



January 18, 2013

Kitzhaber focuses on resources for education

The 77th session of the Oregon Legislature opened this week with the usual pomp and circumstance and the swearing in of the members of both chambers. As is tradition, Governor John Kitzhaber opened the joint session of the House and the Senate with his State of the State remarks, laying out his blueprint for his vision of Oregon and the direction in which he believes the state needs to go.

His remarks to the Legislature touted the success over the two previous years and mentioned the fact that through the spirit of bipartisanship, the Legislature had made great strides in bringing recovery to Oregon. However, he noted that much more could and should be done to bring true economic recovery for all Oregonians.

“Reforms in education and health care – and key investments in innovation – embody the change necessary to accelerate Oregon’s economic recovery and restore our shared prosperity,” Kitzhaber told the members of the Legislature. He recognized that while there has been progress on educational reform efforts, funding of education is still an issue. “We’ve not yet had the resources to seriously invest in our 40-40-20 goals. It is clear to me that the entire enterprise of public education is underfunded at all levels. And it is also clear we can’t meet our 40-40-20 goals without a significant reinvestment of resources into our classroom,” Kitzhaber said.

In order for resources to be invested in education, Kitzhaber told the Legislature that two things were required. In the long term, he cited the need for comprehensive reform of Oregon’s system of public finance, and while that effort could take some time, it must be addressed. In the short term, he stated that his budget plan would require difficult choices and tough political decisions on the spending side of the equation.

Kitzhaber’s budget proposes significant changes to the correctional system and to the Public Employees Retirement System (PERS) to address the cost drivers within the state budget. Kitzhaber told legislators that correctional system changes are necessary: “I am asking you to find the courage and the honesty to recognize that if we are unwilling to act on this issue we will, by default, be choosing prisons over schools and condemning untold numbers of today’s students to a future in our system of corrections rather than in our system of postsecondary education.”

The governor further stated that his PERS proposal – which calls for a cap on the cost-of-living adjustments (COLA) for retirees and eliminates the Oregon tax benefit for out-of-state retirees – is controversial, but necessary in light of the need in our classrooms. “If we are serious about reinvesting in the classroom, we cannot ignore the fact that the crisis in school funding – as well as the crisis in funding things like child protective services and home health care – is not just a revenue problem; it has also become a cost problem.”

He reiterated his comments from November’s OSBA Annual Convention when he stated, “In this next biennium, the cost of primary and secondary education is going to increase by more than \$1,000 per student. Half of that \$1,000 – \$500 per student – is accounted for by the increased cost of PERS alone; salary and other benefits account for another \$430 per student. In short, we are faced with a situation in which we are going to increase our per pupil expenditure by \$1,000, and yet for this huge investment we will not see a reduction in average class size; we will not see the restoration of lost school days; and we will not be adding back programs like the arts or vocational studies.” He also stated clearly that this was not an indictment against teachers, school employees or the value of public employees as a whole. “It is simply about trying to have a conversation that allows us to strike a balance between the cost of our retirement system and our ability to put dollars in the classroom today to ensure that our students are successful tomorrow,” Kitzhaber said.

After three days of work introducing bills and swearing in the members, the Legislature has adjourned until Monday, February 4. During these first three days of the 2013 legislative session, more than 1,200 bills were introduced. The OSBA Legislative Services staff reviewed these bills and has identified more than 150 that impact public education. Those bills are now on the OSBA website and can be read and followed through the OSBA Bill Tracking system – simply follow this link: <http://www.osba.org/Resources/Article/Legislative/BillTracking.aspx?s=13&t=&r=&q=&c=9999>

Meet the 2013 Education Committees

The Oregon Legislature will reconvene on February 4 and committee hearings and work on bills will then begin in earnest. About 1,200 bills have already been introduced for the 2013 session; expect close to 3,000 before the

Legislature adjourns. OSBA Legislative Services staff will be monitoring four key education committees closely; we recommend school board members familiarize themselves with these committees.

Sen. Mark Hass (D-Beaverton) serves as the Chair of the Senate Education and Workforce Development Committee. Sen. Tim Knopp (R-Bend) serves as Vice-Chair. Joining them on the committee are Senators Lee Beyer (D-Springfield), Arnie Roblan (D-Coos Bay) and Jeff Kruse (R-Roseburg).

Rep. Sara Gelser (D-Corvallis) serves as the Chair of the House Education Committee. Vice-Chairs are Representatives Jeff Reardon (D-Happy Valley) and Sherrie Sprenger (R-Scio). Joining them on the committee are Representatives Shemia Fagan (D-Clackamas), David Gomborg (D-Newport), Chris Gorsek (D-Troutdale), John Huffman (R-The Dalles), Julie Parrish (R-West Linn) and Gene Whisnant (R-Sunriver).

Rep. Michael Dembrow (D-Portland) serves as the Chair of the House Higher Education and Workforce Development Committee. Vice-Chairs are Representatives Chris Harker (D-Beaverton) and John Huffman (R-The Dalles). Joining them on the committee are Representatives Joe Gallegos (D-Hillsboro), Vic Gilliam (R-Silverton), Chris Gorsek (D-Troutdale), Mitch Greenlick (D-Portland), Mark Johnson (R-Hood River) and Gene Whisnant (R-Sunriver).

The Ways and Means Subcommittee on Education is co-chaired by Sen. Rod Monroe (D-Portland) and Rep. Betty Komp (D-Woodburn). Joining them on the committee are Senators Chris Edwards (D-Eugene) and Fred Girod (R-Stayton); and Representatives Lew Frederick (D-Portland) and Sherrie Sprenger (R-Scio).

Expect to see the major education issues of the session play out in these committees, including school funding, student safety, proposals from the Oregon Education Investment Board and a host of others.

To track committee agendas online, go to <http://www.leg.state.or.us/13reg/agenda/webagendas.htm>.

To access OSBA's bill tracking system and read updates from your Legislative Team, go to <http://www.osba.org/Resources/Article/Legislative/BillTracking.aspx>.

Oregon House convenes for 2013 session; new Representatives named to leadership posts

On Monday, January 14, the Oregon House of Representatives convened to organize and appoint committees, adopt rules, introduce bills, swear in House members and choose legislators to fill key leadership posts. With a new 34-26 Democratic majority, lawmakers chose Rep. Tina Kotek (D-Portland) to serve as House Speaker and Rep. Val Hoyle (D-Eugene) to serve as

House Majority Leader. House Republicans chose Rep. Mike McLane (R-Powell Butte) to serve as their leader.

In her remarks to a joint session of the Oregon House and Senate prior to Governor Kitzhaber's address, Speaker Kotek called for cooperation to deal with the challenges facing Oregonians. "As our state continues to tackle the task of economic recovery, our focus must be on the priorities that matter most to Oregonians," Kotek urged in her address. "Oregonians are expecting us to listen well, listen to everyone, and find solutions through challenging but productive discussions."

House Democrats have identified three key priorities related to public education. They include:

- Prioritize education funding to stop teacher layoffs, reduce class sizes, make sure children enter school ready to learn, and close the achievement gap so all Oregonians can compete in the global economy.
- Improve worker training and retraining by increasing Career and Technical Education in K-12 schools and enhancing partnerships between community colleges, apprenticeship programs and industry.
- Tackle skyrocketing tuition costs and expand scholarships for Oregonians seeking to attend college and university.

House Republican Leader Mike McLane issued a statement saying "Oregonians are expecting us to pass significant, long-term PERS reforms to restore school days and protect other services." He noted that tackling PERS and job creation are two critical elements to a successful session.

House Republicans have identified five key priorities related to public education. They include:

- Protect and enhance reforms that allow more children to receive an education that meets their unique needs.
- Fund schools first, and pass significant PERS reforms to increase instructional days.
- Provide school districts additional flexibility to find savings in their budgets.
- Create more opportunities for workforce and vocational training.
- Establish a student loan interest deduction program to make college more affordable for students who stay and work in Oregon.

A copy of the House Democratic Caucus priorities can be accessed at <http://www.leg.state.or.us/housedemocrats/LeadingWithRightPriorities.pdf>

A copy of the House Republican Caucus priorities can be accessed at http://www.oregonhouserepublicans.org/files/2013_session_priorities.pdf

The House adjourned until Monday, February 4, when the work of the 2013 session will begin.

Senate begins work for the 2013 Legislative Session

The Oregon Senate began its work on the 77th Legislative Session by electing leaders and swearing in new members. Sen. Peter Courtney (D-Salem) was once again chosen as Senate President and will preside over his sixth legislative session in that role. Courtney attended the 77th Legislative Assembly Joint Floor Session and gave remarks referencing the Oregon flag's unique two-sided design. He paid for and gave each member a small replica of Oregon's flag, hoping the two-sided flags would remind the members to consider all sides of the issues before them. Courtney told legislators to remember that it takes both parties and both chambers of the Legislature to complete a successful session.

New members of the Senate include: Senators Herman Baertschiger (R-Central Point), Betsy Close (R-Albany), Bill Hansell (R-Pendleton), Tim Knopp (R-Bend) and Arnie Roblan (D-Coos Bay).

The Senate will be controlled this session by the Democrats with a slim 16-14 majority. Senate Democrats will again be led by Sen. Diane Rosenbaum (D-Portland) and Senate Republicans will be led by Sen. Ted Ferrioli (R-John Day).

Sen. Betsy Johnson (D-Scappoose) was tapped once again to serve on the budget-writing Ways and Means Committee. She noted the budget challenges facing this Legislature, but was optimistic about the work ahead stating, "Although we continue to face funding challenges, I am thrilled to have the opportunity to put in the hard work listening to Oregonians' concerns and producing a budget that reflects the right priorities. I look forward to discussing plans to get people working again in both rural and urban parts of Oregon."

Senate Republicans' agenda for the session will focus on *One Oregon: Prosperity for All*. You may view the entire Senate Republican agenda at http://www.leg.state.or.us/senaterepublicans/2013AgendaSummary_011413.pdf.

"Building a strong economic foundation is the key to the long-term prosperity of all Oregon," said Senate Republican Leader Ted Ferrioli (R-John Day). "Creating an environment where businesses can succeed, diversifying our economic portfolio and investing in education from kindergarten to college will create the kind of state where families in both rural and urban Oregon can thrive."

After three days of introducing bills and organizing the Senate chamber, the Senate adjourned until Monday, February 4.

Questions about legislative issues?

Contact the OSBA Legislative Services Team:
800-578-6722 or 503-588-2800

Jim Green	jgreen@osba.org
Morgan Allen	mallen@osba.org
Lori Sattenspiel	lsattenspiel@osba.org