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TO: House Labor and Workforce Development Committee
FROM: Stacy Michaelson, Director of Government Relations and Communications
DATE: February 11, 2026
RE: HB 4011

Chair Grayber, Vice-Chairs Muñoz and Scharf, Members of the Committee:

Thank you for the opportunity to testify today. For the record, I'm Stacy Michaelson, representing the Oregon School Boards Association. I'm here in opposition to HB 4011 and the -1 amendment.

I'm not here to argue that smaller classes don't make any difference for students. However, I will note that the research shows the impact of smaller classes is not universally equal. Marginal decreases in class size make less of a difference than significant shifts.

Generally speaking, class size has a bigger impact in the early grades and for economically disadvantaged students. That is why in 2021, this body passed a bill to mandate bargaining over class size in Title I schools only. The intent was to ensure limited resources would be targeted to the students most likely to benefit from class size reductions.

In a 2011 essay for the Brookings Institute, researcher Matthew Chingos writes, "When school finances are limited (as they always are), the cost-benefit test any educational policy must pass is not "Does this policy have any positive effect?" but rather "Is this policy the most productive use of these educational dollars?" He goes on to state that even assuming the largest class-size effects, class size reductions still fail the "most productive use" test due to the incredibly high cost[1].

At a time when multiple districts around the state are already facing cuts budgets and when the state budget itself is still uncertain, this is not the time to mandate districts bargain over class size in all schools. Our local districts simply don't have the resources to make meaningful reductions district-wide.

Already, as a permissive subject of bargaining, we see examples of districts that have language in their contracts to review and respond when staff believe they have an unreasonable student or case load, districts with requirements to add staff, and districts that provide additional compensation for higher loads. These conversations are already mandated for Title I and there is nothing prohibiting this work from taking place where this mutually makes sense for front line staff and district leaders.

But to mandate these discussions ties the hands of local administrators and board members when they need to make the hardest decisions about how to navigate their budgets. Personnel costs represent roughly 80-85% of the budget in most districts and this is, at a high level, a function of the number staff multiplied by the daily pay rate multiplied by the number of days they are expected to work. Staff

[1] The False Promise of Class-Size Reduction | Brookings

numbers are directly correlated with class sizes, meaning that any addition there would increase district costs unless there is a corresponding reduction in daily pay or the number of days worked.

Decreasing someone's pay rate is a hard conversation for anyone, and the Legislature has already expressed concerns over Oregon having a shorter school year than many other states. Another important piece of context when comparing Oregon to other states, is that Oregon is one of only 13 states that allow teachers to strike.

In that vein of level-setting understanding of Oregon's approach to labor relations. I also want to respond briefly to the framing I've heard that this is about restoring a bargaining right that teacher's unions had pre-SB 750 in 1995. You've heard a bit about the history this afternoon already and the caselaw that existed prior to 1995, but I do want to spend just a bit more time on that.

The original PECBA language was silent on class size, leaving it up to the Employment Relations Board, and later the courts, to interpret whether class size was a mandatory or permissive subject of bargaining. Early rulings held that it was permissive, then later that class size was permissive but the impacts of class size were mandatory. In 1989 the Board held that class size was a mandatory subject of bargaining. This then went to the Supreme Court, back to the ERB, and finally to the Court of Appeals where that ruling was upheld in 1994. Then, in 1995, the Legislature expressly put into statute that class size was *not* a mandatory subject of bargaining. So yes, at times pre-1995 class size was considered a mandatory subject of bargaining, but not because that was specific right affirmatively granted by the Legislature.

Now that I've revisited a bit of the history, I'd like to come back to what is new. The -1 presents an entirely different conversation than we've had in previous sessions. It raises significant concerns for us as students have legal rights to education and school districts have federal and state requirements for how they approach student discipline, especially for students who qualify for special education. Given this, the -1 would complicate the local bargaining process and districts would run the risk of running afoul of their obligations under these existing statutes.

More broadly we have concerns about risks for violation of student privacy. Some districts hold open bargaining sessions and it's not hard to imagine a situation where open discussions about student behaviors in a small district where everyone knows everyone might make it clear to audience members which students are the source of the staff concerns.

We'd be happy to discuss these concerns in more detail with any of you, but suffice to say a short session is not the time to introduce a completely new element to this conversation.

To conclude, HB 4011 would force local districts into a no-win situation at the bargaining table and risks harming the collaborative working relationship between teachers and administrators that is necessary to move the dial for students.

I'm happy to take any questions. Thank you.