

OSBA Legislative Highlights



the Promise
OF OREGON

May 5, 2017

Joint Tax Reform Committee works on plan to raise revenue

The Joint Tax Reform Committee held its first meetings this week.

The formal committee grew out of an informal group that had been discussing revenue options. The committee is tasked with reforming Oregon's corporate tax structure and providing options that would increase state revenues.

The tax reform group is one of five groups meeting to work on addressing the \$1.6 billion state budget shortfall. There is also a PERS reform group, hospital provider tax group, comprehensive transportation package group and cost containment group.

The cost containment group is looking at ways to control rising costs among state and local governments, which includes school districts. Republicans have said that without cost containment measures, no amount of revenue will be enough if state budgets continue to grow at an unsustainable rate.

Sen. Mark Hass, Beaverton Democrat and co-chair of the Joint Tax Reform Committee, indicated that moving a tax plan combined with cost containment measures would create a viable package.

"There have been no backroom deals. If anyone has something better – bring it forward," said Hass during opening comments.

Paul Warner of the Legislative Revenue Office gave a packed room on Tuesday an overview of a business tax rate framework (see [Revenue Reform in Oregon](#) and [Business Tax Reform Framework](#)).

The revenue raising measure is a trimmed-down version of the Ohio commercial activity tax (CAT), which taxes all businesses at a lower rate. This new structure would replace the current corporate tax structure. Warner explained how the range of tax rates – 0.25 percent to 1 percent – could raise up to \$3 billion for the state's budget.

Warner went on to explain the pyramid effect. Some industries buy individual parts to create their final product. Each part would be taxed separately, increasing the cost of making the final product. Warner said pyramiding would need to be addressed, with possible exemptions or some sort of reduced rate. During the Measure 97 campaign, the pyramiding effect was a factor in businesses' opposition to the measure.

Many Republicans continue to downplay any need for a revenue plan but can agree with Democrats that the tax system needs an overhaul.

The Joint Tax Reform Committee is expected to meet Tuesdays and Thursdays at 8:30 a.m. for the next two months as they continue to discuss options for a tax system overhaul.

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Paul Warner of the Legislative Revenue Office testifies Tuesday before the Joint Committee on Tax Reform. (Photo by Lori Sattenspiel, OSBA)

OREGON PHYSICAL EDUCATION



A 2007 Oregon law required that by the 2017-18 school year elementary students would have **150 MINUTES** per week of PE and middle school students would have **225 MINUTES** per week of PE.

Senate Bill 4 would extend the deadline and give schools more flexibility.

SOURCE: Oregon Department of Education biennial reports on 2007 House Bill 3141 | CREDIT: Gina Hutchinson, OSBA

Average minutes per week of PHYSICAL EDUCATION

	SCHOOL YEAR	
	2007-08	2015-16
1 ST GRADE	73	74
2 ND GRADE	75	75
3 RD GRADE	77	75
4 TH GRADE	79	75
5 TH GRADE	82	77
6 TH GRADE	126	142
7 TH GRADE	167	159
8 TH GRADE	171	155

Senate bill amending physical education requirements faces House scrutiny

The House Education Committee heard a Senate bill Wednesday that would modify requirements for physical education minutes slated to begin next school year.

The Legislature set standards for physical education time in 2007 and gave schools until the 2017-18 school year to comply. The 2007 bill, House Bill 3141, required 150 minutes of physical education per week for elementary school students and 225 minutes per week for middle school students. No other Oregon subject area or course has a minutes requirement.

[Senate Bill 4](#) would change those requirements. Since 2007, districts have struggled to provide staff and facilities for all standards. As amended, SB 4 would give schools more time and flexibility to reach the standards by providing a phased-in approach.

The bill would first allow an initial two-year delay, followed by an elementary implementation over the next two years and finally a middle school requirement. The amended bill would also make a number of technical fixes, allowing for proration of minutes for weeks shortened because of holidays, closures or other losses of school time and creating a “safety valve” that suspends the minutes requirement when funding levels for schools do not meet current service levels.

Sen. Peter Courtney (D-Salem) presented the bill. Courtney, who has served as Senate president since 2003, described why he championed the PE requirement in 2007.

“Regular physical activity is important for our kids. It keeps them healthy, it keeps them happy, and it keeps them engaged,” Courtney testified. “Physical education helps children maintain a healthy weight and build strong bones. It reduces the risk of obesity and related conditions such as diabetes and heart disease. It has even been shown to reduce anxiety and depression, leading to better mental health.”

Courtney did not hide the disappointment he felt in having to come back to the Legislature, 10 years removed

from the passage of the initial bill, to ask for more time for implementation.

“We gave school districts 10 years to implement these requirements. They go into effect this July, and according to a recent review, only 10 percent of Oregon schools are currently meeting these requirements,” he said. “While I am disappointed in these numbers, I also realize that we would be hurting our schools if we let these requirements go into effect in July.”

Rep. Margaret Doherty (D-Tigard), House Education Committee chair, expressed concern with the measure and questioned the need for minimum physical education minutes at all. She said the new minutes would “fall on the backs of classroom teachers” statewide.

OSBA, the Confederation of Oregon School Administrators, the Oregon Education Association and a variety of education stakeholders and PE advocates joined health and wellness advocates in supporting SB 4. The amended bill represents the result of nine months of hard-fought negotiations.

“It passed the Senate on a 29-0 vote,” testified COSA Deputy Executive Director of Policy and Advocacy Morgan Allen. “We urge your support of this compromise approach to ensuring PE is a key component of a well-rounded public education.”

SB 4 is scheduled for a vote to move it out of the House Education Committee on May 22. OSBA will monitor the bill.

- Richard Donovan
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Bill would fine-tune requirements for dyslexia screenings

[Senate Bill 1003](#), which had a public hearing Wednesday before the House Education Committee, was drafted to ensure a smooth implementation of dyslexia screening in Oregon school districts.

The 2015 Legislature passed a bill requiring every student first enrolled at a school or public charter school for kindergarten or first grade to be screened for dyslexia risk factors and a notification to be sent to parents.

The original bill required school districts to ensure that at least one teacher in kindergarten through grade five at each school receive training related to dyslexia screening, with training to be funded from the Network for Quality Teaching and Learning.

Three areas needed some technical adjustments before the scheduled launch for the 2018-19 school year, starting with the actual student screening:

No specific screening tool can definitively diagnose a student for dyslexia. Current testing being administered can flag a student who may show signs of dyslexia or reading difficulty. SB 1003 clarifies that universal screening for risk factors is to be administered to all kindergartners and any first-graders not previously screened. A family history survey, aimed at discovering other family members with difficulties learning to read, would be taken by every student flagged for risks.

- The Oregon Department of Education would be charged with providing recommended best practices for interventions for students whose screening showed risk factors. ODE would report to the Legislature on next steps and best practices for expanding screening and student-level interventions by September 2018.
- The timeline for teacher training would be extended to July 1, 2018, to allow for greater success in implementing dyslexia screening. An education service district would be able to provide the K-5 teacher training to districts with insufficient resources to implement the law.

OSBA helped with the technical adjustments and supports dyslexia screening with the extended time frame and extra resources for teacher training.

- Lori Sattenspiel

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The Week Ahead



May 8

- National Teacher Appreciation Week begins.
- Senate has a third reading on House bill requiring colleges and universities to report graduates by school district ([HB 2147-B](#)).
- **8:30 a.m.** Joint Ways and Means Education Subcommittee holds informational meeting on the role of education service districts.
- **3 p.m.** House Education Committee holds informational meeting on establishing the Educator Advancement Council ([SB 182-A](#)) and the Early Indicator and Intervention System ([SB 183](#)).

May 9

- **8:30 a.m.** Joint Tax Reform Committee holds informational meeting on business tax reform.
- **10 a.m.** State Land Board meets and is scheduled to consider the sale of the Elliott State Forest.
- **3 p.m.** Senate Education Committee holds public hearing on:
 - Allowing priority admissions for charter schools ([HB 3313](#)).
 - Expanding entities that can get money for CTE and STEM activities ([HB 2258](#)).
 - Encouraging civics education ([HB 2219-A](#)).
- **3 p.m.** Senate Education Committee holds work session on:
 - Removing requirements for veterans to get high school diploma ([HB 2220](#)).
 - Encouraging financial literacy courses ([HB 2229-A](#)).
 - Adding social worker to grant list for preventing absenteeism ([HB 2648](#)).

May 10

- **3 p.m.** House Education Committee holds informational meeting on ASPIRE and Oregon GEAR UP.

(continued)

May 10 (continued)

- **3 p.m.** House Education Committee holds work session on:
 - Allowing short-term waiver for teaching license ([SB 205-A](#)).
 - Revising educator preparation program requirements ([SB 221-A](#)).
 - Changing requirements for dyslexia screening ([SB 1003-A](#)).

Items may be added to committee agendas during the week. The Oregon Legislature keeps an updated page of committee agendas at:

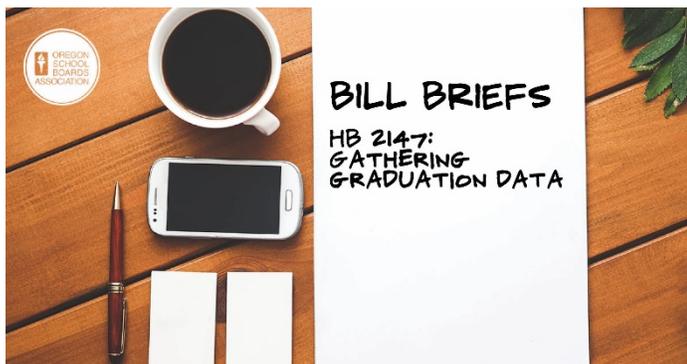
olis.leg.state.or.us/LIZ/Committees/Meeting/List

- Jake Arnold

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Bill Briefs



Gathering graduation data

[House Bill 2147](#)

What it does: The bill would require every post-secondary institution in Oregon to provide data about students attending that institution, specifically the number of Oregon high school graduates from each Oregon school district enrolled at that institution and the graduation rates of Oregon high school students from that institution, by school district.

What's new: The Senate Education Committee heard HB 2147 on Tuesday. Rep. Mark Johnson (R-Hood River), Hood River School Board member and chief sponsor of the bill, advocated for the measure. OSBA supported his testimony and the bill. The committee voted to adopt a friendly set of amendments and to move the measure to the Senate floor with a “do pass” recommendation.

What's next: The Senate has scheduled a third reading for Monday.