

**Enrolled**  
**Senate Bill 743**

Sponsored by COMMITTEE ON EDUCATION

CHAPTER .....

AN ACT

Relating to State School Fund calculations for virtual public charter schools; creating new provisions; amending ORS 338.155; 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 compared to the previous school year.**

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

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

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

(3) A school district shall contractually establish, with any public charter school that is sponsored by the State Board of Education and that is within the boundaries of the school district, payment for provision of educational services to the public charter school's students. The payment

shall equal an amount per weighted average daily membership (ADMw) of the public charter school that is at least equal to:

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

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

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

(5) The school district in which the public charter school is located shall transfer an amount per weighted average daily membership (ADMw) of the public charter school that is equal to 50 percent of the amount of the school district's General Purpose Grant per ADMw as calculated under ORS 327.013 that is not paid to the public charter school through a contract created pursuant to subsection (3) of this section to the Department of Education.

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

(7) A school district and a public charter school may negotiate to establish a payment for the provision of educational services to the public charter school's students that is more than the minimum amounts specified in subsection (2) or (3) of this section.

(8) A school district shall send payment to a public charter school based on a contract negotiated under this section within 10 days after receiving payments from the State School Fund pursuant to ORS 327.095.

(9)(a) A public charter school may apply for any grant that is available to school districts or nonchartered public schools from the Department of Education. The department shall consider the application of the public charter school in the same manner as an application from a school district or nonchartered public school.

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

**SECTION 2. The amendments to ORS 338.155 by section 1 of this 2021 Act apply to State School Fund distributions commencing with the 2021-2022 school year distributions.**

**SECTION 3. Notwithstanding ORS 338.155 (1)(c), and for the 2021-2022 and 2022-2023 school years only, the district extended ADMw for a school district that is the sponsor of a virtual public charter school that had a decrease in ADM for the current school year compared to the previous school year shall be determined by making separate calculations of the ADMw for the school district and the ADMw for the virtual public charter school. The calculations shall be as follows:**

(1) The ADMw for the school district shall equal the current school year's ADMw or the previous school year's ADMw, whichever is greater and as those numbers are determined without consideration of the virtual public charter school's ADMw; and

(2) The ADMw for the virtual public charter school shall equal the current school year's ADMw plus an additional amount that equals 10 percent of the difference between the current school year's ADMw and the previous school year's ADMw.

**SECTION 4. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect July 1, 2021.**

**Passed by Senate June 3, 2021**

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

**Passed by House June 17, 2021**

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Tina Kotek, Speaker of House

**Received by Governor:**

.....M.,....., 2021

**Approved:**

.....M.,....., 2021

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Kate Brown, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2021

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Shemia Fagan, Secretary of State