



To: House Committee on Education
From: Oregon Education Association
Re: Support for HB 2140 (2025)

Members of the Committee,

The Oregon Education Association represents about 38,000 employees in our K-12 schools across this state. HB 2140 represents a decade of our members' advocacy and work, and OEA strongly supports its passage.

For the last decade, there has been a disagreement about the way the current service level (CSL) of the State School Fund (SSF) has been calculated. The SSF was treated like any other state agency, even though its distribution and cost drivers were significantly different. Because of this discrepancy, rather than maintaining services, state CSL was a cut to local schools every biennium.

As education advocates, OEA felt that there needed to be certain changes made to more accurately reflect the reality of cost changes for districts at a local level. Two big changes were seen as critical to fix the CSL calculation:

- A 51% jump off point from the previous biennium. The current process used 50%, which worked for other departments because their largest cost driver – raises – were covered under a side account of money known as the salary pot. Schools didn't have that salary pot, meaning starting at 50% was in effect a multi-hundred million dollar cut.
- A forward-looking blended compensation model. The current process looked at changes over the past 20 years (which included data from years with pay freezes and furlough days), rather than look at what contracts were being negotiated within today's economy.

About a year ago, Governor Tina Kotek pulled together a table that included the Department of Human Services, Legislative Fiscal Office, and education advocates to discuss the shortcomings of the current CSL process and see if we could come to an agreement over a new one.

Governor Kote's table was incredibly successful. The jump off was moved to 51%, and while the compensation model is still a regression model, significant changes were made to make it more reflective of today's economic situation in local school districts. Because of this, the CSL that is before the legislature in the 2025 session, is a much more accurate representation of what our districts truly need to maintain current services, unlike any of the previous five.

HB 2140 is critical to the continued accurate calculation of the SSF's CSL. By codifying the 51% jump off point, we ensure that future legislatures can have an accurate picture of what it takes for our public schools to maintain current services for our state's students, and then have a conversation about what investments could look like; rather than a disagreement about what CSL should look like.

OEA urges your support for HB 2140.

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