K-12 budget passes Legislature; more reserves possible

This week the Legislature passed a $5.7 billion budget for schools, termed inadequate by most but praised by some for its early passage.

*Senate Bill 5552*, the budget bill, passed the Senate 30-0 and House 32-28. Representatives voting no: Bailey, Barnhart, Beyer, Brewer, Cannon, Clem, Conger, Doherty, Freeman, Garrett, Gilliam, Harker, Hicks, Hunt, Jenson, Lindsay, Matthews, Nolan, Parrish, Read, Smith G., Smith J., Thompson, Wend, Weidner, Whisnant, Wingard, Witt. While an increase of $142.7 million over the governor’s recommended budget, the $5.7 billion budget passed is $1 billion short of schools’ costs to operate at current levels, according to the state School Revenue Forecast Committee.

The budget starts with a base of $5.577 billion and adds $100 million from the Education Stability Fund (ESF) and an additional $23 million from the Common School Fund, for a total of $5.7 billion. *SB 5553*, the vehicle to draw the $100 million from the Ed Stability Fund, was also passed.

ESDs share with school districts in all but the $100 million in ESF money. To access these ESF funds, school districts, the Youth Corrections Education Program and the Juvenile Detention Education Program must submit written proposals on how they will support smaller class sizes or enhancement of learning opportunities and provide proof of compliance.

Despite pleas from school board members, parents, school administrators, teachers, community members and education support professionals, the Legislature did not tap $192 million remaining in ESF reserves, part of a larger pot of $444 million in state reserves yet untapped. Bill supporters said that what they could not provide in adequacy, they were making up for in stability by letting school districts know their budget allocation early. Furthermore, they pledged the $5.7 billion as a floor that would not be whittled away in further budget deliberations.

School supporters told legislators of the devastating cuts already made, and what another $100 million from the ESF would mean to Oregon’s students; statewide, the impact is the equivalent of avoiding cutting a full week of school for more than 500,000 Oregon students, or preventing the layoff of 1,200 to 1,500 teachers and education support professionals.

The budget now goes to Governor Kitzhaber for his consideration.

OSBA and other education advocates are pushing for the Legislature to use more of the Education Stability Fund this session. *House Bill 3641* has been introduced, which invests another $100 million in schools from the remaining $192 million in the Education Stability Fund, transferring it into a new 2011-12 School Year Subaccount within the State School Fund. This fund would be available to school districts, the Youth Corrections Education Program and the Juvenile Detention Education Program to support smaller class sizes or enhancement of learning opportunities, including increasing the number of school days for the 2011-12 school year. According to the *Oregonian*, House Co-speaker Bruce Hanna (R-Roseburg) said that legislative leaders would be willing to look at dipping further into reserves to boost school funding if the state receives a strong economic forecast in May.

**Legislative Highlights**

April 15, 2011

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**Action Alert**

OSBA members are urged to contact legislators to ask their support of *House Bill 3641* to avoid cutting additional school days, programs and staff while $192 million in reserves meant for schools sit unused.

**Ways & Means road hearings start Tuesday**

House Co-chairs Peter Buckley and Dennis Richardson and Senate Co-chair Richard Devlin have announced that the Joint Ways and Means Committee will hold four, two-hour public budget hearings around the state. See the full schedule at [www.osba.org/News%20Center/Announcements/2011-04-15_LH_Ways_and_Means_road_hearings.aspx](http://www.osba.org/News%20Center/Announcements/2011-04-15_LH_Ways_and_Means_road_hearings.aspx).

**DATE** | **LOCATION**
---|---
April 19 | Hearing in Portland
April 22 | Hearing in Medford
April 29 | Hearing in Bend
May 6 | Hearing in Newport

**Videoconference**

Videoconference in Pendleton
Videoconference in La Grande

**Urge NO vote on ‘burden of proof’ bill**

Contact your legislator!

On April 8, the House Education Committee approved *House Bill 2296* on a 5-3 vote. The bill now heads to a vote of the full House on Tuesday, April 19. OSBA is working with other education partners to ask House members to vote “No” on the bill.

HB 2296 shifts the “burden of proof” in complaints related to the Individuals with Disabilities Education Act to the school district. The bill exempts claims for private and out-of-district placements. Currently in Oregon, the parent or guardian of the special education student must prove their claim that the school district is not providing a free, appropriate education to the student through their individualized education program.

Federal law requires due process hearings to resolve disputes related to IDEA, but does not specifically state which party bears the “burden of proof.” In a 2005 Supreme Court case, *Shaffer v. Weast*, the U.S. Supreme Court ruled that the standard legal default rule that the plaintiff bear the burden of proving their claim should apply. However, the court did not rule on whether or not a state could pass a law to override this rule. Several states have passed laws placing the “burden of proof” on the school district at various levels.

OSBA opposes the bill and is concerned about creating a more litigious environment in special education and discouraging opportunities for collaboration between districts and parents. **Please call or e-mail your state representative as soon as possible and urge them to vote “No” on HB 2296.**

Contact OSBA Legislative and Public Affairs specialist Morgan Allen at [mallen@osba.org](mailto:mallen@osba.org) with questions.
PERS bills heard in House committee

The House Business and Labor Committee recently heard testimony on several bills related to the Public Employees Retirement System (PERS). Two “technical bills” moved to the Ways and Means Committee to await further action. HB 2113 cleans up the legislator retirement provisions, corrects payment options for purchasing retirement credit and corrects a vesting anomaly in the Oregon Public Service Retirement Plan (OPSRP). HB 2114 deals with members who have monies in both OPSRP and the Individual Account Program (IAP). This bill would treat the two benefits equally if a member leaves participating in the PERS system from re-employment, returns to a PERS-covered position, the employee contribution to the IAP from becoming a member of the PERS system. HB 3116 prohibits a public employer participating in the PERS system from re-employing a retired member of the system for a period of one year after retirement.

April 21 deadline for bills

This session over 3,000 bills were introduced and OSBA legislative staff are tracking more than 600 of them in the House and Senate. April 21 is the deadline for legislative committees to vote on bills in a policy committee in their chamber of origin. For example, Senate bills that have not come to a vote in a Senate committee will no longer be considered. In legislative lingo, the bill is “dead” or “has died,” with a few exceptions: Joint Committees like Ways and Means, and House and Senate Rules, Revenue or Redistricting committees, are not subject to this deadline. Although bills may be “dead,” the ideas behind them can still live on until the Legislature reaches final adjournment; they are scheduled to wrap up their work by June 30.

OSBA is actively lobbying these key bills, acted on prior to the April 21 deadline:
- Senate Bill 248: Mandates school districts offer full day kindergarten beginning with the 2015-16 school year. OPPOSE without additional funding.
- Senate Bill 250: Omnibus ESD “reform bill.” Includes provisions to reduce ESD share of the state school fund, allows districts to “opt-out” of ESDs, and eliminates locally elected ESD boards. OPPOSE with governance provision.
- Senate Bill 255: The result of OSBA’s 10-Year Charter Review Committee; clarifies procedures for school districts, charter schools and charter applicants. SUPPORT.

Senate passes mandate relief bills

Two bills from OSBA’s Mandate Relief Project were passed by the Senate this week; they now move to the House.
- SB 560 passed on a 29-0 vote. The bill, sponsored by Sen. Betsy Johnson (D-Scappoose), reduces the paperwork burden on district continuous improvement plans. Districts may only be required to submit significant changes to their plans.
- SB 800 passed on a 29-1 vote. Sponsored by Sen. Suzanne Bonamici (D-Beaverton) at the request of State Supt. Susan Castillo, OSBA and other education coalition members, the bill eliminates or revises 28 outdated or redundant state laws.

The third mandate relief bill, HB 3370, died in the House Education Committee when it was not heard prior to an internal House deadline. Sponsored by Rep. Jeff Barker (D-Aloha), it required the Legislative Fiscal Office to prepare fiscal impact statements setting forth the effect of a bill on expenditures if the bill imposes a new duty or increased level of service on a school district or ESD. Committee Co-chair Sara Gelser (D-Corvallis) indicated an interest in addressing the bill during the session interim.