



MEASURE: HB 3397  
EXHIBIT: 1A  
HOUSE REVENUE COMMITTEE  
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SUBMITTED BY: LAURIE WIMMER

**Date:** March 16, 2011  
**To:** House Revenue Committee, Co-chairs Barnhart and Berger and Members  
**From:** Laurie Wimmer, OEA Government Relations  
**RE:** HB 3397 [Charter School Revenue Transfers]

On behalf of OEA's 45,000 members, I respectfully submit this testimony in opposition to HB 3397, which would redistribute State School Fund resources to charter school operators and away from students in traditional public schools.

OEA participated in the several years of negotiations on the bills that ultimately resulted in Oregon's first charter school law in 1999. In the process of that negotiation, all sides made compromises to achieve a final product that balanced the interests and needs of *all* students and resulted in a law that is seen as one of the nation's best.

Among the various elements in that negotiating process was the tradeoff of accountability and standards requirements for funding. Charter schools do not have to have 95% of their teachers and administrators licensed – only 50%. Charter schools do not have to follow 95% of the requirements for quality and accountability that traditional public schools must follow – far fewer. Charter schools can accept students from any location, with open enrollment policies not available to their children. Charter schools do not even have to offer the enrichments, activities, transportation services, or other traditional elements of a comprehensive school program that regular public schools offer. In trade for their relative freedom from these requirements, they said that they could educate students for less money. They agreed to a state funding level of 80% of ADMw for elementary students, 90% for state-sponsored charter students, and 95% for charter high school students. Now they want more.

HB 3397 would send to charter schools 95% of resources for all grade levels, and additionally, would remove the discretion of school districts with respect to the distribution of certain other resources, such as federal and school improvement fund dollars, by insisting on the 95% rate for these allocations as well.

In 2010, we calculated the amount of resources going to what was then 101 Oregon charter schools in 60 districts (now we have some 108 such schools). We determined that Oregon's charter school students were allocated resources in the following amounts (based on 2008 data):

51% of 18,000 charter school students in elementary programs:	\$42,567,660
17.5% of these students were in high school programs:	\$18,093,600
31.5% of these students were in blended elementary/high:	\$29, 994,300
<b>TOTAL RESOURCES PER YEAR:</b>	<b>\$90,655,560 (\$181.3 mm for biennium)</b>

At the rate of \$6046 per student, 95% would be \$5744, or **\$103.4 million per year** in today's dollars, if we assume that there are 18,000 charter school students in Oregon.

**Some \$26 million per biennium would shift from school districts to charter schools if this bill were adopted.**

The Oregon Education Association believes that school districts must consider the needs of *all* students as it makes tough fiscal decisions. Redistributing a pot of money that is \$1 billion below what it would take to continue public

school operations at their current, recession-cut level of funding makes no sense. Now is certainly not the time to disadvantage the many for the benefit of a few. Oregon's 535,000 public school students cannot withstand much more in cutbacks. We are, with the current budget realities, starkly facing down the possibility of layoffs of thousands more educators, the loss of a month of school, rollbacks to compensation, and the elimination of programs for enrichment that educates a whole student.

HB 3397 asks you to choose to enhance the educational opportunities of 18,000 students by further eroding the services to 535,000 students. We ask you to reject that request. Without significant changes in the level of licensure, accountability, regulatory compliance, and student performance gains, the charter advocates cannot make a convincing case for this revenue shift.

Thank you for considering our input.