

Senate Bill 803

Sponsored by Senators ROBLAN, KNOPP

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**.

Directs Department of Education to award grants to school districts for support service programs, education innovation programs and education intervention programs.

Directs department to expend no more than specified amount for grants from State School Fund.
Declares emergency, effective July 1, 2017.

A BILL FOR AN ACT

1
2 Relating to education; creating new provisions; amending ORS 327.008 and section 72, chapter 774,
3 Oregon Laws 2015; and declaring an emergency.

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

5 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS chapter 327.**

6 **SECTION 2. (1) In addition to any moneys distributed from the State School Fund, the**
7 **Department of Education shall award grants to school districts for support service programs,**
8 **education innovation programs and education intervention programs as provided by this**
9 **section.**

10 **(2) The department shall award grants based upon a list of strategic investments adopted**
11 **by the State Board of Education by rule, including investments related to:**

12 **(a) Family service coordinators;**

13 **(b) Counselors;**

14 **(c) School resource officers and school resource deputies;**

15 **(d) Behavioral specialists;**

16 **(e) Career planning;**

17 **(f) Life skills;**

18 **(g) Education innovation programs;**

19 **(h) Education intervention programs;**

20 **(i) Science, technology, engineering, arts and mathematics education;**

21 **(j) Physical education requirements prescribed by ORS 329.496;**

22 **(k) Improvements in equity in student outcomes;**

23 **(L) Improvements in attendance rates;**

24 **(m) Improvements in graduation rates;**

25 **(n) Implementation of initiatives proposed by the Chief Education Office;**

26 **(o) Career and technical education programs in high schools that are relevant to the job**
27 **market in the community or region that the school district serves;**

28 **(p) College-level education opportunities for students in high schools;**

29 **(q) Dropout-prevention strategies in high schools; and**

30 **(r) Special education.**

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 **(3) Any school district may apply for and receive a grant under this section.**

2 **(4) A school district that receives a grant under this section shall deposit the grant**
 3 **amounts it receives in a separate account and shall apply amounts in that account to pay for**
 4 **activities described in the district's application.**

5 **(5) The State Board of Education, in consultation with the Chief Education Office, may**
 6 **adopt any rules necessary for the administration of the grants.**

7 **SECTION 3.** Section 2 of this 2017 Act is amended to read:

8 **Sec. 2.** (1) In addition to any moneys distributed from the State School Fund, the Department
 9 of Education shall award grants to school districts for support service programs, education inno-
 10 vation programs and education intervention programs as provided by this section.

11 (2) The department shall award grants based upon a list of strategic investments adopted by the
 12 State Board of Education by rule, including investments related to:

13 (a) Family service coordinators;

14 (b) Counselors;

15 (c) School resource officers and school resource deputies;

16 (d) Behavioral specialists;

17 (e) Career planning;

18 (f) Life skills;

19 (g) Education innovation programs;

20 (h) Education intervention programs;

21 (i) Science, technology, engineering, arts and mathematics education;

22 (j) Physical education requirements prescribed by ORS 329.496;

23 (k) Improvements in equity in student outcomes;

24 (L) Improvements in attendance rates;

25 (m) Improvements in graduation rates;

26 (n) Implementation of **any board** initiatives [*proposed by the Chief Education Office*];

27 (o) Career and technical education programs in high schools that are relevant to the job market
 28 in the community or region that the school district serves;

29 (p) College-level education opportunities for students in high schools;

30 (q) Dropout-prevention strategies in high schools; and

31 (r) Special education.

32 (3) Any school district may apply for and receive a grant under this section.

33 (4) A school district that receives a grant under this section shall deposit the grant amounts it
 34 receives in a separate account and shall apply amounts in that account to pay for activities de-
 35 scribed in the district's application.

36 (5) The State Board of Education[, *in consultation with the Chief Education Office,*] may adopt
 37 any rules necessary for the administration of the grants.

38 **SECTION 4.** Section 72, chapter 774, Oregon Laws 2015, as amended by section 14, chapter 682,
 39 Oregon Laws 2015, and section 20, chapter 763, Oregon Laws 2015, is amended to read:

40 **Sec. 72.** (1)(a) Section 1, chapter 519, Oregon Laws 2011, as amended by section 8, chapter 519,
 41 Oregon Laws 2011, sections 20 and 21, chapter 36, Oregon Laws 2012, and section 1, chapter 774,
 42 Oregon Laws 2015, is repealed on June 30, 2019.

43 (b) Section 2, chapter 519, Oregon Laws 2011, as amended by section 1, chapter 36, Oregon Laws
 44 2012, section 29, chapter 747, Oregon Laws 2013, and section 4, chapter 774, Oregon Laws 2015, is
 45 repealed on June 30, 2019.

1 (c) Section 3, chapter 519, Oregon Laws 2011, as amended by section 5, chapter 774, Oregon
2 Laws 2015, is repealed on June 30, 2019.

3 (2) The amendments to ORS 326.021 by section 42, chapter 774, Oregon Laws 2015, become op-
4 erative on June 30, 2019.

5 (3) The amendments to ORS 326.300 by section 43, chapter 774, Oregon Laws 2015, become op-
6 erative on June 30, 2019.

7 (4) The amendments to ORS 326.425 by section 44, chapter 774, Oregon Laws 2015, become op-
8 erative on June 30, 2019.

9 (5) The amendments to ORS 326.430 by section 45, chapter 774, Oregon Laws 2015, become op-
10 erative on June 30, 2019.

11 (6) The amendments to ORS 326.500 by section 46, chapter 774, Oregon Laws 2015, become op-
12 erative on June 30, 2019.

13 (7) The amendments to ORS 327.380 by section 8, chapter 739, Oregon Laws 2013, become op-
14 erative on June 30, 2019.

15 (8) The amendments to ORS 327.800 by section 67a, chapter 774, Oregon Laws 2015, become
16 operative on June 30, 2019.

17 (9) The amendments to ORS 327.810 by section 68a, chapter 774, Oregon Laws 2015, become
18 operative on June 30, 2019.

19 (10) The amendments to ORS 327.815 by section 69a, chapter 774, Oregon Laws 2015, become
20 operative on June 30, 2019.

21 (11) The amendments to ORS 327.820 by section 70a, chapter 774, Oregon Laws 2015, become
22 operative on June 30, 2019.

23 (12) The amendments to ORS 342.208 by section 53, chapter 774, Oregon Laws 2015, become
24 operative on June 30, 2019.

25 (13) The amendments to ORS 342.350 by section 54, chapter 774, Oregon Laws 2015, become
26 operative on June 30, 2019.

27 (14) The amendments to ORS 342.410 by section 55, chapter 774, Oregon Laws 2015, become
28 operative on June 30, 2019.

29 (15) The amendments to ORS 342.443 by section 56, chapter 774, Oregon Laws 2015, become
30 operative on June 30, 2019.

31 **(16) The amendments to ORS 342.448 by section 76a, chapter 774, Oregon Laws 2015, be-**
32 **come operative on June 30, 2019.**

33 [(16)] (17) The amendments to ORS 342.950 by section 57, chapter 774, Oregon Laws 2015, and
34 section 8c, chapter 790, Oregon Laws 2015, become operative on June 30, 2019.

35 **(18) The amendments to ORS 344.059 and 344.141 by sections 13 and 14, chapter 763,**
36 **Oregon Laws 2015, become operative on June 30, 2019.**

37 [(17) *The amendments to ORS 351.077 by section 75a, chapter 774, Oregon Laws 2015, become op-*
38 *erative on June 30, 2019.*]

39 [(18) *The amendments to ORS 351.203 by section 58, chapter 774, Oregon Laws 2015, become op-*
40 *erative on June 30, 2019.*]

41 (19) The amendments to ORS [351.725] **350.065** by section 60, chapter 774, Oregon Laws 2015,
42 become operative on June 30, 2019.

43 (20) The amendments to ORS [351.735] **350.075** by section 61, chapter 774, Oregon Laws 2015,
44 become operative on June 30, 2019.

45 **(21) The amendments to ORS 350.100 by section 75a, chapter 774, Oregon Laws 2015, be-**

1 **come operative on June 30, 2019.**

2 **(22) The amendments to ORS 352.018 by section 58, chapter 774, Oregon Laws 2015, be-**
 3 **come operative on June 30, 2019.**

4 [(21)] (23) The amendments to ORS 417.796 by section 62, chapter 774, Oregon Laws 2015, be-
 5 come operative on June 30, 2019.

6 [(22)] (24) The amendments to ORS 417.847 by section 63, chapter 774, Oregon Laws 2015, be-
 7 come operative on June 30, 2019.

8 [(23)] (25) The amendments to ORS 417.852 by section 64, chapter 774, Oregon Laws 2015, be-
 9 come operative on June 30, 2019.

10 [(24)] (26) The amendments to ORS 660.324 by section 65, chapter 774, Oregon Laws 2015, be-
 11 come operative on June 30, 2019.

12 **(27) The amendments to section 2 of this 2017 Act by section 3 of this 2017 Act become**
 13 **operative on June 30, 2019.**

14 [(25) *The amendments to section 11, chapter 188, Oregon Laws 2015, by section 76a, chapter 774,*
 15 *Oregon Laws 2015, become operative on June 30, 2019.*]

16 [(26)] (28) Section 8, chapter 85, Oregon Laws 2014, becomes operative on June 30, 2019.

17 [(27) *The amendments to sections 11 and 12 of this 2015 Act by sections 13 and 14 of this 2015*
 18 *Act become operative on June 30, 2019.*]

19 **SECTION 5.** ORS 327.008 is amended to read:

20 327.008. (1)(a) There is established a State School Fund in the General Fund.

21 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
 22 grants, donations and other moneys from public and private sources for the State School Fund.
 23 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

24 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
 25 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
 26 (b) of this subsection.

27 (d) The State School Fund is continuously appropriated to the Department of Education for the
 28 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
 29 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961 and sections 1 to 3, chapter 735, Oregon Laws
 30 2013.

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

35 (3) For the first school year after a public charter school ceases to operate because of dissol-
 36 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
 37 from the State School Fund to each school district that had sponsored a public charter school that
 38 ceased to operate an amount equal to the school district's general purpose grant per extended
 39 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
 40 year.

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

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

45 (6) Numbers of students in average daily membership used in the distribution formula shall be

1 the numbers as of June of the year of distribution.

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

4 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
5 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
6 limitation, the Department of Education shall prorate the amount of funds available for facility
7 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
8 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
9 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

10 (9) Each biennium, the Department of Education may expend from the State School Fund no
11 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
12 to (6).

13 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
14 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
15 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

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

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

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

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

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

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

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

31 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
32 School Fund to the Statewide English Language Learner Program Account established under ORS
33 327.344.

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

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

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

44 **(17) Each biennium, the Department of Education may expend up to \$300 million from the**
45 **State School Fund to make grants as provided in section 2 of this 2017 Act, with a minimum**

1 **of \$100,000 each biennium being distributed to school districts that have a weighted average**
 2 **daily membership (ADMw) of fewer than 250 students.**

3 [(17)] (18) Each fiscal year, the Department of Education shall transfer the amount of \$2.5
 4 million from the State School Fund to the Small School District Supplement Fund established in
 5 section 3, chapter 735, Oregon Laws 2013.

6 **SECTION 6.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, section 7,
 7 chapter 81, Oregon Laws 2014, section 2, chapter 68, Oregon Laws 2015, section 38, chapter 245,
 8 Oregon Laws 2015, section 2, chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws
 9 2015, section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon Laws 2015, is
 10 amended to read:

11 327.008. (1)(a) There is established a State School Fund in the General Fund.

12 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
 13 grants, donations and other moneys from public and private sources for the State School Fund.
 14 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

15 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
 16 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
 17 (b) of this subsection.

18 (d) The State School Fund is continuously appropriated to the Department of Education for the
 19 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
 20 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961.

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

25 (3) For the first school year after a public charter school ceases to operate because of dissol-
 26 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
 27 from the State School Fund to each school district that had sponsored a public charter school that
 28 ceased to operate an amount equal to the school district's general purpose grant per extended
 29 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
 30 year.

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

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

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

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

39 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
 40 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
 41 limitation, the Department of Education shall prorate the amount of funds available for facility
 42 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
 43 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
 44 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

45 (9) Each biennium, the Department of Education may expend from the State School Fund no

1 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
2 to (6).

3 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
4 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
5 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

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

8 (12)(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 with the preceding biennium, as determined by
20 the Department of Education after consultation with the Legislative Fiscal Officer.

21 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
22 School Fund to the Statewide English Language Learner Program Account established under ORS
23 327.344.

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

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

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

34 (17) **Each biennium, the Department of Education may expend up to \$300 million from the**
35 **State School Fund to make grants as provided in section 2 of this 2017 Act, with a minimum**
36 **of \$100,000 each biennium being distributed to school districts that have a weighted average**
37 **daily membership (ADMw) of fewer than 250 students.**

38 **SECTION 7. The amendments to ORS 327.008 by sections 5 and 6 of this 2017 Act apply**
39 **to State School Fund distributions commencing with the 2017-2018 distributions.**

40 **SECTION 8. This 2017 Act being necessary for the immediate preservation of the public**
41 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
42 **July 1, 2017.**