

House Bill 3444

Sponsored by Representative WRIGHT

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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Allows public charter schools to get more public moneys. (Flesch Readability Score: 66.1).

Modifies the percentage of amounts that school districts must pay from the State School Fund to public charter schools that are not virtual public charter schools.

Removes certain eligibility restrictions for public charter schools to receive moneys from the Student Investment Account.

Directs a school district or sponsor to transfer federal, state and local moneys to public charter schools on the same basis as moneys are transferred to nonchartered public schools in the school district.

Considers transportation costs incurred by a public charter school to be the same as transportation costs incurred by a school district.

Declares an emergency, effective July 1, 2025.

A BILL FOR AN ACT

Relating to public charter school funding; creating new provisions; amending ORS 327.185, 327.297, 327.331, 327.362, 338.145, 338.155 and 340.073; and declaring an emergency.

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

SECTION 1. ORS 338.155 is amended to read:

338.155. (1)(a) Students of a public charter school shall be considered to be residents of the school district in which the public charter school is located for purposes of distribution of the State School Fund.

(b) All amounts to be distributed from the State School Fund for public charter schools shall first be distributed to the school district in which the public charter school is located.

(c) For the purpose of determining the amounts to be distributed to a school district from the State School Fund for a public charter school, the district extended ADMw described in ORS 327.013 shall be calculated:

(A) Except as provided by subparagraph (B) or (C) of this paragraph, as though the students enrolled at a public charter school are students enrolled at the public schools of the school district in which the public charter school is located.

(B) By not including any portion of the ADM of the public charter school for the previous school year if the public charter school ceased to operate because of dissolution or closure or because of termination or nonrenewal of a charter.

(C) By calculating the current school year's ADMw separately for a virtual public charter school and for the school district if the school district, without consideration of the ADM of the virtual public charter school, had a decrease in ADM or ADMw compared to the previous school year.

(2) A school district shall contractually establish, with any public charter school within the boundaries of the school district, payment for provision of educational services to the

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 **public charter school's students.**

2 (3) **Except as provided in subsections (4) and (5) of this section and ORS 338.165, the**
 3 **payment required under subsection (2) of this section shall equal an amount per weighted**
 4 **average daily membership (ADMw) of the public charter school that is at least equal to:**

5 (a) **Ninety-five percent of the amount of the school district's General Purpose Grant per**
 6 **ADMw as calculated under ORS 327.013 for the sponsor if the sponsor is the board of a school**
 7 **district; or**

8 (b) **Ninety-five percent of the General Purpose Grant per ADMw as calculated under ORS**
 9 **327.013 for the school district where the public charter school is located if the sponsor is the**
 10 **State Board of Education.**

11 [(2)] (4) A school district shall contractually establish, with any **virtual** public charter school
 12 that is sponsored by the board of the school district, payment for provision of educational services
 13 to the **virtual** public charter school's students. The payment shall equal an amount per weighted
 14 average daily membership (ADMw) of the **virtual** public charter school that is at least equal to:

15 (a) Eighty percent of the amount of the school district's General Purpose Grant per ADMw as
 16 calculated under ORS 327.013 for students who are enrolled in kindergarten through grade eight;
 17 and

18 (b) Ninety-five percent of the amount of the school district's General Purpose Grant per ADMw
 19 as calculated under ORS 327.013 for students who are enrolled in grades 9 through 12.

20 [(3)] (5) A school district shall contractually establish, with any **virtual** public charter school
 21 that is sponsored by the State Board of Education and that is within the boundaries of the school
 22 district, payment for provision of educational services to the **virtual** public charter school's stu-
 23 dents. The payment shall equal an amount per weighted average daily membership (ADMw) of the
 24 **virtual** public charter school that is at least equal to:

25 (a) Ninety percent of the amount of the school district's General Purpose Grant per ADMw as
 26 calculated under ORS 327.013 for students who are enrolled in kindergarten through grade eight;
 27 and

28 (b) Ninety-five percent of the amount of the school district's General Purpose Grant per ADMw
 29 as calculated under ORS 327.013 for students who are enrolled in grades 9 through 12.

30 [(4)] (6) The estimated amount of each school district's General Purpose Grant per ADMw shall
 31 be determined each year by the Department of Education and made available to all school districts.

32 [(5)] (7) The school district in which [the] a public charter school **sponsored by the State**
 33 **Board of Education** is located shall transfer an amount per weighted average daily membership
 34 (ADMw) of the public charter school that is equal to 50 percent of the amount of the school
 35 district's General Purpose Grant per ADMw as calculated under ORS 327.013 that is not paid to the
 36 public charter school through a contract created pursuant to subsection [(3)] (2) or (5) of this sec-
 37 tion to the Department of Education.

38 (8)(a) **A sponsor may retain any amounts that are not paid to a public charter school as**
 39 **provided by subsection (3), (4) or (5) of this section. Except as provided in paragraph (b) of**
 40 **this subsection, any amounts retained by the sponsor as provided by this subsection must**
 41 **be used for administrative costs incurred by the sponsor in relation to public charter schools.**

42 [(6)] (b) The department may use any moneys received under this section for activities related
 43 to public charter schools.

44 [(7)] (9) A school district and a public charter school may negotiate to establish a payment for
 45 the provision of educational services to the public charter school's students that is more than the

1 minimum [amounts] **amount** specified in subsection [(2) or] (3), (4) or (5) of this section.

2 (10)(a) **In addition to payments received by a public charter school under subsection (3),**
 3 **(4) or (5) of this section and except as provided by ORS 338.165, the public charter school is**
 4 **entitled to receive:**

5 (A) **Any local, state or federal moneys that are for the benefit of the public charter**
 6 **school and that are received by a sponsor or by the school district in which the public**
 7 **charter school is located.**

8 (B) **Any local, state or federal moneys that are for the benefit of public schools in the**
 9 **school district and that are received by a sponsor or by the school district in which the**
 10 **public charter school is located. Moneys described in this subparagraph must be distributed**
 11 **to public charter schools on the same basis as moneys are distributed to nonchartered public**
 12 **schools in the school district.**

13 (C) **Any local revenues, as described in ORS 327.011, that are available to the nonchar-**
 14 **tered public schools in the school district. Moneys described in this subparagraph must be**
 15 **distributed to public charter schools based on the number of students who attend the**
 16 **schools.**

17 (b) **Notwithstanding paragraph (a)(C) of this subsection, a virtual public charter school**
 18 **is not entitled to receive a portion of local revenues, as described in ORS 327.011, but a school**
 19 **district may choose to distribute a portion of local revenues to the virtual public charter**
 20 **school.**

21 [(8)] (11) A school district shall send payment to a public charter school based on a contract
 22 negotiated under this section within 10 days after receiving payments from the State School Fund
 23 pursuant to ORS 327.095 **or after receiving moneys pursuant to subsection (10) of this**
 24 **section.**

25 [(9)(a)] (12)(a) A public charter school may apply for any grant that is available to school dis-
 26 tricts or nonchartered public schools from the Department of Education. The department shall con-
 27 sider the application of the public charter school in the same manner as an application from a
 28 school district or nonchartered public school.

29 (b) The department shall award any grant that is available to school districts based solely on
 30 the weighted average daily membership (ADMw) of the school district directly to the public charter
 31 school. This paragraph does not apply to any grant from the State School Fund.

32 **SECTION 2. The amendments to ORS 338.155 by section 1 of this 2025 Act apply to mon-**
 33 **eys received by a school district or sponsor on or after the effective date of this 2025 Act.**

34 **SECTION 3. ORS 327.185 is amended to read:**

35 327.185. (1) As used in this section, "eligible applicant" means any of the following entities:

36 (a) Common school districts and union high school districts.

37 (b) The Youth Corrections Education Program or the Juvenile Detention Education Program.

38 (c) Public charter schools that are not virtual public charter schools, as defined in ORS
 39 338.005[, and that have a student population of which:].

40 [(A) *At least 35 percent of the student population is composed of students from the following stu-*
 41 *dent groups:*]

42 [(i) *Economically disadvantaged, as described in ORS 327.180 (2)(b)(A);*]

43 [(ii) *Racial or ethnic groups that have historically experienced academic disparities, as described*
 44 *in ORS 327.180 (2)(b)(B); or]*

45 [(iii) *Students with disabilities, as described in ORS 327.180 (2)(b)(C); and]*

1 *[(B) The percentage of the students from student groups identified under subparagraph (A) of this*
 2 *paragraph is greater than or equal to:]*

3 *[(i) The percentage of all students in the school district who are economically disadvantaged, if*
 4 *eligibility is determined based on the percentage of students who are economically disadvantaged;]*

5 *[(ii) The percentage of all students in the school district who are from racial or ethnic groups that*
 6 *have historically experienced academic disparities, if eligibility is determined based on the percentage*
 7 *of students who are from those racial or ethnic groups; or]*

8 *[(iii) The percentage of all students in the school district who are disabled, if eligibility is deter-*
 9 *mined based on the percentage of students who are disabled.]*

10 (2)(a) Eligible applicants may apply for a grant from the Student Investment Account to receive
 11 a distribution under ORS 327.190.

12 (b) Notwithstanding ORS 338.155 [(9)] (12), a public charter school that is not an eligible appli-
 13 cant may not apply for a grant under this section.

14 (3) Prior to preparing a grant application, an eligible applicant must:

15 (a) If the eligible applicant is a school district, determine whether the school district will allow
 16 public charter schools sponsored by, or located within, the school district to participate in the grant
 17 application and the grant agreement.

18 (b) If the eligible applicant is a public charter school, determine whether the public charter
 19 school intends to apply for a grant and provide notice of that intent to the school district in which
 20 the public charter school is located and to the Department of Education.

21 (4)(a) If an eligible applicant is a school district and decides to include public charter schools
 22 in the grant application and grant agreement, the school district must provide all public charter
 23 schools sponsored by, or located within, the school district the opportunity to participate in the
 24 grant application and grant agreement.

25 (b)(A) A public charter school is not required to participate in the grant application and grant
 26 agreement of a school district.

27 (B) If a public charter school does not participate in a grant application and grant agreement
 28 under this subsection:

29 (i) The ADMw of the public charter school may not be used in the calculation of the school
 30 district ADMw for grants distributed under ORS 327.195; and

31 (ii) The public charter school is not entitled to any grant moneys distributed under ORS 327.195.

32 (C) If a public charter school participates in a grant application and grant agreement under this
 33 subsection:

34 (i) The public charter school and school district shall enter into an agreement for the distrib-
 35 ution of moneys or the provision of services, including any accountability measures required of the
 36 public charter school by the school district;

37 (ii) The ADMw of the public charter school shall be used in the calculation of the school district
 38 ADMw for grants distributed under ORS 327.195; and

39 (iii) The public charter school is entitled to any grant moneys or services provided for in the
 40 agreement entered into under this subparagraph.

41 (5)(a) For the purpose of preparing a grant application, an eligible applicant must determine:

42 (A) Which of the allowed uses identified in ORS 327.180 (3) the eligible applicant will fund with
 43 grant moneys; and

44 (B) Which of the eligible uses identified under subparagraph (A) of this paragraph the eligible
 45 applicant will designate to meeting student mental and behavioral health needs.

1 (b) An eligible applicant shall make the determinations required under paragraph (a) of this
 2 subsection by:

3 (A) Engaging in strategic planning; and

4 (B) Considering the recommendations of the Quality Education Commission established under
 5 ORS 327.500 and recommendations from the advisory groups formed by the Department of Education
 6 for the purposes of the statewide education plans developed and implemented by the department.

7 (6)(a) The strategic planning required under subsection (5) of this section must include:

8 (A) A completed needs assessment, as described in ORS 329.095;

9 (B) An analysis of the potential academic impact, both for the students of the eligible applicant
 10 and for student groups identified in ORS 327.180 (2)(b), from the allowed uses that would be funded
 11 by grant moneys; and

12 (C) The creation of budgets for the allowed uses that would be funded by grant moneys.

13 (b) The strategic planning required under subsection (5) of this section must take into consid-
 14 eration:

15 (A) Input from the community of the eligible applicant, including school employees, students
 16 from student groups identified in ORS 327.180 (2)(b) and parents of those students; and

17 (B) Data collected by the eligible applicant to enable the eligible applicant to make equity-based
 18 decisions.

19 (7) Based on the strategic planning described in subsection (6) of this section, the eligible ap-
 20 plicant shall develop a four-year plan for the use of grant moneys. The plan must be updated every
 21 two years and must:

22 (a) Identify which allowed uses identified in ORS 327.180 (3) will be funded with grant moneys
 23 and which of those uses will be designated to meet student mental and behavioral health needs.

24 (b) Describe how the allowed uses identified under paragraph (a) of this subsection will be used
 25 to:

26 (A) Meet students' mental and behavioral health needs;

27 (B) Increase academic achievement for students of the eligible applicant; and

28 (C) Reduce academic disparities for student groups identified in ORS 327.180 (2)(b) who are
 29 served by the eligible applicant, and identify which of those student groups will benefit from the
 30 allowed uses that are being funded with grant moneys.

31 (c) Include the budgets for the allowed uses to be funded with grant moneys.

32 (d) Be approved by the governing body of the eligible applicant at an open meeting, following:

33 (A) Provision of the plan at the main office of the eligible applicant and on the eligible
 34 applicant's website;

35 (B) Oral presentation of the plan by an administrator of the eligible applicant to the governing
 36 body of the eligible applicant; and

37 (C) Opportunity for the public to comment on the plan at an open meeting.

38 (e) Be a part of the local district continuous improvement plan described in ORS 329.095, if the
 39 eligible applicant is a school district.

40 (8) To apply for a grant, an eligible applicant must submit an application every two years in a
 41 format and according to timelines prescribed by the Department of Education. The application must
 42 include:

43 (a) A completed needs assessment, as described in ORS 329.095;

44 (b) The plan developed under subsection (7) of this section; and

45 (c) Budget estimates for each of the allowed uses identified in the plan developed under sub-

1 section (7) of this section that will be funded by grant moneys.

2 **SECTION 4.** ORS 327.297 is amended to read:

3 327.297. (1) In addition to those moneys distributed through the State School Fund, the Depart-
4 ment of Education shall award grants to school districts, education service districts, the Youth
5 Corrections Education Program and the Juvenile Detention Education Program for activities that
6 relate to increases in student achievement, including:

7 (a) Early childhood support including establishing, maintaining or expanding quality
8 prekindergarten programs;

9 (b) Class size reduction with an emphasis on the reduction of kindergarten through grade three
10 class sizes;

11 (c) Increases in instructional time including summer programs and before- and after-school pro-
12 grams;

13 (d) Mentoring, teacher retention and professional development;

14 (e) Remediation, alternative learning and student retention;

15 (f) Services to at-risk youth;

16 (g) Programs to improve a student achievement gap between student groups identified by cul-
17 ture, poverty, language and race and other student groups;

18 (h) Vocational education programs;

19 (i) Literacy programs;

20 (j) School library programs; and

21 (k) Other research-based student improvement strategies approved by the State Board of Edu-
22 cation.

23 (2)(a) Each school district, each education service district, the Youth Corrections Education
24 Program and the Juvenile Detention Education Program may apply to the Department of Education
25 for a grant.

26 (b) The department shall review and approve applications based on criteria established by the
27 State Board of Education. In establishing the criteria, the State Board of Education shall consider
28 the recommendations of the Quality Education Commission established under ORS 327.500.

29 (c) The applications shall include the activities to be funded and the goals of the district or
30 program for increases in student performance. The applications shall become part of the local dis-
31 trict continuous improvement plan described in ORS 329.095.

32 (3)(a) Notwithstanding ORS 338.155 [(9)] (12), the Department of Education may not award a
33 grant under this section directly to a public charter school.

34 (b) A school district that receives a grant **for a public charter school** under this section
35 [may] **shall** transfer a portion of the grant to [a] **the** public charter school based on the **criteria**
36 **used to transfer grants to any nonchartered public school in the school district or based on**
37 **the** charter of the school or any other agreement between the school district and the public charter
38 school.

39 (c) A public charter school that receives grant funds under this subsection [shall] **must** use
40 those funds for the activities specified in subsection (1) of this section.

41 (4)(a) The amount of each grant for a program or school district = the program's or school
42 district's ADMw × (the total amount available for distribution to programs and school districts as
43 grants in each fiscal year ÷ the total ADMw of all programs and school districts that receive a
44 grant).

45 (b) The amount of each grant for an education service district = the education service district's

1 ADMw × (the total amount available for distribution to education service districts as grants in
 2 each fiscal year ÷ the total ADMw of all education service districts that receive a grant).

3 (c) As used in this subsection, “ADMw” means:

4 (A) For a school district, the extended weighted average daily membership as calculated under
 5 ORS 327.013, 338.155 (1) and 338.165 (2);

6 (B) For the Youth Corrections Education Program, the extended weighted average daily mem-
 7 bership as calculated under ORS 327.026;

8 (C) For the Juvenile Detention Education Program, the extended weighted average daily mem-
 9 bership as calculated under ORS 327.026; and

10 (D) For an education service district, the sum of the ADMw of the school districts located
 11 within the territory of the education service district.

12 (5) Each district or program shall deposit the grant amounts it receives under this section in a
 13 separate account, and shall apply amounts in that account to pay for activities described in the
 14 district’s or program’s application.

15 (6) The State Board of Education may adopt any rules necessary for the administration of the
 16 grant program.

17 **SECTION 5.** ORS 327.331 is amended to read:

18 327.331. (1) In addition to moneys distributed through the State School Fund, the Department
 19 of Education shall award grants to school districts as provided by subsections (5) and (6) of this
 20 section for up to 50 percent of student transportation costs described in subsection (2) of this sec-
 21 tion.

22 (2) A school district may receive a grant under this section only for student transportation
 23 costs:

24 (a) For which the school district does not receive any amount in distributions from the State
 25 School Fund under ORS 327.013 or any amount related to transit activities.

26 (b) That are incurred by the school district for the provision of transportation to students in
 27 grades 9 through 12 on:

28 (A) A school bus, as defined in ORS 801.460; or

29 (B) A school activity vehicle, as defined in ORS 801.455.

30 (3)(a) Each school district may apply to the department for a grant under this section.

31 (b) The department shall review and approve applications based on criteria established by the
 32 State Board of Education and shall award grants as provided by subsections (5) and (6) of this sec-
 33 tion.

34 (c) The applications must include the total amount of the student transportation costs described
 35 in subsection (2) of this section and the purposes for which the student transportation costs were
 36 incurred.

37 (4)(a) Notwithstanding ORS 338.155 [(9)] (12), the department may not award a grant under this
 38 section directly to a public charter school.

39 (b) A school district that receives a grant **for a public charter school** under this section
 40 [may] **shall** transfer a portion of the grant to [a] **the** public charter school based on the **criteria**
 41 **used to transfer grants to any nonchartered public school in the school district or based on**
 42 **the** charter of the school or any other agreement between the school district and the public charter
 43 school.

44 (c) A public charter school that receives grant funds under this subsection [shall] **must** use
 45 those funds for the student transportation costs described in subsection (2) of this section.

1 (5)(a) Subject to subsection (6) of this section, the amount of each grant for a school district
 2 = the school district's ADMw × (the total amount available for distribution to school districts as
 3 grants in each fiscal year ÷ the total ADMw of all school districts that receive a grant).

4 (b) As used in this subsection, "ADMw" means the extended weighted average daily membership
 5 as calculated under ORS 327.013, 338.155 (1) and 338.165 (2).

6 (6) If the total amount of grants applied for under subsection (3) of this section exceeds the total
 7 amount available for distribution to school districts under this section, the department:

8 (a) Shall prioritize school districts that did not receive any public moneys in the previous school
 9 year for student transportation costs described in subsection (2) of this section; and

10 (b) May otherwise prioritize school districts or prorate distributions based on rules adopted by
 11 the board.

12 (7) Each school district shall deposit the grant funds it receives under this section in a separate
 13 account and shall apply amounts in that account to pay for student transportation costs described
 14 in the school district's grant application.

15 (8) The board may adopt any rules necessary for the administration of the grant program.

16 (9) Nothing in this section affects a school district's eligibility to receive a waiver as provided
 17 by ORS 327.043.

18 **SECTION 6.** ORS 338.145 is amended to read:

19 338.145. (1) The public charter school shall be responsible for providing transportation to stu-
 20 dents who reside within the school district and who attend the public charter school. The public
 21 charter school may negotiate with a school district for the provision of transportation to students
 22 attending the public charter school.

23 (2) Notwithstanding subsection (1) of this section, the school district within which the public
 24 charter school is located shall be responsible for the transportation of students attending the public
 25 charter school pursuant to ORS 327.043 in the same manner as students attending nonchartered
 26 public schools if the student is a resident of the school district. *[However,]* A school district may
 27 not be required to add or extend existing bus routes or other transportation services pursuant to
 28 this subsection.

29 (3) Students who attend public charter schools and who reside outside of the school district may
 30 use existing bus routes and transportation services of the school district in which a public charter
 31 school is located.

32 (4)(a) Any transportation costs incurred by a school district under this section shall be consid-
 33 ered approved transportation costs for purposes of ORS 327.013 in the same manner as transporta-
 34 tion costs incurred by the school district for transporting students who attend nonchartered public
 35 schools are considered approved transportation costs for purposes of ORS 327.013.

36 **(b) Any transportation costs incurred by a public charter school for providing transpor-**
 37 **tation to students who reside within the school district and who attend the public charter**
 38 **school shall be considered approved transportation costs for purposes of ORS 327.013 in the**
 39 **same manner as transportation costs incurred by a school district for transporting students**
 40 **are considered approved transportation costs for purposes of ORS 327.013. A school district**
 41 **shall pay the public charter school the total amount received by the school district for**
 42 **transportation costs incurred by the public charter school within 10 days after the school**
 43 **district receives the amount.**

44 **SECTION 7.** The amendments to ORS 327.185, 327.297, 327.311, 338.145 and 338.155 by
 45 sections 1 and 3 to 6 of this 2025 Act apply to State School Fund distributions and other

distributions of moneys made to school districts commencing with the 2025-2026 distributions.

SECTION 8. ORS 327.362 is amended to read:

327.362. (1) As used in this section:

(a) “ADMw” means weighted average daily membership, as calculated under ORS 327.013.

(b) “Eligible public charter school” means a public charter school that is not a virtual public charter school, as defined in ORS 338.005, and that has a student population of which at least 65 percent of the total student population is composed of students from the following combined student groups:

(A) Racial or ethnic groups that have historically experienced academic disparities, as described in ORS 327.180 (2)(b)(B); and

(B) Students with disabilities, as described in ORS 327.180 (2)(b)(C).

(2) In addition to those moneys distributed through the State School Fund, the Department of Education shall award grants under this section to eligible public charter schools from the State-wide Education Initiatives Account.

(3) The amount of a grant awarded to an eligible public charter school under this section = the public charter school’s ADMw × the difference between:

(a) The amount of the General Purpose Grant per ADMw for the school district that has contractually established payment for the provision of educational services to the public charter school’s students under ORS 338.155 [(2) or (3)]; and

(b) The amount of the General Purpose Grant per ADMw that the public charter school receives under a contract for the provision of educational services to the public charter school’s students under ORS 338.155 [(2) or (3)].

(4) The purpose of grants distributed under this section shall be to increase academic achievement, including reducing academic disparities, for:

(a) Students from racial or ethnic groups that have historically experienced academic disparities, as determined under rules adopted by the State Board of Education; and

(b) Students with disabilities.

(5) Any eligible public charter school may apply for and receive a grant as provided by this section. A grant application must:

(a) Describe how grant moneys will be used to advance the purpose described in subsection (4) of this section.

(b) Specify the supports that will be:

(A) Provided to students with a disability; or

(B) Used to enhance special education and related services that are provided by a school district under ORS 338.165 to the students of the public charter school.

(c) Identify any applicable longitudinal performance growth targets for the public charter school that have been established:

(A) Under contract between the public charter school and the sponsor of the public charter school; or

(B) By the public charter school or the school district in which the public charter school is located for purposes of grants from the Student Investment Account, as provided by ORS 327.190.

(d) Be submitted based on the timelines and forms prescribed by the department.

(6)(a) If the department determines that a grant application complies with the requirements prescribed under this section, the department shall enter into a grant agreement with the eligible

1 public charter school.

2 (b) A grant agreement must include longitudinal performance growth targets for the public
 3 charter school. If the grant application identified longitudinal performance growth targets, those
 4 targets shall be included in the grant agreement. If the grant application did not identify longitudi-
 5 nal performance growth targets, the public charter school shall collaborate with the department to
 6 develop longitudinal performance growth targets. Longitudinal performance growth targets must:

7 (A) Be based on data available for longitudinal analysis; and

8 (B) Use the following applicable metrics:

9 (i) Third-grade reading proficiency rates, as defined in ORS 327.190;

10 (ii) Regular attendance rates, as defined in ORS 327.190; and

11 (iii) Any other metrics identified by the department in collaboration with the public charter
 12 school.

13 (7) After the department and the public charter school have entered into a grant agreement, the
 14 department shall award a grant to the public charter school in the amount calculated under sub-
 15 section (3) of this section. A grant recipient shall deposit grant moneys received under this section
 16 into a separate account and shall apply the amounts in that account as provided by the grant
 17 agreement.

18 (8)(a) Each year, each grant recipient must submit to the department a description of:

19 (A) How grant moneys received under this section were used to advance the purpose described
 20 in subsection (4) of this section and to meet performance growth targets in the grant agreement; and

21 (B) Progress made by the grant recipient toward meeting the performance growth targets in the
 22 grant agreement.

23 (b) A grant recipient shall provide the information required under this subsection based on the
 24 timelines and forms prescribed by the department. To the greatest extent practicable, the depart-
 25 ment shall accept the information described in this subsection in the manner that it is made avail-
 26 able by a public charter school to the sponsor of the public charter school.

27 (9) To the greatest extent practicable, any requirements prescribed by the department or the
 28 board under this section in relation to an application, a grant agreement or the submission of in-
 29 formation under subsection (8) of this section shall reduce any redundancies between a grant
 30 awarded under this section and a grant awarded from the Student Investment Account. Reduction
 31 in redundancies includes accepting for the purposes of grants awarded under this section any ap-
 32 plicable forms or information submitted by the public charter school to the department or a school
 33 district for the purposes of a grant awarded from the Student Investment Account.

34 (10) A public charter school and a school district may not consider moneys received by the
 35 public charter school under this section when establishing payment for the provision of educational
 36 services to the public charter school's students under ORS 338.155 [(2) or (3)].

37 (11) Prior to February 1 of each year, the department shall submit to the appropriate interim
 38 legislative committees a report related to the grants awarded under this section. The report must
 39 describe:

40 (a) The public charter schools that applied for the grants and the public charter schools that
 41 received the grants;

42 (b) The longitudinal performance growth targets included in grant agreements, as provided by
 43 subsection (6)(b) of this section; and

44 (c) Progress made toward meeting longitudinal performance growth targets, as reported under
 45 subsection (8)(a) of this section.

1 (12) The State Board of Education shall adopt any rules necessary for the distribution of grants
2 under this section.

3 **SECTION 9.** ORS 340.073 is amended to read:

4 340.073. (1) A public charter school may elect to participate in the Expanded Options Program
5 by amending its charter under ORS 338.065.

6 (2) Actual instructional costs associated with participating eligible students shall be negotiated
7 and paid directly to the eligible post-secondary institution by the public charter school.

8 (3) The participating public charter school may not require funding from the sponsor of the
9 school for payment of Expanded Options Program costs that is in addition to funding that already
10 has been contractually established pursuant to ORS 338.155 [(2)(b) or (3)(b)] or 338.165 [(2)(b)] **for**
11 **students enrolled in grades 9 through 12.**

12 **SECTION 10. This 2025 Act being necessary for the immediate preservation of the public**
13 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**
14 **July 1, 2025.**

15 _____