

SB 1555 -1, -2, -5 STAFF MEASURE SUMMARY

Senate Committee On Education

Prepared By: Lisa Gezelter, LPRO Analyst

Meeting Dates: 2/10, 2/12

WHAT THE MEASURE DOES:

The measure modifies the process used to determine the amount of state funding required for a quality public K-12 education. The measure declares an emergency and takes effect on passage.

Detailed Summary

- Modifies the state's quality goals for public education and repeals existing language related to educational goals. Establishes new goals as basis for cost model:
 - compliance with requirements of standard school district;
 - fully qualified, licensed educators in every position that requires a license; and
 - meeting the statewide targets for the metrics identified in Senate Bill 141 (2025).
- Moves the responsibility for publishing a report relating to the sufficiency of public education funding from the Joint Public Education Appropriations Committee (JPEA) to the Joint Committee on Ways and Means. Repeals the statutory requirements related to JPEA.
- Moves the responsibility for creating an education cost model from the Quality Education Commission (QEC) to the Legislative Policy and Research Office via contract with a public or private entity. Repeals statutory requirements related to the QEC.
- Requires the creation of a new cost model every eight years instead of each biennium. Requires the Department of Administrative Services to adjust the dollar amount of the cost model by taking into consideration inflation and other costs for the biennia in which no new cost model is created.
- Requires prototype schools that account for the diversity of educational settings in Oregon.
- Requires professional judgment panels composed of practicing educators.
- Requires the inclusion of district-level costs in the cost model.
- Provides for the communication of the model's inputs to schools.
- Declares an emergency and takes effect on passage.

Fiscal Impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

- Calculating the cost of the state's education system
- Educational goals
- Stability of inputs while updating cost calculations
- Provisions of the measure
- Credibility of current system and proposed system
- Current QEC/QEM process and its ability to meet current needs
- History of QEC/QEM/JPEA
- SB 1552 (2024)
- American Institutes for Research (AIR) study
- Interval between proposed cost model studies
- Current state of sufficiency and school district deficits
- Dedication of those who have served as Quality Education Commissioners

EFFECT OF AMENDMENT:

- 1 Modifies the goals of the public education system. Removes the goal of compliance with requirements of standard school district as determined by State Board of Education and replaces it with the goal of complying with applicable state and federal laws. Removes all provisions relating to compliance with requirements of standard school district.
- 2 Modifies the goals of the public education system. Removes the goal of compliance with requirements of standard school district as determined by State Board of Education and replaces it with the goal of complying with applicable state and federal laws. Removes all provisions relating to compliance with requirements of standard school district. Adds requirement for public hearing prior to adoption of cost model. Modifies requirements of the contract to include: professional judgment panels of currently practicing Oregon educators; a statewide panel of currently practicing Oregon educators to make final decisions about the resources included in the cost model; and a preliminary report after resource selection.
- 5 Modifies the goals of the public education system. Removes the goal of compliance with requirements of standard school district as determined by State Board of Education and replaces it with the goal of complying with applicable state and federal laws. Removes all provisions relating to compliance with requirements of standard school district. Adds requirement for public hearing prior to adoption of cost model. Modifies requirements of the contract to include: professional judgment panels of currently practicing Oregon educators representing a variety of roles in public schools and districts; a statewide panel of currently practicing Oregon educators representing a variety of roles in public schools and districts to make final recommendations about the resources included in the cost model; and a preliminary report after resource selection. Changes interval for new model to six years.

BACKGROUND:

The Oregon Constitution requires the legislature to appropriate a sufficient amount of money for schools, or to write a report outlining why a sufficient amount was not appropriated. To accomplish either of those tasks, the legislature must know how much money is sufficient. For 25 years, the sufficiency amount has been determined by the Governor-appointed Quality Education Commission (QEC) using a Quality Education Model (QEM) to estimate costs. In response to requests from the Quality Education Commissioners to modernize the QEM, Senate Bill 1552 (2024) directed the Legislative Policy and Research Office to commission a third-party evaluation of the QEM. That evaluation was [presented to the Joint Committee on Public Education Appropriations on October 22, 2025](#). It identified six ways in which Oregon's system was not following best practices at all and ten ways in which Oregon's system was only partially following best practices.