

Joint Committee on Ways and Means

Carrier – House: Rep. Komp
Carrier – Senate: Sen. Monroe

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 18 – 7 – 1

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna, McLane

Exc: Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Monroe, Steiner Hayward, Winters

Nays: Hansell, Johnson, Thomsen, Whitsett

Exc:

Prepared By: Doug Wilson, Legislative Fiscal Office

Meeting Date: May 31, 2013

WHAT THE MEASURE DOES: Establishes the Task Force on School Funding. Requires the Task Force to submit a report with recommendations to the Legislature by October 1, 2014. Takes effect on passage.

ISSUES DISCUSSED:

- Representation of different geographic and school size groups on Task Force

EFFECT OF COMMITTEE AMENDMENT: The amendment added the following components to the bill:

1. Abolish the Office of Regional Educational Services and the Regional Educational Services Account as well as repeal ORS 327.009 which transferred 0.25% of the school funding formula resources for the Regional Educational Services Account. The resulting “savings” of approximately \$24 million would be distributed to School Districts and ESDs through the formula (95.5% to School Districts and 4.5% to ESDs).
2. Reduce the amount dedicated to the Facilities Grant Program in ORS 327.008 from \$25 million per biennium to \$20 million and redeploy the \$5 million to the Quality Teaching and Learning Network established in HB 3233.
3. Allocate equal amounts from the formula amounts that are distributed to School Districts and to ESDs (\$14 million each) for the Quality Teaching and Learning Network.
4. Index the amounts dedicated to the Network by #3 above to the change in the amount in the State School Fund (SSF) meaning if the SSF increased by 5% between biennia, the amounts would increase proportionately.

The bill was also amended to include a representative of teachers on the Task Force as well as to insure geographic and school size diversity among the members of the Task Force.

BACKGROUND: The formula revenue available for school districts and education service districts has two funding sources. They are the State School Fund provided by the legislature and local revenues. The 1991 Legislature adopted the school equalization formula as distribution principle of the formula revenue, and phased in its implementation. Equity as measured by the equalization formula applied to all school districts beginning in the 1992-93 school year. Education service districts (ESD) also receive the State School Fund. Before the Measure 5 (1990), they received no state aid. Subsequently, state support helped replace reduced property taxes. The 2001 Legislature adopted a 5 year phase-in plan to equalize ESD revenue, with the final equalization occurring in the 2005-06 school year.