



Date: March 13, 2025
To: House Revenue Committee
From: Adrienne Anderson, Government Relations Counsel, Oregon School Boards Association
Subject: Support for HB 2448A

Chair Nathanson, Vice Chairs Reschke and Walters, and Members of the House Revenue Committee,

The Oregon School Boards Association represents all 197 school districts in the state, 19 Education Service Districts, and community colleges. OSBA offers our full support to HB 2448A—increasing the High Cost Disability Fund by \$200 million for the 2025-2027 biennium.

Even though the High Cost Disability Fund is separate from the 11% SpEd weight cap placed on districts, I want to emphasize the importance of increasing the funding for both. Every student in our state deserves an appropriate education that meets their needs, provides them with support, and makes them feel welcome and included. The High Cost Disability Fund helps the most vulnerable students in our population. Some of our school districts have a number of students who qualify for this direct reimbursement; some of our districts have students on an IEP that far surpasses the 11% cap; and some of our districts have both. This is why increasing the funding for both is crucial.

About 5,500 students in our public schools require specialized and individualized care. When those specialized services exceed \$30,000 for a student, the school district can apply for a direct reimbursement from the Oregon Department of Education. In the 2023-2025 biennium, this body allocated \$110 million to the High Cost Disability Fund, but unfortunately that does not begin to adequately cover the reimbursements to our districts. The projected reimbursement rate for this school year is 40%--so for every dollar a district spends on these critical resources, ODE can only reimburse them \$.40.

The reimbursement rate is a function of how much money is in the account and the total reimbursement requests submitted in a given year, with each district that submits claims receiving their proportional share of the total funds available—hence the 40%. The HB 2448A would allocate \$155 million each fiscal year to the High Cost Disability Fund, an

increase of \$100 million and changes the appropriation to \$200 million from the General Fund.

It's important to highlight the uncertainty at the federal level. The Individuals with Disabilities in Education Act was enacted in 1975 and it authorized federal funding at 40%, but it has never reached that level. The funding level peaked in 2004-06 at 18% and today it sits at 13%.

I cannot emphasize enough the dire need for this increased funding to ensure that all of our students, especially our most vulnerable, are receiving the services they need. Thank you for allowing me to testify today and please join us in supporting HB 2448A. I'm happy to answer any questions the committee may have.