

A-Engrossed
House Bill 2927

Ordered by the House March 27
Including House Amendments dated March 27

Sponsored by Representative MCLAIN, Senator GELSER, Representative KOMP; Representatives EVANS, HELM, KENY-GUYER, NOSSE, TAYLOR, Senator SHIELDS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Increases amount transferred from State School Fund to High Cost Disabilities Account each fiscal year.

Declares emergency, effective July 1, 2015.

A BILL FOR AN ACT

1
2 Relating to the High Cost Disabilities Account; creating new provisions; amending ORS 327.008; and
3 declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 327.008, as amended by section 6, chapter 81, Oregon Laws 2014, is amended
6 to read:

7 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist
8 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education
9 Stability Fund. The State School Fund is continuously appropriated to the Department of Education
10 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,
11 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and sections 1 to 3, chapter 735,
12 Oregon Laws 2013, and section 2, chapter 81, Oregon Laws 2014.

13 (2) There shall be apportioned from the State School Fund to each school district a State School
14 Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant
15 and a transportation grant and a high cost disabilities grant minus local revenue, computed as pro-
16 vided in ORS 327.011 and 327.013.

17 (3) There shall be apportioned from the State School Fund to each education service district a
18 State School Fund grant as calculated under ORS 327.019.

19 (4) All figures used in the determination of the distribution of the State School Fund shall be
20 estimates for the same year as the distribution occurs, unless otherwise specified.

21 (5) Numbers of students in average daily membership used in the distribution formula shall be
22 the numbers as of June of the year of distribution.

23 (6) A school district may not use the portion of the State School Fund grant that is attributable
24 to the facility grant for capital construction costs.

25 (7) The total amount of the State School Fund that is distributed as facility grants may not ex-
26 ceed \$20 million in any biennium. If the total amount to be distributed as facility grants exceeds this
27 limitation, the Department of Education shall prorate the amount of funds available for facility

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 grants among those school districts that qualified for a facility grant.

2 (8) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facil-
3 ity Account established in section 5, chapter 81, Oregon Laws 2014, the amount necessary to pay
4 the costs of educational services provided to students admitted to pediatric nursing facilities as
5 provided in section 2, chapter 81, Oregon Laws 2014.

6 (9) Each fiscal year, the Department of Education shall transfer the amount of [~~\$18~~] **\$35** million
7 from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

8 (10)(a) Each biennium, the Department of Education shall transfer \$33 million from the State
9 School Fund to the Network of Quality Teaching and Learning Fund established under ORS 342.953.

10 (b) For the purpose of making the transfer under this subsection:

11 (A) The total amount available for all distributions from the State School Fund shall be reduced
12 by \$5 million;

13 (B) The amount distributed to school districts from the State School Fund under this section and
14 ORS 327.013 shall be reduced by \$14 million; and

15 (C) The amount distributed to education service districts from the State School Fund under this
16 section and ORS 327.019 shall be reduced by \$14 million.

17 (c) For each biennium, the amounts identified in paragraph (b)(B) and (C) of this subsection shall
18 be adjusted by the same percentage by which the amount appropriated to the State School Fund for
19 that biennium is increased or decreased compared to the preceding biennium, as determined by the
20 Department of Education after consultation with the Legislative Fiscal Officer.

21 (11) Each fiscal year, the Department of Education may expend up to \$550,000 from the State
22 School Fund for the contract described in ORS 329.488. The amount distributed to education service
23 districts from the State School Fund under this section and ORS 327.019 shall be reduced by the
24 amount expended by the department under this subsection.

25 (12) Each biennium, the Department of Education may expend up to \$350,000 from the State
26 School Fund to provide administration of and support for the development of talented and gifted
27 education under ORS 343.404.

28 (13) Each biennium, the Department of Education may expend up to \$150,000 from the State
29 School Fund for the administration of a program to increase the number of speech-language
30 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

31 (14) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from
32 the State School Fund to the Small School District Supplement Fund established in section 3, chap-
33 ter 735, Oregon Laws 2013.

34 **SECTION 2.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, and section
35 7, chapter 81, Oregon Laws 2014, is amended to read:

36 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist
37 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education
38 Stability Fund. The State School Fund is continuously appropriated to the Department of Education
39 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,
40 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and section 2, chapter 81, Oregon
41 Laws 2014.

42 (2) There shall be apportioned from the State School Fund to each school district a State School
43 Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant
44 and a transportation grant and a high cost disabilities grant minus local revenue, computed as pro-
45 vided in ORS 327.011 and 327.013.

1 (3) There shall be apportioned from the State School Fund to each education service district a
2 State School Fund grant as calculated under ORS 327.019.

3 (4) All figures used in the determination of the distribution of the State School Fund shall be
4 estimates for the same year as the distribution occurs, unless otherwise specified.

5 (5) Numbers of students in average daily membership used in the distribution formula shall be
6 the numbers as of June of the year of distribution.

7 (6) A school district may not use the portion of the State School Fund grant that is attributable
8 to the facility grant for capital construction costs.

9 (7) The total amount of the State School Fund that is distributed as facility grants may not ex-
10 ceed \$20 million in any biennium. If the total amount to be distributed as facility grants exceeds this
11 limitation, the Department of Education shall prorate the amount of funds available for facility
12 grants among those school districts that qualified for a facility grant.

13 (8) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facil-
14 ity Account established in section 5, chapter 81, Oregon Laws 2014, the amount necessary to pay
15 the costs of educational services provided to students admitted to pediatric nursing facilities as
16 provided in section 2, chapter 81, Oregon Laws 2014.

17 (9) Each fiscal year, the Department of Education shall transfer the amount of [~~\$18~~] **\$35** million
18 from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

19 (10)(a) Each biennium, the Department of Education shall transfer \$33 million from the State
20 School Fund to the Network of Quality Teaching and Learning Fund established under ORS 342.953.

21 (b) For the purpose of making the transfer under this subsection:

22 (A) The total amount available for all distributions from the State School Fund shall be reduced
23 by \$5 million;

24 (B) The amount distributed to school districts from the State School Fund under this section and
25 ORS 327.013 shall be reduced by \$14 million; and

26 (C) The amount distributed to education service districts from the State School Fund under this
27 section and ORS 327.019 shall be reduced by \$14 million.

28 (c) For each biennium, the amounts identified in paragraph (b)(B) and (C) of this subsection shall
29 be adjusted by the same percentage by which the amount appropriated to the State School Fund for
30 that biennium is increased or decreased compared to the preceding biennium, as determined by the
31 Department of Education after consultation with the Legislative Fiscal Officer.

32 (11) Each fiscal year, the Department of Education may expend up to \$550,000 from the State
33 School Fund for the contract described in ORS 329.488. The amount distributed to education service
34 districts from the State School Fund under this section and ORS 327.019 shall be reduced by the
35 amount expended by the department under this subsection.

36 (12) Each biennium, the Department of Education may expend up to \$350,000 from the State
37 School Fund to provide administration of and support for the development of talented and gifted
38 education under ORS 343.404.

39 (13) Each biennium, the Department of Education may expend up to \$150,000 from the State
40 School Fund for the administration of a program to increase the number of speech-language
41 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

42 **SECTION 3. The amendments to ORS 327.008 by sections 1 and 2 of this 2015 Act apply**
43 **to State School Fund distributions commencing with the 2015-2016 distributions.**

44 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**
45 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**

1 **July 1, 2015.**

2
