

March 20, 2025

To: Chair Sen. Lew Frederick, Vice Chair Sen. Suzanne Weber, and Members of the Senate Committee on Education

From: Jennifer Salazar, Government Relations Intern, **Oregon School Boards Association**

Re: **SB 401** – Relating to increasing the State School Fund distribution weight for children in poverty

Oregon School Boards Association (OSBA) supports Oregon public school boards to achieve student success by advocating for necessary, stable and equitable funding for all Oregon schools and students. OSBA is committed to advancing school funding formulas that further this important mission for Oregon students.

SB 401 seeks to increase the State School Fund distribution weight for children in poverty from 0.25 to 0.50 beginning in the 2025-2026 school year. It declares an emergency and takes effect July 1, 2025.

The purpose of assigning additional weighting to school districts with higher student populations in poverty is to ensure greater equity in distributing General Purpose Grant monies from the State School Fund to districts statewide. Under ORS 327.013 this calculation includes the number of the district's average daily membership, adding extra amounts for specific categories of students, such as English language learners, children with disabilities, foster children, and children whose families live in poverty.

OSBA supports legislative initiatives to facilitate greater equity in school funding for districts statewide to achieve their mission of educating Oregon's children, including student populations with higher needs. At this time, the fiscal impact of the proposed increase in distribution weight has yet to be determined. A key concern is that the additional weight distribution would effectively mitigate against any additional monies a district might receive from the State School Fund if no new funds are allocated to account for the boost the extra weighting may add to district funding formulas.

OSBA is open to supporting the proposed increase in distribution weight to 0.50 for children in poverty so long as the Legislature approves additional funds to foster the *intended effect* of SB 401 to increase State School Fund distributions to districts statewide with populations of higher needs students.

For these reasons, OSBA is currently neutral on SB 401.