



**COALITION OF
OREGON SCHOOL
ADMINISTRATORS**

Coalition of Oregon School Administrators
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Date: January 25, 2023
To: House Committee On Education
From: Dr. Sue Rieke-Smith, Superintendent - Tigard Tualatin School District
Subject: Letter of Support for HB 2739 - Current Service Level

Dear Chair Neron, Vice Chair Hudson, Vice Chair Wright and members of the House Education Committee:

My name is Dr. Sue Rieke-Smith and I have the privilege of serving as the Superintendent of the Tigard-Tualatin School District. I am pleased to be here today on behalf of the Coalition of Oregon School Administrators (COASA) to offer our support for House Bill 2739. COASA represents over 2,800 administrators across Oregon who serve in roles ranging from principals, to central office administrators, to superintendents.

Meeting the Needs of our Students is at the Core of HB 2739

Strong schools are critical to Oregon's future, and we need your help in providing consistent and stable funding and supports for our students, schools, and communities. At the top of COASA's priority list for the 2023 Session is ensuring that students have consistent educational and mental health services needed to continue to recover from the impacts of the pandemic, accelerate academically, and improve their overall well-being.

As you know, the global pandemic upended the lives of many of our students and their communities - and eliminated much of the academic progress our students had made in prior years. In order to be able to meet the significant ongoing needs of our students, our schools need adequate and stable funding. House Bill 2739 is needed in order to ensure that we improve a critical piece of the K-12 budgeting process.

Why is HB 2739 Needed

Every two years, the state is required to produce a "Current Service Level" (CSL) calculation for state and agency budgets to determine what level of resources it will take to maintain current services, staff, and programs between the current biennium and the successive biennium. This is also referred to as the "roll up" or "no cuts" budget. Ideally, this would serve as a starting point for budget discussions between legislators and K-12 advocates to reach a consensus on funding levels for the State School Fund and other vital programs.

Unfortunately, for the past several biennia, there has been a widening gap between the state developed CSL number and what the Oregon Association of School Business Officials calculates is needed to maintain services, staff, and programs in our K-12 schools.

House Bill 2739 makes several important changes to the CSL development, including:

- The State CSL bases its assumptions on a year-over-year funding division of 50% or “50-50”. The Oregon Department of Education appropriates 49% of the State School Fund in the first year of the biennium and 51% in the second year of the biennium to account for the year to year cost increases that school districts experience. The bill would require the CSL to be based off of a “49-51” split.
- The State CSL utilizes a Compensation Forecast Model that uses historical salary and staffing data back to 1999-2000 to inform a regression model that is used to forecast costs for the next biennium. The bill would require the process to analyze current Collective Bargaining Agreements and contracts in school districts representing at least two-thirds of weighted students statewide for a more accurate calculation of ongoing costs.

COSA Supports the Goals of HB 2739

COSA members strongly support the goals of HB 2739:

- Providing an accurate calculation of the of the “roll-up” cost of the State School Fund;
- Creating a transparent and collaborative process to provide the most accurate CSL number to legislators and stakeholders; and
- Improving the inputs that are used to make the calculation.

To close, our members would like you to consider this number: 2.36%. That is the percentage increase for the State School Fund proposed for the 23-25 biennium under the current CSL process. To put that in perspective, our current SSF appropriation in the 21-23 biennium is \$9.3 billion; state CSL would move that number to \$9.52 billion in the 23-25 biennium.

When you consider the rising costs school districts have experienced over the last two years, the need to fairly compensate staff and educators in the midst of an educator workforce crisis, and double digit inflation for many goods schools rely on, our members believe the current CSL process is not projecting an accurate estimate of ongoing costs.

We urge you to support HB 2739 in order to improve the budgeting process for the State School Fund. I appreciate the opportunity to be here with you today and would be happy to answer any questions.