

HB 2090 STAFF MEASURE SUMMARY

Senate Committee On Education

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Meeting Dates: 4/19, 4/26

WHAT THE MEASURE DOES:

Modifies process for Higher Education Coordinating Commission to amend community college district boundaries. Creates time limits for submission of boundary change petition to Higher Education Coordinating Commission. Modifies process for conducting public hearings on community college district boundary changes. Requires that elections to modify district boundaries may only occur if funding is appropriated by Legislative Assembly. Aligns process with state aid funding model for community colleges. Revises provisions for division of assets and liabilities between districts.

House Vote: Passed. Ayes, 49; Nays, 7--Bonham, Hayden, Morgan, Nearman, Post, Reschke, Wallan; Excused, 3--Evans, Leif, Rayfield.

FISCAL: No fiscal impact

REVENUE: No revenue impact

ISSUES DISCUSSED:

- Background of proposed boundary changes
- Importance of local residents' desires for boundary change
- Effect of proposed boundary changes on property taxes
- Lessons learned during boundary change process
- Incongruity of provisions in existing statute with current state funding practices

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's 17 community colleges are each charged with offering educational services to the communities within the territorial boundaries of their respective districts. These districts may levy property taxes to cover bond payments that fund community colleges. Oregon law provides for a process to change the territorial boundaries of community college districts through a process involving petitions, hearings, and elections.

The Higher Education Coordinating Commission (HECC) assumed control over community college district boundary changes as a result of House Bill 3120 (2013). Since then, the process has been used sparingly. During a recent action on a district boundary change, certain provisions were identified as being inconsistent with the funding model that the HECC uses to issue state aid to colleges, and stakeholders identified a general lack of procedural clarity. Current law requires that state funding to the affected districts after a boundary change be issued according to the population of each district. In contrast, state funding to community colleges is generally issued according to the number of full-time equivalent (FTE) students who are enrolled.

House Bill 2090 modifies the process of changing community college district boundaries and updates the law to align with current practices.