

Oregon Education 2006 Elections – Not Just For Candidates

Benchmarks for Current Dollars

Oregon is one of nine states where voters may see a First Class Education initiative on their ballots. The First Class Education movement, made popular by columnist George Will as the 65% solution, seeks to dedicate 65 cents of every dollar spent on K-12 education to “in the classroom” expenses. The Oregon initiative defines “in the classroom” to include teacher salary and benefits, textbooks, computers, supplies, libraries, and librarians. On average, Oregon spends 59 cents of every dollar “in the classroom.”

The ballot measure title is currently being challenged by the Oregon Education Association and is awaiting release from the Supreme Court before the campaign can begin to circulate their petitions.

CON

At the root of the 65 percent plan is the notion that public schools already are adequately funded. This argument would suggest plenty of money is already sitting around to lower class sizes, raise standards, boost test scores, address drop-out problems, improve special education services, expand curriculum offerings to fulfill 21st century demands and increase high school graduation rates. The money, the campaign advocates claim, is simply being spent in the wrong place. Better spending habits, according to this line of rhetoric, would somehow solve all school funding problems.

The 65 Percent Solution would further narrow school offerings. Its definition of classroom spending does not include heat, for instance, even though any rational person understands the absurdity of trying to teach with winter temperatures below freezing and no heat in a classroom. Likewise, the "solution" doesn't include money for lights, walls, buses, school lunches or other critical components: These would no longer be considered classroom expenditures, and therefore not a necessary part of the "solution."

Districts would be told to rearrange spending to continue these vital services by taking money from other essentials, such as the support employees who provide additional individual attention to students. This "solution" could be expected to hit classified staff hard, and would likely lead to significant layoffs.

PRO

First Class Education makes no judgment as to level of funding. Rather, their concern is getting the most out of education funding. Funding for K-12 education has been increasing at four times the rate of inflation, but the percentage of those dollars reaching the classroom has declined nationally each and every year for the last four years. (Source: NCES June 2005 report.) More money is coming in, but it's not making it to our classrooms, teachers and students. We need to change this by setting a goal of 65% of funding reaching our classrooms, teachers and students.

The definition is set by the National Center for Education Statistics and sets standardized accounting. No new accounting costs will be incurred. Some districts in Washington and Oregon, and many districts across America already meet or exceed the 65% goal. Each and every one of them have buses, lunch programs and heat. But each places classrooms, teachers and students as their first priorities for funding by seeking better business practices for activities outside the classroom. The Oregon initiatives does modify NCES definition on one respect...specifically placing library costs as an inside the class expense.

This is the 65% Solution, and 35% remains for activities outside the classroom. Further, districts currently below 65% would only need to increase their percentage by 2% a year until reaching 65%. Given the continued increases in funding, all most districts would need to do is place a majority of the NEW money in the classroom in order to reach this 2% annual increase. Lastly, if a district had a specific reason why it could not reach the 2% annual increase or the 65% goal, it could apply for a waiver from the voter-elected Superintendent

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of Public Instruction. Not every district will be able to reach the 65% goal, but every district should try to be as efficient as possible and place classrooms, teachers and students first in funding priorities.

New Money – Growth Paying For New Schools

Over the past few months, Stand for Children, a national organization with offices in Portland, filed 13 ballot measures aimed to change the way cities collect systems development charges (SDC's) for parks and impact fees for schools based on growth. Their various proposals allowed school districts to assess and collect a development impact fee on construction of new residential development to help pay for new schools and classrooms, setting a ceiling at \$4,500 with inflation increases. Others set ceilings based on location, such as \$8,000 for high growth communities in Clackamas, Washington or Multnomah Counties and \$6,000 for high growth communities outside of the Metro area. Other proposals allowed jurisdictions to divide already collected parks SDC's between park needs and new school construction needs.

After long discussions and negotiations, Stand for Children pulled all of their ballot measures from the 2006 ballot. They have, however, initiated a "School Finance and Improvement Task Force" charged with developing a legislative agenda for the 2007 session with hopes to continue the parks SDC and impact fees for schools discussion.

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Most people who purchase new housing already live in the community and therefore present no new burden on the school system. Approximately 60% of the people who buy new homes in Oregon already live in the jurisdiction in which they are purchasing. They aren't from California or New Jersey – they are from down the street.

If school impact fees are adopted, someone purchasing a new house gets to help pay for a school building, whether or not they have kids. On the other hand, someone purchasing an existing house doesn't have to pay a nickel extra, even if they are going to add seven children to the local grade school.

None of this is to say that fast-growing school districts do not face a problem. They do. Both Oregon's property tax system and the state school funding formula are stacked against them.

PRO

Establishes a connection between needed improvements and growth. The measure would require local governments to ensure joint planning between school districts and parks entities to use the funds equitably and efficiently, and will guarantee a percentage of the combined fee for schools.

Any rise in the fee would be tied to a schedule consistent with building costs, rate of inflation or other SDC-type charge rise or could reflect the changes in the price of property to be acquired for schools.

The measure authorizes a limited school development impact fee to contribute to the funding of school construction and renovation, and to set a limit on the combined amount of school impact fees and parks systems development charges in any jurisdiction.

Guarantees that funds are spent only on capital improvements.