba.org/Resources/Article/Legislative/BillTracking.aspx?s=14&t=&r=&q=hb 4007&c=50&key=HB 40070&ptadd=: HB 4007 Details>

Pension liability reporting bill passes House

House Bill 4155, known as the "GASB bill", was approved late last week in the House Rules Committee.

Beginning this year, the Governmental Accounting Standards Board (GASB) – the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments – will require all state and local governments to report their pension liabilities in their annual financial information. This new requirement, known as GASB No. 68, is intended to promote transparency, consistency and comparability of pension information reported by state and local governments and pension plans.

The Public Employees Retirement System (PERS) serves more than 900 employers in the state. To comply with GASB No. 68, each employer will need comprehensive, audited and individualized data regarding their participation in the plan. The resultant, additional information requests these employers make of PERS will create substantial actuarial and auditing costs for PERS. The PERS Board currently lacks authority to collect or expend funds to pay for these types of administrative costs.

HB 4155 provides PERS with that statutory authority to recover administrative expenses in order to provide the information state and local governments need to comply with GASB No. 68.

PERS Executive Director Paul Cleary testified on the need for the bill stating, "Public pension plan financial reporting is changing dramatically for Oregon's school

districts and other PERS employers. HB 4155 helps us provide the audited and individualized actuarial data that our employers need to comply with the new GASB No. 68 standards in a timely and cost-effective manner. We appreciate all the work that the OSBA and other employer groups did to help educate legislators on the importance of this bill, and the value of doing things the smart way when it comes to GASB compliance."

The bill passed the House on Feb. 21 with a 57-0 affirmative vote. It is expected to receive a hearing in a Senate committee early this week. Contact Lori Sattenspiel (lsattenspiel@osba.org) for more information.

View House Bill 4155:

<http://www.osba.org/Resources/Article/Legislative/BillTracking.aspx?s=14&t=&r=&q=hb 4155&c=50&key=HB 41550&ptadd=: HB 4155 Details>

Questions about legislative issues?

Contact the OSBA Legislative Services Team:

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Contact your legislator

Find your legislators' contact information on the Oregon Legislature's website:

- House – <http://www.oregonlegislature.gov/house>
- Senate – <http://www.oregonlegislature.gov/senate>

To contact your legislator by phone, call the Capitol Switchboard at 1-800-332-2313.

PACE DAY APRIL 25, 2014
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http://www.osba.org/Calendar/Events/PACE_Day-2014.aspx