

January 27, 2025

Rep. Courtney Neron, Chair House Committee on Education 900 Court Street NE Salem, OR 97301

Dear Chair Neron, Vice-Chairs Dobson and McIntire, and Members of the Committee:

Thank you for your leadership and dedication to advancing policies that strengthen Oregon's education system. I am writing today in support of House Bill 2140, which proposes updates to the State School Fund's (SSF) current service level (CSL) projections.

HB 2140 addresses two critical adjustments that will provide much-needed fiscal certainty and stability for school districts across Oregon. First, shifting to a 49/51 split for biennial budgeting reflects how schools already allocate funds. This adjustment accounts for inflation, salary increases, and other rising costs, ensuring districts can better plan for year-to-year expenses. It is a practical change that mirrors real-world budgeting practices in education and acknowledges the financial realities districts face.

Second, the inclusion of local property tax revenue adjustments in the CSL calculation is another sound fiscal policy. By incorporating updated property tax revenue estimates into funding projections, the state will create more accurate and predictable budgets. This change ensures that available resources are fully accounted for, reducing uncertainty and allowing districts to focus on what truly matters: improving outcomes for students.

HB 2140 represents a move toward fiscal responsibility and predictability in education funding.

We are eager to turn our attention to ensuring the amount invested in our education system is leading to strong student outcomes, and we remain concerned that while our investment in K-12 education in Oregon has been climbing for the past decade, our student outcomes, by almost all measures except for high school graduation, have been falling. By addressing adequacy concerns through these adjustments, we can now focus on driving the outcomes our students deserve.

I urge the Committee to support HB 2140. These changes are essential to ensuring that districts have the financial stability they need to deliver high-quality education for every student in Oregon.

Sincerely,

Sarah Pope

Executive Director, Stand for Children Oregon