

Senate Bill 613

Sponsored by Senator GIROD

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**.

Increases weight allotted for children in poverty for purposes of State School Fund distributions.
Declares emergency, effective July 1, 2019.

A BILL FOR AN ACT

Relating to State School Fund adjustments for children in poverty; creating new provisions; amending ORS 286A.801, 327.013 and 338.157; and declaring an emergency.

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

SECTION 1. ORS 327.013 is amended to read:

327.013. The State School Fund distributions for school districts include the following grants:

(1) General Purpose Grant = Funding Percentage × Target Grant × District extended ADMw.

For the purpose of the calculation made under this subsection:

(a) The funding percentage shall be calculated by the Superintendent of Public Instruction to distribute as nearly as practicable the total sum of money available for distribution.

(b) Target Grant = Statewide Target per ADMw Grant + Teacher Experience Factor. For the purpose of the calculation made under this paragraph:

(A) Statewide Target per ADMw Grant = \$4,500.

(B) Teacher Experience Factor = \$25 × {District average teacher experience – statewide average teacher experience}. As used in this subparagraph, “average teacher experience” means the average, in years, of teaching experience of licensed teachers as reported to the Department of Education.

(c) District extended ADMw = ADMw or ADMw of the prior year, whichever is greater. The calculation of the district extended ADMw must be made as provided by ORS 338.155 if a public charter school is located in the school district. For the purpose of this paragraph:

(A) Weighted average daily membership or ADMw = average daily membership + an additional amount computed as follows:

(i) 1.0 for each student in average daily membership eligible for special education as a child with a disability under ORS 343.035, which may not exceed 11 percent of the district's ADM without review and approval by the Department of Education. Children with disabilities eligible for special education in adult local correctional facilities, as defined in ORS 169.005, or adult regional correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under this sub-subparagraph.

(ii) 0.5 for each student in average daily membership eligible for and enrolled in an English language learner program under ORS 336.079.

(iii) 0.2 for each student in average daily membership enrolled in a union high school district

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 or in an area of a unified school district where the district is only responsible for educating students
2 in grades 9 through 12 in that area.

3 (iv) -0.1 for each student in average daily membership enrolled in an elementary district oper-
4 ating kindergarten through grade six or kindergarten through grade eight or in an area of a unified
5 school district where the district is only responsible for educating students in kindergarten through
6 grade eight.

7 (v) [0.25] **0.5** times the sum of [the following:]

8 [(I)] the number of students who are in average daily membership and who are also in poverty
9 families, as determined by the Department of Education based on rules adopted by the State Board
10 of Education that incorporate poverty data published by the United States Census Bureau, student
11 data provided by school districts and other data identified by the board[;].

12 **(vi) 0.25 times the sum of the following:**

13 [(II)] (I) The number of children in foster homes in the district as determined by the report of
14 the Department of Human Services to the United States Department of Education, "Annual Statis-
15 tical Report on Children in Foster Homes and Children in Families Receiving AFDC Payments in
16 Excess of the Poverty Income Level," or its successor, for October 31 of the year prior to the year
17 of distribution; and

18 [(III)] (II) The number of children in the district in state-recognized facilities for neglected and
19 delinquent children, based on information from the Department of Human Services for October 31
20 of the year prior to the year of distribution.

21 [(vi)] **(vii)** The amount determined under ORS 327.077 for each remote small elementary school
22 and for each small high school in the district.

23 (B) All numbers of children used for the computation in this paragraph must reflect any district
24 consolidations that have occurred since the numbers were compiled.

25 (C) The total additional weight that shall be assigned to any student in average daily member-
26 ship in a district, exclusive of students described in subparagraph (A)(v) [and (vi)] **to (vii)** of this
27 paragraph, may not exceed 2.0.

28 (2) High cost disabilities grant = the total amount received by a school district under ORS
29 327.348 for providing special education and related services to resident pupils with disabilities.

30 (3)(a) Transportation grant equals:

31 (A) 70 percent of approved transportation costs for those school districts ranked below the 80th
32 percentile under paragraph (b) of this subsection.

33 (B) 80 percent of approved transportation costs for those school districts ranked in or above the
34 80th percentile but below the 90th percentile under paragraph (b) of this subsection.

35 (C) 90 percent of approved transportation costs for those school districts ranked in or above the
36 90th percentile under paragraph (b) of this subsection.

37 (b) Each fiscal year, the Department of Education shall rank school districts based on the ap-
38 proved transportation costs per ADM of each school district, ranking the school district with the
39 highest approved transportation costs per ADM at the top of the order.

40 (4)(a) Facility Grant = 8 percent of total construction costs of new school buildings.

41 (b) A school district shall receive a Facility Grant in the distribution year that a new school
42 building is first used.

43 (c) As used in this subsection:

44 (A) "New school building" includes new school buildings, structures added onto existing school
45 buildings and premanufactured structures added to a school district if those buildings or structures

1 are to be used for instructing students.

2 (B) "Construction costs" does not include costs for land acquisition.

3 **SECTION 2. The amendments to ORS 327.013 by section 1 of this 2019 Act apply to State**
 4 **School Fund distributions commencing with the 2019-2020 distributions.**

5 **SECTION 3.** ORS 286A.801 is amended to read:

6 286A.801. (1) The Department of Education shall administer a grant program that is financed
 7 with the net proceeds of Article XI-P bonds and that provides matching fund grants to school dis-
 8 tricts for capital costs of the school districts. Any construction, improvement, remodel, equipment,
 9 maintenance or repair of a building of a school district that is financed with a grant received under
 10 this section is not required to meet the standards specified in ORS 286A.810.

11 (2) A school district that seeks a grant under this section must prepare and submit a facilities
 12 assessment and a long-range facilities plan to the department with the application for the grant.

13 (3) A school district is eligible to receive a grant under this section if:

14 (a) The school district complies with the requirements of this section and rules adopted pursuant
 15 to this section; and

16 (b) Moneys are available to the school district pursuant to subsection (6) of this section.

17 (4) A school district that receives a grant under this section must provide matching funds that
 18 meet or exceed the amount of the grant. The matching funds must be from general obligation bonds
 19 approved by the voters of the school district to finance capital costs of the school district.

20 (5) Grants awarded under this section shall be calculated as follows:

21 (a) For a school district that provides matching funds in any amount up to \$4 million, a match-
 22 ing ratio for state to local funds of one to one.

23 (b) For a school district that provides matching funds in any amount greater than \$4 million, a
 24 matching ratio for state to local funds that is based on the funding formula developed as provided
 25 in subsection (7)(c) of this section. Grants awarded under this paragraph shall be for a minimum of
 26 \$4 million per grant and a maximum of \$8 million per grant.

27 (6)(a) The department shall award grants to school districts as follows:

28 (A) Sixty percent of funds available for grants shall be based on the priority list established
 29 under subsection (7)(b) of this section; and

30 (B) Forty percent of funds available for grants shall be provided to school districts based on the
 31 order in which the Department of Education receives the completed applications for the grants.

32 (b) To the extent that moneys are available, a school district that receives moneys as provided
 33 by paragraph (a)(A) of this subsection also may receive moneys as provided by paragraph (a)(B) of
 34 this subsection. The total amount the school district receives may not exceed the maximum amount
 35 allowed under subsection (5) of this section.

36 (7)(a) For the purpose of awarding grants under this section, the department shall develop a
 37 priority list and a funding formula that are based on:

38 (A) The total assessed value of all tangible property located in the school district;

39 (B) The percentage of poverty families within the school district, as calculated under ORS
 40 327.013 [(1)(c)(A)(v)(I)] (1)(c)(A)(v); and

41 (C) The number of students in average daily membership for the school district, as calculated
 42 under ORS 327.061.

43 (b) The priority list developed under this subsection shall be used to rank the order in which
 44 school districts may qualify to receive a grant under subsection (6)(a)(A) of this section.

45 (c) The funding formula developed under this subsection shall be used to determine the matching

1 ratio for state to local funds. The funding formula must comply with the limits described in sub-
2 section (5) of this section.

3 (8) The State Board of Education may adopt any rules necessary for the administration of this
4 section.

5 **SECTION 4.** ORS 338.157 is amended to read:

6 338.157. For purposes of calculating the weighted average daily membership (ADMw) of a public
7 charter school, it shall be assumed that the public charter school has the same percentage of chil-
8 dren in poverty families, as calculated under ORS 327.013 [(1)(c)(A)(v)(I)] **(1)(c)(A)(v)**, as the school
9 district in which the public charter school is located. Based on this percentage, an additional
10 amount shall be added to the average daily membership (ADM) of the public charter school.

11 **SECTION 5. This 2019 Act being necessary for the immediate preservation of the public**
12 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
13 **July 1, 2019.**

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