



To: Members of the Senate Finance and Revenue Committee
From: Sue Levin, Executive Director, Stand for Children
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It is time to put a stop the decades-long slide in Oregon's public education, a slide that is marked by stagnant student achievement and a widening achievement gap.

To reverse this trend, we need an unquestioned commitment to quality instruction, and we also need new and better approaches to school funding, emphasizing both controlling expense and increasing revenue.

Let me repeat that: Stand for Children members recognize that our school-funding crisis can only be solved with new thinking on both revenue *and* expense.

New revenues alone will not lower our class sizes. No matter how we structure our tax system, there are few if any scenarios in which Oregon's economy will generate enough new revenues even to keep pace with current growth in school district expenses like healthcare and pensions.

Nor can we solve funding problems by cutting expenses alone. Even under the most optimistic scenarios for controlling healthcare and pension costs, districts will strain to provide a 21st century education to students, especially given ever-increasing numbers of students who are low-income, special needs or non-English speaking.

So we must act on both revenue and expense in a meaningful way— not with another two-year patch. We can't afford to waste an entire legislative session fighting over \$275M in revenue, any more than we can cheer \$450M in reduced PERS costs.

It is painfully obvious that the strategy of biennial budget patches for K12 education is not working, as more and more districts deplete reserves, extract concessions from employees, and stagger toward layoffs.

We are at a precarious place. Either we meaningfully address expenses and revenues right now, or we accelerate the plunge to a two-tiered education system, in which affluent communities pass levies or charge fees to maintain services, and low-income families are forced to accept the unacceptable.

What can we do now? We know that Oregon districts struggle with both adequacy and volatility of funding. Improving adequacy must be our long-term goal, and others will present ideas to this committee for both the economic growth and revenue reform needed to get us there, including sales tax proposals. Stand enthusiastically supports this discussion.

In terms of stability of funding, we have long argued that reducing our reliance on income taxes and reforming the kicker would improve outcomes for students, by enabling our education leaders to spend more time on instruction, and less time on budgeting.

Yes, we need the best K12 budget we can get for the upcoming biennium. The past six years have pushed many of our districts into unsustainable cuts. But we need to do it in a way that sets us up for long-term improvement—and not another round of cuts two years from now.

A big part of this committee's work will be shaping what's politically possible, and Stand members are eager to contribute to that effort. People join Stand because they refuse to accept that "it's not politically possible to turn our public schools around". They won't accept that what we've got right now is the best we can get. Our kids deserve better.

We need a hopeful message to carry to Oregon's parents, students, teachers and voters, and we need a bi-partisan, cooperative effort to get us there. I sincerely hope the efforts of this committee will guide the way.