

To: Senate Education Committee

From: Oregon Association of Education Service Districts, Multnomah Education Service District, Clackamas Education Service District, and Frontier Education Service District

Subject: SB 1555

Chair Frederick, Vice-Chair Weber, and Members of the Senate Education Committee:

Thank you for the opportunity to provide testimony on SB 1555, with the -5 amendment, on behalf of the Oregon Association of Education Service Districts (OAESD), Multnomah Education Service District (MESD), Clackamas ESD, and Frontier ESD. We appreciate the sponsors' commitment to strengthening Oregon's system of education finance and share the underlying values reflected in this legislation, particularly the goal of modernizing the cost model that determines the cost for delivering a quality education for every student. The current Quality Education model does not fully capture the evolving expectations placed on schools, the changing nature of service delivery, or the significant variability in student needs and regional costs. We absolutely agree that meaningful updates are timely and necessary.

We also appreciate that SB 1555 -5 seeks to align state policy with some of the [recommendations](#) from the American Institutes for Research (AIR) recent evaluation of Oregon's Quality Education Model, including its recommendations to utilize professional judgement panels of educators, increase the number of prototype schools, and generate more estimates of how adequate cost varies according to levels of student need and school/district characteristics.

However, we must respectfully oppose SB 1555 and the -5 amendment as drafted. The bill proposes sweeping structural changes to Oregon's long-standing approach to education cost modeling that warrant far more discussion and stakeholder engagement than this process has allowed.

Key Concerns

1. Shifting responsibility away from the Quality Education Commission (QEC)

SB 1555 transfers responsibility for developing Oregon's education cost model from the Quality Education Commission to the Legislative Policy and Research Office through a contract with a public or private entity, while repealing several statutory provisions governing the QEC. The QEC was intentionally designed as an independent, education-centered body that brings together practitioners, researchers, and community voices to define what it truly costs to provide a quality education. Moving this body of work out of the QEC, without further planning and

discussion, risks reducing transparency, educator voice, and the connection between the model and classroom realities.

2. Extending the cost-model timeline from every biennium to every six years

The proposal to require creation of a new cost model only once every six years is concerning. Educational costs, workforce pressures, student demographics, and service expectations change rapidly. Waiting 6 years between comprehensive updates would leave Oregon relying on outdated assumptions and would weaken the model's usefulness for budget development. Biennial review ensures the model can respond to economic shifts, emerging best practices, and evolving student needs.

3. Insufficient stakeholder engagement in the bill development process

The changes contemplated in SB 1555 -5 would fundamentally reshape how Oregon defines and measures the cost of educating our students. Such decisions must be informed by those closest to the work, including educators, school leaders, students, families, Superintendents, and community partners. That level of engagement for this bill has not yet occurred.

Moving Forward

Education Service Districts are committed partners in modernizing the QEM. We believe the cost model must better reflect:

- Changes in educational service delivery since 1999;
- Current evidence-based practices;
- Regional cost differences;
- The differential resources required to meet the needs of students experiencing disability, poverty, language acquisition, housing instability, rural and geographic isolation, and other barriers.

We urge the Committee to pause in advancing SB 1555 -5 and instead continue this work through an interim process that includes robust stakeholder engagement while preserving the central role of the Quality Education Commission. Thoughtful modernization, grounded in educator and education leader expertise and community voice, will lead to a stronger, more credible cost model that can guide Oregon toward delivering a high quality education system.

Thank you for your consideration and for your shared commitment to Oregon's students. We stand ready to participate in a collaborative process to improve the Quality Education Model in a way that reflects both research and the lived experience of students, educators, and leaders in our schools.