



Date: March 4, 2019
To: House Education Committee, Chair Margaret Doherty and Members
From: Laurie Wimmer, OEA Government Relations
RE: *HB 2074 [CSL Committee for State School Fund]*

On behalf of OEA's 45,000 members, it is my honor to speak in support of HB 2074, which will take a concept found in Executive Order 99-15 and apply it to the statutes. Our thanks to Rep. Janeen Sollman for sponsoring the bill, and to all the other policymakers and advocates who have helped to shape this concept and present it to you today. [A one-page issue brief with supporters' logos accompanies this testimony.]

First, a little history. In 1999, then-Gov. Kitzhaber created what he called the School Revenue Forecast Committee, to develop an estimated true Current-service Level (CSL) mark for the two-year State School Fund budget. In that executive order, which I've included with my testimony, Gov. Kitzhaber noted that this budget is unlike agency budgets. He wrote:

"The State's calculation of a 'current service level' budget for K-12 schools has not and can not be developed at the level of detail as for other state programs. K-12 schools require additional and more timely information on reasonable assumptions." (EO 99-15)

For the next 12 years, this committee worked together with state and legislative agency personnel to collaborate on a number that took into account actual contract information, rates and cost information, and more. In each of the six biennia that we worked together to produce a State School Fund CSL, there was no disagreement. The governor and the legislature were apprised of all parties' best thinking of the level needed to achieve a no-cuts, or "roll-up" budget. This yardstick is not, of course, controlling in terms of developing the budget level, it is only advisory. We would argue that policymakers – especially in Ways and Means and leadership – need all the information possible to create your biennial budget. Additionally, this CSL is used as the baseline for the Quality Education Model, so it serves a secondary and vital role to describe the difference between current and optimal funding for our students.

In 2014, this executive order was rescinded, and in every biennium since that action, education experts and budget analysts have been at odds about the true CSL. These three biennia of disagreement have been not only disappointing, but unnecessary. While we have some sympathy for the estimators' task involved in discerning the current service level, we know that the job would be made much easier if a representative of school business officials, school boards, administrators, and the unions were at the table to assist with the work. Should HB 2074 pass, we believe that the work product reported to the governor and legislature would return to the accuracy levels you enjoyed for a dozen years.

In our attempt to perfect this bill, we worked with staff in the governor's office to ensure that the policy is worded well, and our minimal language fixes are found in the dash one amendments. Additionally, the governor's office created a second and parallel process for post-secondary budgets, and those are found in the dash two amendments. We support both amendments and would be pleased if this committee would adopt them both in work session.

We request that you pass the amended version of HB 2074 to the House floor with a do-pass recommendation and thank you for your consideration.