Subcommittee reshuffled to move bill calling for $8.2 billion State School Fund

It took a bit of procedural maneuvering Thursday to move Senate Bill 5517, the $8.2 billion K-12 education funding bill, out of the Joint Ways and Means Education Subcommittee.

Some members of the subcommittee balked at the State School Fund appropriation in SB 5517, calling it too low. School business officials say $8.2 billion is $200 million less than districts need for current service levels and nearly $800 million less than they need to make progress on class sizes, programs and equity.

Discussion in the subcommittee was contentious.

“How can we be content with mediocrity?” asked Rep. Diego Hernandez (D-Portland), who expressed disapproval over the funding level in the measure. Hernandez is a member of the Reynolds School Board, and he said he could not vote for the bill because the budget was too low.


Subcommittees rules require majority support from members of both the House of Representatives and the Senate for a vote to pass. With Hernandez, Parrish and Whisnant all announcing they would vote no, the House did not have a majority of yes votes, and it appeared the bill did not have the votes to move out of the subcommittee. However, a procedural option was invoked, and the composition of the committee changed. Hernandez was temporarily replaced on the committee by Ways and Means Co-Chair Rep. Nancy Nathanson (D-Eugene), as is her prerogative. She voted yes for the bill, and it moved out of committee without further challenges.

The amended SB 5517 will now move to the full Ways and Means Committee. The bill’s next hearing has not been scheduled. Due to the paperwork required and internal procedures necessary for processing, bills normally take a few days to fully move out of the subcommittee to the full Ways and Means. It is customary for subcommittee bills to be heard by the
Legislative Highlights – June 2, 2017

Ways and Means Co-Chair Rep. Nancy Nathanson (D-Eugene) takes the chair of Rep. Diego Hernandez (D-Portland) as he prepares to leave the hearing room before a key State School Fund vote Thursday in the Joint Ways and Means Education Subcommittee. (Photo by Jake Arnold, OSBA)

full Ways and Means committee on the Friday following the conclusion of the week in which the bill passed. OSBA projects that SB 5517 will be scheduled for the full committee hearing on June 9.

Education advocates were not happy with $8.2 billion either.

“The school funding proposal put forth this morning equates to failure,” said Jim Green, executive director of the Oregon School Boards Association. “It amounts to a failure in leadership because it does not address the cost drivers and revenue reform issues that our own legislators have acknowledged are necessary. And it will lead to failure in our schools because it attempts to balance the state budget on the backs of our students.”

Morgan Allen, deputy executive director of policy and advocacy for the Confederation of Oregon School Administrators, said the fight isn’t over.

“We will continue to advocate for $8.4 billion with our partners at OSBA, the Oregon Education Association and others,” he said. “$8.4 billion is what schools need to avoid laying off teachers, cutting class time and losing school days.”

District business managers calculated the State School Fund needs $8.4 billion for most schools to maintain current services in the face of rapidly rising Public Employees Retirement System and health care costs. Schools would need $8.93 billion to make progress and $9.97 billion to fund the non-partisan Quality Education Model, according to school business officials.

Gov. Kate Brown’s proposed budget, released in December, offered $8.02 billion. The Joint Ways and Means budget framework in January was lower, offering $7.8 billion.

Ways and Means Co-Chairs Sen. Richard Devlin (D-Tualatin) and Rep. Nathanson said the governor’s budget was built on expected tax increases while their proposal assumed no new taxes. They also said at the time that they thought the services cuts in their budget were too drastic and Oregonians would demand change.

Since that framework, upbeat Oregon revenue forecasts have shrunk the projected shortfall for maintaining current services in the 2017-19 budget from $1.8 billion to $1.4 billion, even with the possibility of a kicker sending $408 million back to taxpayers.

The Legislature is still considering major business tax reform, and changes to the tax structure could lead to the Legislature adding money to the schools budget in end-of-session bills.

Oregon school districts have already begun preparing their budgets for the next biennium, though, based on possible funding numbers provided by the Oregon Department of Education. ODE posted estimates based on the governor’s budget and the co-chairs’ budget, and it should have new estimates based on this appropriation within a day, according to an email from ODE School Finance Unit Director Mike Wiltfong.

Districts must have a budget in place by July 1 and will have to pass resolutions to change their budgets if the legislative process drags on.

State analysts estimated the State School Fund needed $8 billion for schools to avoid cuts, but school business officials say the state underestimated salary and health care costs. School board committees in districts such as Lebanon Community Schools and Rainier have already presented budgets that include cuts even at $8.1 billion or $8.2 billion in the State School Fund.

During the Thursday morning hearing, education subcommittee members nearly universally decried the level of Oregon education funding.

Sen. Chuck Thomsen (R-Hood River), recognizing the effort to increase funding from earlier proposals, said it was the first school budget he had voted yes on in his 6-year career, although reluctantly.

“I’ve always said it wasn’t enough,” he said.

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Contact your local legislators

Ask them to oppose any proposal that does not direct at least $8.4 billion to the State School Fund.

ACTION ALERT
Bills affecting bus drivers and drones beat legislative deadline

Friday is the last day for policy committees to move bills out of their committees. Two bills were moved out of the Senate Judiciary Committee late Thursday.

**House Bill 2597** would expand the 2007 distracted driving law by prohibiting any person from operating a motor vehicle while using a mobile communication device. HB 2597 includes a stricter interpretation of “hand-held device” and would eliminate some previous exceptions. The bill would also increase penalties for a first offense and subsequent offenses.

The committee amended the bill, adding an “affirmative defense” to the prosecution of a driver. School bus drivers pulled over for an infraction would need to go to court and prove that they were following employment policies for use of mobile devices. This action could become burdensome for schools.

The decision to amend the bill was not unanimous, and the committee said it needs additional technical adjustments. The bill was moved to the Senate Rules Committee.

**House Bill 3047** deals with unmanned aircraft systems, also referred to as drones. In 2013, the Oregon Legislature enacted House Bill 2710, which provides guidance and restrictions on the use of drones within Oregon. Drones can be as large as a small aircraft or the size of a small bird.

High schools use drones, mostly within career and technical education programs. Students in the popular CTE programs build and fly drones of diverse types and styles.

HB 3047 is the next step in providing some flexibility for drone users such as schools and law enforcement. The bill would give post-secondary education institutions an exemption for some of the current law's notification requirements. Because law enforcement has been receiving complaints of drone harassment, there is also a provision that would create an offense for intentionally, knowingly or recklessly operating a drone over private property to harass or annoy the owner of the property. A first offense would be a Class B violation, a second offense would be a Class A violation, and a third offense would be a Class B misdemeanor.

The notification exemption would not extend to school districts. CTE programs would still need to follow existing law and the prior notifications rules.

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Bill Briefs

**UPDATE: Healthy and Safe Schools Plan**

**Senate Bill 1062**

**What it does:** Currently, all schools must have a Healthy and Safe Schools Plan, which should have been submitted to the Oregon Department of Education by January 2017. SB 1062 would put the requirement for plans into statute and add requirements for lead testing of drinking water sources. The Oregon Health Authority and Oregon Department of Education would work with school districts on guidelines and ways to reduce exposure to lead in water used for drinking or food preparation by January 2019. The bill also would set up a fund for reimbursement of labs fees and associated costs. OSBA has been involved in the crafting of the plan and bill.

**What's new:** After a rocky start, the Healthy and Safe Schools Plan bill moved out of the Senate Rules Committee earlier this week.

**What's next:** A Ways and Means subcommittee will review the bill and associated costs before determining if the bill will move forward.

**UPDATE: “Lunch shaming”**

**House Bill 3454**

**What it does:** The bill would place requirements around what schools and school districts can do when a student does not pay for a school meal, including a prohibition against publicly identifying, stigmatizing or marking a student who has not paid for a meal. Schools also are prohibited from requiring a student to work or perform service in lieu of payment for meals. The bill was introduced by Rep. Mike McLane (R-Powell Butte) and Rep. Brian Clem (D-Salem) after a series of stories in April about the New Mexico Legislature’s efforts to deal with “lunch shaming.”

**What's new:** The House Committee on Rules held a work session on June 1. The committee adopted an amendment to the bill to remove specific, potentially expensive staff requirements for school administrators.
and guidance counselors. OSBA worked with McLane to draft the amendments, and he graciously supported its adoption. The amended measure was moved with a “do pass” recommendation to the floor of the House of Representatives.

What’s next: The amended bill will move to the floor for consideration by the full membership of the House. There are no known opponents to the measure.

The Week Ahead

June 3

10 a.m. Budget and Revenue Town Hall with House Speaker Tina Kotek and several Senate and House committee leaders at Benson High School in Portland.

June 5

8:30 a.m. The Joint Ways and Means Education Subcommittee holds a public hearing on:
- Studying virtual public charter schools (HB 2720-A).
- Establishing the Educator Advancement Council (SB 182-A).

11 a.m. The Senate has a third reading on:
- Establishing cultural competency standards for colleges and universities (HB 2864-A).
- Evaluating Early Learning Hubs (HB 2956-A).
- Delaying school enrollment for some children (HB 3029-A).
- Waiving some diploma requirements for homeless, runaway, incarcerated and foster children as well as children of military members and migrant workers (HB 3267-B).
- Developing written apprenticeship materials for high schools (HB 3340-A).
- Preparing annual Teachers Standards and Practices Commission report (HB 3351).

11 a.m. The Senate has a third reading on (continued):
- Allowing students to opt out of dental screenings (HB 3353-A).
- Convoking English Language Learner advisory group (HB 3358-A).
- Exempting some children from school attendance (HB 3409-A).
- Making Oregon Promise exception for Oregon National Guard members (HB 3423-A).

11 a.m. The House has a third reading on clarifying rules for child abuse investigations on school property (SB 101-C).

3 p.m. The House Education Committee holds informational meeting on the PAX Good Behavior Game.

June 7

2 p.m. Oregon Department of Education webinar: “School Report Card Detail Reports.”

June 8

Data collection begins for ESEA Title III: English Learners.

Items may be added to legislative committee agendas during the week. The Oregon Legislature keeps an updated page of committee agendas at: https://olis.leg.state.or.us/LIZ/Committees/Meeting/List

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