



Chair Neron, members of the House Committee on Education,

The Oregon Education Association represents over 41,000 Oregonians from every community in the state; including K-12 teachers and education service professionals, and faculty and classified staff at most of Oregon's Community Colleges. The OEA supports HB 2739.

For years, the Department of Human Services, Legislative Fiscal Office, and education advocates worked together to find the right formula for the Student Support Fund's Current Service Level. This was done through an executive order that mandated we communicate and work together to find a solution all could agree on. The process was not always easy, members of the workgroup did not always agree; but at the end of the day, the CSL released was something that all folks could stand behind. There might be tweaks one organization or another would have liked to have seen, but those disagreements were set aside, and folks moved forward together with a shared understanding of what it meant to fund Oregon students' education for another two years.

That all changed when the executive order was rescinded. And over the last three biennium in particular, the number between DAS and advocates has grown further and further apart. Two of the most egregious differences:

- In 2021-23, DAS's CSL would have allocated less money to K-12 schools than they had received in 2019-21.
- This year, DAS is proposing a 2.36% increase this biennium. Woefully inadequate to meet our costs with inflation.

It seems obvious that you cannot possibly support the same services with less money, but when you look under the hood of the formulas, problems abound. The two biggest are:

- Starting the calculation at 50% of the previous Legislatively Approved Budget, when the funds are allocated over a biennium in a 49%/51% manner. This means a one percent cut off the starting number, which can grow to a multi-hundred-million-dollar hole when extrapolated over two subsequent years.
- Second, the current formula looks backward decades for a blended compensation increase. This has no reflection of the realities on the ground, where COLAs of 4-6% are the norm as districts compete for educators and against inflation.

But this whole fight about who's CSL is correct is unhelpful to you all as legislators. The conversation you want to have is: "Here is our CSL. Do we want to fund this, invest, or need to make cuts?" Instead, you have a fight over which CSL is more accurate.

HB 2739 would help fix all this. It would reinstitute the collaborative committee and set the basis for how to calculate the two biggest points of divergence in the current process. By passing HB 2739, we can spend the next biennia with this fight behind us, and just discussing the "how to fund..." question.

OEA urges your support for HB 2739.