PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Education

REVENUE: No revenue impact
FISCAL: May have fiscal impact, statement not yet issued

Action:	
Vote:	
Yeas:	
Nays:	
Exc.:	
Prepared By:	Gretchen Engbring, Administrator
Meeting Dates:	4/7, 4/21

WHAT THE MEASURE DOES: Modifies percentage of amounts school districts must pay from State School Fund (SSF) to public charter schools that are not virtual public charter schools. Directs school district or sponsor to transfer federal, state and local moneys to public charter schools on same basis moneys are transferred to non-chartered public schools in school district. Considers transportation costs incurred by public charter school to be same as transportation costs incurred by school district. Declares emergency, effective July 1, 2015.

ISSUES DISCUSSED:
- Comparatively less funding per student per year at public charter schools versus non-charter schools
- Multiple funding sources for non-charter public schools
- No new revenue required to shift funding
- Impact of funding on facilities, teacher salaries, and services provided to students
- Employee retention and teacher turnover at public charter schools
- Costs of sponsoring charter schools for districts
- Services provided by districts to public charter schools

EFFECT OF COMMITTEE AMENDMENT:
-4 amendments (proposed) remove provision that changes in payment to charters only be applied to contracts entered into or renewed by a sponsor and public charter school on or after effective date of act. Require Secretary of State conduct examination of public charter schools in Oregon. Specify what examination must include. Allow Secretary of State to enter into contract with organization meeting specified criteria to undertake examination. Appropriate $55,000 for purposes of conducting examination. Require Secretary of State submit summary of examination to appropriate legislative committees by January 15, 2017.

BACKGROUND: Currently, ORS 338.155 requires that school districts contractually establish, with any public charter school that is sponsored by the board of the district, payment for the provision of educational services to the public charter school's students. It requires that the payment must equal an amount per weighted average daily membership (ADMw) of the public charter school that is at least equal to 80 percent of the amount of the district's General Purpose Grant per ADMw for students who are enrolled in kindergarten to grade eight, and 95 percent of the amount of the school district's General Purpose Grant per ADMw for students who are in grades nine to 12.

Senate Bill 819 modifies the percentage school districts or other sponsors must pay to non-virtual public charter schools, requiring that the payment equal an amount per weighted ADMw of the public charter school that is at least equal to 95 percent of the amount of the sponsoring school district's General Purpose Grant per ADMw; or 95 percent of the General Purpose Grant per ADMw for the school district where the public charter school is located if the sponsor is the State Board of Education or an institution of higher education. For virtual public charter schools, Senate Bill 819 maintains 80 percent of the sponsoring district's General Purpose Grant per ADMw for students in kindergarten through grade eight, and 95 percent for students in grades nine to 12.

This summary has not been adopted or officially endorsed by action of the committee.
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Senate Bill 819 further adds that school districts or sponsors must transfer federal, state and local moneys to public charter schools on the same basis as moneys that are transferred to non-chartered public schools in the school district. Finally, Senate Bill 819 requires that student transportation costs incurred by a public charter school shall be considered approved transportation costs, and requires that school districts pay the public charter school the total amount received by the school district for transportation costs incurred by the public charter school within 10 days after the school district receives the amount.