



Date: April 28, 2021
To: House Revenue Committee, Chair Nathanson and Members
From: Laurie Wimmer, OEA Government Relations
RE: *HB 2630 [School Funding Stability for Wildfire-impacted Districts]*

On behalf of OEA's 41,000 members, I am honored to share some thoughts with respect to HB 2630.

First, let me say that we strongly support helping these struggling school districts, but we also believe that this remedy should not come from the other school districts' share of the State School Fund. We were originally under the impression that just three school districts losses put them in line for the support – McKenzie, Phoenix-Talent, and Santiam Canyon – but now we hear that there may be many more.

As drafted, there are several elements of the bill that are problematic, and we are hopeful that we may be able to offer constructive comments and help to amend the bill.

The first one is a data collection problem. The bill assumes, inaccurately, that school districts collect data on the reason a student exits a district. It does so on lines 6 and 7, when it describes the districts for whom this program would be eligible as those that experienced “a decrease in average daily membership...**as a result of** the wildfires in 2020” and again on lines 13 and 14, when it directs the Department of Education to “determine if a decrease in average daily membership was **a result of** wildfires in 2020.” Without a survey of exiting students, the only rule the Department can create is to assume that every student transfer out of these school districts was wildfire-related. If “impact” is defined in the bill, and if it includes a look-back that requires evidence of school closures, fire or smoke damage, inter-district transfer agreements for student education for a period (such as that between Santiam Canyon and Salem Keizer), or other such markers, this may narrow the scope and suffice, even without appropriate student transfer information.

The second is a confusion between operational funds and grant programs. While it makes sense to stabilize the funds districts receive to operate and build back their wildfire-affected districts, this bill goes one step further and also extends extra money in the Student Success Act grant program. Districts have access to many grants – the High School Success grant, federal grants, and the Student Investment Account are among the best known – but this bill singles out only the SSA. The problem with this is that operational dollars flow through the State School Fund to support districts generally, but the SIA grant is designed to fund specialized program goals over and above operations. A grant maker of any description says to the applicant, “what will you do with X dollars?” If a district gets, instead, X minus Y dollars, the nature of the answer to the question changes to meet the lesser amount. This is not the case with State School Funds. Districts are expected to run their school districts irrespective of the adequacy of those funds and meet all state and federal requirements in the process. It makes sense to respond to emergencies with respect to this core funding; it does not in a program whose grant will be scaled to meet the applicant's circumstances and capacity at the time of annual grant review. We cannot support including SSA money in this bill.

The third is a calculation that includes students residing outside of the wildfire-affected districts. This bill needs to stipulate that the fiscal stability is for the brick and mortar student counts, and not the virtual school enrollees who would otherwise be included in the 2020 base count. Santiam Canyon had just **604 students** in its traditional school system in the 2019-20 school year. Fully 86% of the **4453** students the district claims, however, do not even live there – they are enrolled in Oregon Connections Academy and live all over Oregon. We wonder whether it is the intent of this bill's makers to hold Santiam Canyon's count at the 2020 level for its entire district, rather than just its place-based students.

Finally, funding source. Given that the 2020 wildfires occurred during this year of pandemic, we believe that the relief sought is warranted but should come from the federal relief funds, not out of the operational dollars of other districts. Why should the students in other school districts – often themselves struggling – pay for the stabilization of these schools when resources exist to hold them harmless? Should Ways and Means agree to fund this outside of the SSF and SSA, this will make the proposal sound for the tragically affected districts as well as for all other students throughout the state, who also have been struggling with the combined effects of the pandemic, wildfires, economic distress, and racial justice struggles. Thank you.