



COSA OFF-THE-RECORD

Legislative Affairs Update:
2019-21 Governor's Recommended Budget

12/5/2018 · Eugene, OR





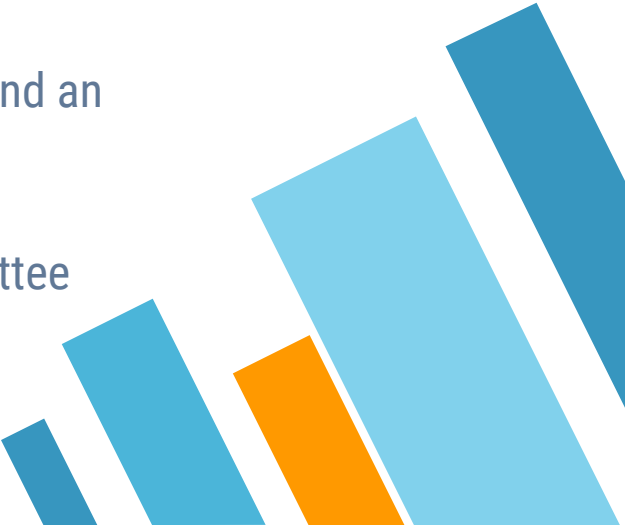
AGENDA

- » Governor's Recommended Budget (GRB) Overview
 - » GRB Base Balanced Budget
 - » GRB Budget Investments
 - » GRB Alignment with COSA Priorities
 - » Next Steps
 - » Questions, Answers, Discussions
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GOVERNOR'S RECOMMENDED BUDGET


Overview

- » Released on November 28 – COSA staff and invited superintendents briefed by Governor Brown
 - » By law, GRB must be balanced with available revenue
 - » Includes funding for capital projects
 - » GRB includes a balanced budget using available revenues and an investment budget built on significant revenue increases
 - » K-12 is prioritized in base budget and investment budget
 - » GRB is closely aligned to both COSA's and the Joint Committee on Student Success' priorities
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GOVERNOR'S RECOMMENDED BUDGET

K-12 Current Service Level (CSL)

- » \$8.97 billion State School Fund, plus \$100 million to help pay down K-12 PERS liability. **Total Allocation = 9.07 billion**
 - » From the GRB: “The budget exceeds the \$8,771.5 million Current Service Level budget for the SSF...It adds \$15.7 million for final net PERS rates and an additional \$21.6 million for final gross PERS rates to the Current Service Level. Also, the 2017-19 budget was equally divided between the two years, and the 2019-21 Governor’s budget acts as if it were unequally divided with the second year funded at 51 percent, not 50 percent. This results in an additional \$163.5 million.”
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CSL: 2017 vs. 2019

	17-19 Biennium	19-21 Biennium
State Calculation	\$8.02 billion	\$8.77 billion
Governor's Recommended Budget	\$8.02 billion	\$8.97 billion + \$100 million for PERS
Education Partners CSL Calculation	\$8.4 billion	\$9.13 billion
CSL Gap at Start of Legislative Session	\$400 million	\$60-150 million



GOVERNOR'S RECOMMENDED BUDGET


Base Budget Expenditures

- » **\$170 million** for Measure 98
 - » **\$100 million** for Seismic Rehabilitation Grants
 - » **\$100 million** for Oregon School Capital Improvement Matching (OSCIM)
 - » **\$16 million** for workforce development and diversification programs
 - » **\$6.3 million** for the Safe and Effective Schools for All Task Force proposals
 - » **\$10.8 million** investment in the African American/Black Student Success Plan and the American Indian/Alaska Native State Plan
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GOVERNOR'S RECOMMENDED BUDGET

Key Education Investments

- » **\$793 million** for a K-12 School Improvement Fund
 - » **\$133 million** to fully fund Measure 98 (\$303 million total)
 - » **\$585 million** for higher education
 - » **\$285 million** to expand early learning opportunities for low income children
 - » **\$45.6 million** increase for EI/ECSE funding
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GOVERNOR'S RECOMMENDED BUDGET

Total K-12 Funding

- » State School Fund = \$8.97 billion + \$100 million for PERS
- » School Improvement Fund = \$793 million
- » Measure 98 Funding = \$303 million

- » **GRB Total K-12 Funding = \$10.166 billion***

**Does not include \$200 million for capital funding, \$285 million for early learning, and all other investments (EI/ECSE, etc.)*





GOVERNOR'S RECOMMENDED BUDGET

Alignment with COSA Priorities


COSA Goal: Secure SSF roll-up (\$9.13 billion) with no new carve-outs

- ✓ GRB recognizes insufficiency of \$8.77 billion and resets SSF floor to \$8.97-9.07 billion

COSA Goal: Full funding for Measure 98 (\$303 million)

- ✓ GRB includes full funding for Measure 98 tied to revenue

COSA Goal: Fund COSA Workgroup Priorities

- ✓ Education Workforce (\$16-20 million)
 - ✓ Early Childhood (\$285 million)
 - Social Emotional Well-being -- potentially in SIF; no direct investment.
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GOVERNOR'S RECOMMENDED BUDGET

Alignment with COSA Priorities

COSA Goal: Increased EI/ECSE Funding

- ✓ \$45 million increase, but need to push it to \$65+ million

COSA Goal: Continued K-12 Facilities Funding

- ✓ \$100 million for Seismic Rehabilitation and \$100 million for OSCIM

COSA Goal: Revenue Reform with Significant K-12 Investments

- ✓ GRB includes \$900+ million for K-12


COSA Goal: Cost Containment

- TBD -- Legislative discussions continue
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GOVERNOR'S RECOMMENDED BUDGET

Next Steps

- » Need to review specific bills and proposals
 - » Flexibility in the School Improvement Fund
 - » Funding to meet the social and emotional needs of students
 - » Two requests from Governor Brown to COSA and Superintendents:
 1. Focus on investments.
 2. Engage your districts and communities to create a plan for how you would invest new resources from a School Improvement Fund.
 - » Oregon Rising -- new focus on investment
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- » We want to hear from you when you have challenges or concerns -- please ask! We can assist with bills/legislation, working with your legislators or other elected officials, navigating administrative rules, contacting ODE or other state and federal agencies, and much more.

CONTACT

Morgan Allen, Deputy Executive Director for Policy and Advocacy

morgan@cosa.k12.or.us

Ben Bowman, Legislative Affairs Specialist

ben@cosa.k12.or.us

