



TO: Senate Education Committee
FROM: Stacy Michaelson, Director of Government Relations and Communications
DATE: February 10, 2026
RE: SB 1555

Chair Frederick, Vice-Chair Weber, Members of the Committee:

For the record, my name is Stacy Michaelson and I represent the Oregon School Boards Association. I'm here today in opposition to SB 1555. However, I want to be clear that our position is less "no" and more "not yet."

We acknowledge that the Quality Education Commission process has not been perfect, in part due to insufficient staff support for the scope of work with which they have been tasked. We are very open to conversations about how we modernize Oregon's process for determining how much is necessary to fund a quality education, but we believe any new process should be developed very thoughtfully, with sufficient time for input and refining.

By taking the interim to engage deeply in conversations about where we go from here, we believe we could come into 2027 with a proposal that has broad support among stakeholders.

We want to thank Rep. Ruiz and Sen. Sollman for the discussions thus far and their willingness to adapt the bill in response to feedback. There has been some good progress in just a few meetings, and the -5 amendments are an improvement from the base bill. But we do believe there is still further progress to be made.

For example, the current language is focused on Oregon's educational goals; and while of course that should be our focus, the language is light on actual cost-drivers. What it costs to provide an education in Oregon will always be very specific to Oregon due to the nature of not only our education system, but the various requirements adopted by the Legislature that apply to school districts.

You all hear us talk about unfunded mandates a lot, and we talk about them in other committees as well. In Oregon, we have a number of well-intended policies that have increased costs for districts, such as Paid Leave Oregon or unemployment costs for classified staff. Just this session there are twin House and Senate bills to fund positions at BOLI by charging employers a per-employee, per-hour fee. While it might not be a large amount on a per-employee basis, those costs add up for a district, especially when those fees may be adjusted up as determined necessary to meet BOLI's costs. Currently, these types of costs don't get built into the state's education budget as we move forward biennium over biennium. The Legislature meets every year and in any given session we could see a number of unfunded mandates to districts

If we're going to revisit our process for projecting Oregon's education funding needs, that needs to not only include a tight focus on our goals, but also the details of non-education specific cost-drivers for

districts in Oregon. We believe clear direction to that effect is missing from the bill, even with the latest language.

As another example of where we think the proposal needs further work, the bill provides that the model should factor in statutory funding requirements for specialized populations. While we appreciate the consideration of the needs of these populations, if we are really talking about how much funding is *needed* those statutory weights should be seen as a starting point. Building a model based on per-student funding that is in statute misses the opportunity to assess whether what is currently in statute actually provides a sufficient level of funding for those populations.

These are just a couple of examples of areas of the bill where we believe that we could get more robust language if given the time to work with the sponsors and fellow stakeholders without the pressure of a looming short-session deadline.

We understand there is urgency to start the process of improving the framework for our funding conversations. But moving away from the model we've used for 25 years is a big change and we should prioritize getting that right over getting it done immediately. In part because it will take time to see the results – if we get it wrong now, it may be another 5+ years before we're back here to make corrections.

We urge the committee to hold off for now so we can have a deeper conversation. Doing so would increase the odds of getting the new approach right the first time and would allow time for various constituencies to build trust in the new model in the process.

Thank you for your consideration.