



Date: May 6, 2015
To: Senate Finance and Revenue Committee, Chair Hass and Members
From: Laurie Wimmer, OEA Government Relations Consultant
RE: *SB 885 [State School Fund Subsidy to Lane County]*

On behalf of OEA's 42,000 members, I am submitting this testimony in opposition to SB 885, which reroutes Lane County's federal forest fees revenue to programs that, while valuable, should not be funded by this method.

Because Oregon distributes school resources on a per-student, total-revenue basis by floating the state share up or down depending on the degree of local revenues, this bill would, in effect, take local dollars (Secure Rural Schools payments) out of the formula for just one of the state's 197 school districts for the purpose of underwriting Lane County CTE and youth employment programs. Lane receives the largest share of these payments of any of the 33 counties in Oregon that have benefited from the distribution. Some \$9.5 million would be removed from the offset calculus for Lane Co. schools, thereby forcing a State School Fund subsidy to these programs that do not benefit students statewide.

The K-12 budget adopted earlier this session is \$265 million short of a no-cuts level, and districts are already planning cuts to programs and staffing because the base budget is too low. SB 885 just exacerbates this problem. It also institutes a dangerous precedent that other local governments might follow, if enacted, thereby undermining the very purpose of the equalization formula, which endeavors to compensate for local revenue insufficiency with the state share.

For these reasons, though we strongly support the effort to find a sustainable source of support for career technical education and also support the intent of providing youth employment, we must also strongly oppose this bill. Given the uncertainty of continued payments by the federal government to the federal forest fees program, this cannot even be said to be a sustainable revenue stream.

With regret, we ask the Committee not to advance this bill.