

Testimony in Opposition of HB2733

Chair Gelser and Members of the Committee:

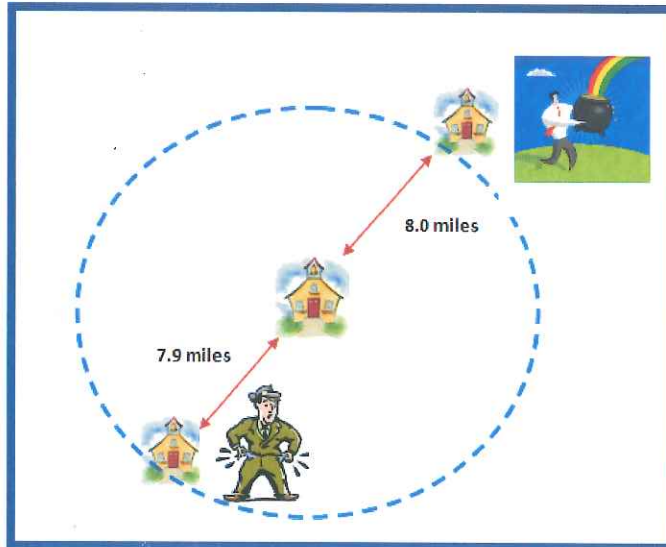
My name is Kevin Strong. I am the business manager for the Sweet Home School District and I am testifying in opposition to House Bill 2733.

I understand that House Bill 2733's supporters are trying to raise additional revenue for their local schools. However, this bill raises numerous concerns including:

1. A small difference in distance will result in a substantial difference in funding

With House Bill 2733, a qualifying school with 110 students enrolled in eight grades located 8 miles from the nearest elementary school will receive 28.2 additional weights in the State School Fund calculation. Meanwhile, an identical school located 7.9 miles from the nearest elementary school will receive no additional weights in the State School Fund calculation.

Adjustments made to the State School Fund formula should be logical. A \$170,000 per year funding difference between schools due to a few hundred feet does not seem logical.



2. House Bill 2733 does not appear to benefit the schools and students that are most in need of additional support

23 schools will receive greater funding with House Bill 2733. A relevant question to ask is whether these schools are Oregon's most needy.

As an example, the Helix School District in Umatilla County will gain 22.5 weights in the State School Fund formula with House Bill 2733. I'm sure Helix will appreciate the extra funding. However, when comparing Helix's funding and student demographics to other Umatilla County school districts, one wonders if Helix's students are most in need of additional support.

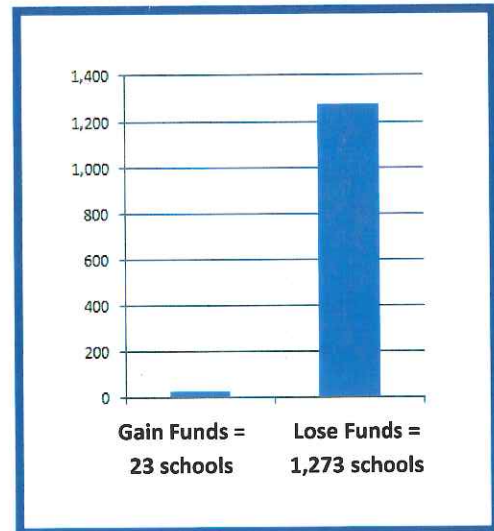
District	Free and Reduced Percentage ⁽¹⁾	Homeless Percentage ⁽²⁾	English		Average Teacher Experience ⁽³⁾	Number of Students in Foster Care ⁽³⁾	Number of Pregnant/Parenting Students ⁽³⁾	Students per Square Mile ⁽⁴⁾	General Purpose Grant Funding	
			Language Learner Percentage ⁽³⁾	Special Education Percentage ⁽³⁾					Without HB 2733 ⁽⁵⁾	With HB 2733 ⁽⁵⁾⁽⁶⁾
Pendleton	50.2%	4%	1.9%	14.8%	15.62 years	16	10	4.1	\$7,892	\$7,892
Milton-Freewater	74.7%	1%	21.4%	10.6%	14.83 years	12	8	5.0	\$8,457	\$8,457
Athena-Weston	52.9%	1%	0.0%	14.7%	15.88 years	5	0	1.6	\$8,868	\$8,868
Helix	38.6%	0%	0.0%	6.5%	13.45 years	0	0	1.3	\$10,397	\$11,259

Sources:

- Oregon Department of Education "2011-12 Students Eligible for Free or Reduced Lunch"
- Oregon Department of Education "Enrollment Percentages by Homeless by District 11-12"
- Oregon Department of Education 2013-14 State School Fund Grant Estimate as of 3/30/2013
- Student count from the ODE 2013-14 SSF Estimate as of 3/30/2013 (ADM). District square mileage information from proximityone.com
- General Purpose Grant / ADM from the Oregon Department of Education 2013-14 State School Fund Grant Estimate as of 3/30/2013
- Additional Helix weight for the Remote Rural Elementary School Correction from Oregon Department of Education (Michael Elliot) 4/1/2013 email

3. Most Oregon schools will lose funds due to House Bill 2733

According to the Oregon Blue Book, our state has 1,296 public schools. If House Bill 2733 passes, 1,273 of Oregon's schools will receive less funding while 23 schools will receive more.



4. House Bill 2733 penalizes school districts that are trying to be more efficient

Many rural school districts have already consolidated schools to help cut costs. House Bill 2733 asks them to give up an even greater portion of State School Funds to help subsidize districts that have decided to keep their qualifying schools open.

School Board Votes to Merge Crawfordsville and Holley Schools to Save Funds
Crawfordsville Elementary to close 158 years after its founding in 1853

- February 2011

5. House Bill 2733 provides further incentive for school districts to make decisions that may not best utilize tax dollars

Due to the Remote Elementary School Correction, a district may choose to continue operating a school that is more than eight miles from the next closest school while closing another school that actually costs less to operate to avoid losing the State subsidy. In effect, the Remote Elementary School Correction can penalize school districts for making wise spending decisions.

6. There is a better way to fund rural remote schools

If the intent of the Remote Elementary School Correction and the Small High School Correction is to recognize that schools serving sparsely populated areas cost more to operate, the funding formula should be changed to reflect this. For example, a calculation adjustment could be made so districts with relatively few students per square mile receive additional funding.

Currently, the Riverdale School District with a density of 468 students per square mile receives over a half million dollars per year by way of the Small High School Correction. Meanwhile, some rural districts serving as few as 2 students per square mile do not receive any funding from the Remote Elementary School Correction and the Small High School Correction. I encourage the Legislature to address this funding inequity instead.

Thank you for considering these concerns.

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