

Requested by JOINT COMMITTEE ON STUDENT SUCCESS

**PROPOSED AMENDMENTS TO
HOUSE BILL 2019**

1 In line 2 of the printed bill, after the semicolon delete the rest of the line
2 and insert “creating new provisions; amending ORS 327.008, 327.019, 327.137,
3 329.095, 334.177, 339.515, 341.481, 417.790 and 417.847; repealing ORS 327.290,
4 327.294 and 327.297; and prescribing an effective date.”.

5 Delete lines 4 through 12 and insert:
6

7 **“FUND FOR STUDENT SUCCESS**
8

9 **“SECTION 1. Section 2 of this 2019 Act is added to and made a part**
10 **of ORS chapter 327.**

11 **“SECTION 2. Fund for Student Success; transfers to accounts. (1)**
12 **The Fund for Student Success is established in the State Treasury,**
13 **separate and distinct from the General Fund.**

14 **“(2) The Fund for Student Success shall consist of moneys appro-**
15 **priated by the Legislative Assembly and moneys received as provided**
16 **in subsection (3) of this section.**

17 **“(3) The Department of Education, on behalf of the State of Oregon,**
18 **may solicit and accept gifts, grants, donations and other moneys from**
19 **public and private sources for the Fund for Student Success. Moneys**
20 **received as provided in this subsection shall be deposited into the Fund**
21 **for Student Success.**

1 “(4) Moneys in the Fund for Student Success are continuously ap-
2 propriated to the department for:

3 “(a) Transfer to the State School Fund in the amount calculated
4 by the Legislative Fiscal Officer and the Legislative Revenue Officer
5 to be the sum of:

6 “(A) \$100 million, as adjusted by the same percentage by which the
7 current service level of the State School Fund increased or decreased
8 compared with the preceding biennium;

9 “(B) \$40 million, for transfer under ORS 327.008 (11) to the High Cost
10 Disabilities Account established in ORS 327.348; and

11 “(C) The amount of change in revenue to be collected in the
12 biennium due to the changes made to the personal income tax rates
13 in section X of this 2019 Act.

14 “(b) Of the amount remaining in the Fund for Student Success after
15 the transfer prescribed by paragraph (a) of this subsection, transfer
16 to other education accounts as follows:

17 “(A) Fifty percent to the District Improvement Account established
18 in section 9 of this 2019 Act.

19 “(B) Thirty percent to the Statewide Initiative Account established
20 in section 26 of this 2019 Act.

21 “(C) Twenty percent to the Early Learning Account established in
22 section 29 of this 2019 Act.

23 “SECTION 3. Notwithstanding section 2 (4)(a) of this 2019 Act, for
24 the biennium beginning July 1, 2019, the amount the Department of
25 Education shall transfer to the State School Fund shall equal \$431
26 million.

27

28

“STATE SCHOOL FUND

29

30 “SECTION 4. ORS 327.008, as amended by section 22, chapter 639, Oregon

1 Laws 2017, and section 5, chapter 700, Oregon Laws 2017, is amended to read:

2 “327.008. (1)(a) There is established a State School Fund in the General
3 Fund.

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

8 “(c) The State School Fund shall consist of moneys appropriated by the
9 Legislative Assembly, **moneys transferred from the Fund for Student**
10 **Success**, moneys transferred from the Education Stability Fund and the
11 Oregon Marijuana Account and moneys received as provided in paragraph
12 (b) of this subsection.

13 “(d) The State School Fund is continuously appropriated to the Depart-
14 ment of Education for the purposes of ORS 327.006 to 327.077, 327.095,
15 327.099, 327.101, 327.125, 327.137, 327.348, 336.575, 336.580, 336.635, 343.243,
16 343.533, 343.941 and 343.961 and sections 1 to 3, chapter 735, Oregon Laws
17 2013.

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

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

30 “(4) There shall be apportioned from the State School Fund to each edu-

1 cation service district a State School Fund grant as calculated under ORS
2 327.019.

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

6 “(6) Numbers of students in average daily membership used in the dis-
7 tribution formula shall be the numbers as of June of the year of distribution.

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

10 “(8) The total amount of the State School Fund that is distributed as fa-
11 cility grants may not exceed \$7 million in any biennium. If the total amount
12 to be distributed as facility grants exceeds this limitation, the Department
13 of Education shall prorate the amount of funds available for facility grants
14 among those school districts that qualified for a facility grant. If the total
15 amount to be distributed as facility grants does not exceed this limitation,
16 any remaining amounts shall be expended for expenses incurred by the Office
17 of School Facilities as provided in ORS 326.125 (1).

18 “(9) Each biennium, the Department of Education may expend from the
19 State School Fund no more than \$6 million for expenses incurred by the Of-
20 fice of School Facilities under ORS 326.125 (2) to (6).

21 “(10) Each fiscal year, the Department of Education shall transfer to the
22 Pediatric Nursing Facility Account established in ORS 327.022 the amount
23 necessary to pay the costs of educational services provided to students ad-
24 mitted to pediatric nursing facilities as provided in ORS 343.941.

25 “(11) Each fiscal year, the Department of Education shall transfer the
26 amount of \$35 million from the State School Fund to the High Cost Disa-
27 bilities Account established in ORS 327.348.

28 “(12)(a) Each biennium, the Department of Education shall transfer \$39.5
29 million from the State School Fund to the Educator Advancement Fund es-
30 tablished under ORS 342.953.

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

2 “(A) The total amount available for all distributions from the State
3 School Fund shall be reduced by \$6 million;

4 “(B) The amount distributed to school districts from the State School
5 Fund under this section and ORS 327.013 shall be reduced by \$16.75 million;
6 and

7 “(C) The amount distributed to education service districts from the State
8 School Fund under this section and ORS 327.019 shall be reduced by \$16.75
9 million.

10 “(c) For each biennium, the amounts identified in this subsection shall
11 be adjusted by the same percentage by which the instructions furnished to
12 state agencies by the Governor under ORS 291.204 direct the state agencies
13 to adjust their agency budget requests for special payments under ORS
14 291.216 (6)(a)(C).

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

18 “(14) Each fiscal year, the Department of Education may expend up to
19 \$550,000 from the State School Fund for the contract described in ORS
20 329.488. The amount distributed to education service districts from the State
21 School Fund under this section and ORS 327.019 shall be reduced by the
22 amount expended by the department under this subsection.

23 “(15) Each biennium, the Department of Education may expend up to
24 \$350,000 from the State School Fund to provide administration of and support
25 for the development of talented and gifted education under ORS 343.404.

26 “(16) Each biennium, the Department of Education may expend up to
27 \$150,000 from the State School Fund for the administration of a program to
28 increase the number of speech-language pathologists and speech-language
29 pathology assistants under ORS 348.394 to 348.406.

30 “(17) Each fiscal year, the Department of Education shall transfer the

1 amount of \$2.5 million from the State School Fund to the Small School Dis-
2 trict Supplement Fund established in section 3, chapter 735, Oregon Laws
3 2013.

4 “(18) Each biennium, the Department of Education shall transfer \$2
5 million from the State School Fund for deposit to the Healthy School Facil-
6 ities Fund established under ORS 332.337. Notwithstanding ORS 332.337, the
7 department may expend moneys received in the Healthy School Facilities
8 Fund under this subsection only as grants for costs associated with testing
9 for elevated levels of lead in water used for drinking or food preparation.

10 **“SECTION 5.** ORS 327.008, as amended by section 7, chapter 735, Oregon
11 Laws 2013, section 7, chapter 81, Oregon Laws 2014, section 2, chapter 68,
12 Oregon Laws 2015, section 38, chapter 245, Oregon Laws 2015, section 2,
13 chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws 2015,
14 section 2, chapter 644, Oregon Laws 2015, section 8, chapter 783, Oregon
15 Laws 2015, sections 22 and 23, chapter 639, Oregon Laws 2017, sections 5 and
16 6, chapter 700, Oregon Laws 2017, and section 34, chapter 725, Oregon Laws
17 2017, is amended to read:

18 “327.008. (1)(a) There is established a State School Fund in the General
19 Fund.

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

24 “(c) The State School Fund shall consist of moneys appropriated by the
25 Legislative Assembly, **moneys transferred from the Fund for Student**
26 **Success**, moneys transferred from the Education Stability Fund and the
27 Oregon Marijuana Account and moneys received as provided in paragraph
28 (b) of this subsection.

29 “(d) The State School Fund is continuously appropriated to the Depart-
30 ment of Education for the purposes of ORS 327.006 to 327.077, 327.095,

1 327.099, 327.101, 327.125, 327.137, 327.348, 336.575, 336.580, 336.635, 343.243,
2 343.533, 343.941 and 343.961.

3 “(2) There shall be apportioned from the State School Fund to each school
4 district a State School Fund grant, consisting of the positive amount equal
5 to a general purpose grant and a facility grant and a transportation grant
6 and a high cost disabilities grant minus local revenue, computed as provided
7 in ORS 327.011 and 327.013.

8 “(3) For the first school year after a public charter school ceases to op-
9 erate because of dissolution or closure or because of termination or
10 nonrenewal of a charter, there shall be apportioned from the State School
11 Fund to each school district that had sponsored a public charter school that
12 ceased to operate an amount equal to the school district’s general purpose
13 grant per extended ADMw multiplied by five percent of the ADM of the
14 public charter school for the previous school year.

15 “(4) There shall be apportioned from the State School Fund to each edu-
16 cation service district a State School Fund grant as calculated under ORS
17 327.019.

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

21 “(6) Numbers of students in average daily membership used in the dis-
22 tribution formula shall be the numbers as of June of the year of distribution.

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

25 “(8) The total amount of the State School Fund that is distributed as fa-
26 cility grants may not exceed \$7 million in any biennium. If the total amount
27 to be distributed as facility grants exceeds this limitation, the Department
28 of Education shall prorate the amount of funds available for facility grants
29 among those school districts that qualified for a facility grant. If the total
30 amount to be distributed as facility grants does not exceed this limitation,

1 any remaining amounts shall be expended for expenses incurred by the Office
2 of School Facilities as provided in ORS 326.125 (1).

3 “(9) Each biennium, the Department of Education may expend from the
4 State School Fund no more than \$6 million for expenses incurred by the Of-
5 fice of School Facilities under ORS 326.125 (2) to (6).

6 “(10) Each fiscal year, the Department of Education shall transfer to the
7 Pediatric Nursing Facility Account established in ORS 327.022 the amount
8 necessary to pay the costs of educational services provided to students ad-
9 mitted to pediatric nursing facilities as provided in ORS 343.941.

10 “(11) Each fiscal year, the Department of Education shall transfer the
11 amount of [~~\$35~~] ~~\$55~~ million from the State School Fund to the High Cost
12 Disabilities Account established in ORS 327.348.

13 “(12)(a) Each biennium, the Department of Education shall transfer \$39.5
14 million from the State School Fund to the Educator Advancement Fund es-
15 tablished under ORS 342.953.

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

17 “(A) The total amount available for all distributions from the State
18 School Fund shall be reduced by \$6 million;

19 “(B) The amount distributed to school districts from the State School
20 Fund under this section and ORS 327.013 shall be reduced by \$16.75 million;
21 and

22 “(C) The amount distributed to education service districts from the State
23 School Fund under this section and ORS 327.019 shall be reduced by \$16.75
24 million.

25 “(c) For each biennium, the amounts identified in this subsection shall
26 be adjusted by the same percentage by which the instructions furnished to
27 state agencies by the Governor under ORS 291.204 direct the state agencies
28 to adjust their agency budget requests for special payments under ORS
29 291.216 (6)(a)(C).

30 “(13) Each biennium, the Department of Education shall transfer \$12.5

1 million from the State School Fund to the Statewide English Language
2 Learner Program Account established under ORS 327.344.

3 “(14) Each fiscal year, the Department of Education may expend up to
4 \$550,000 from the State School Fund for the contract described in ORS
5 329.488. The amount distributed to education service districts from the State
6 School Fund under this section and ORS 327.019 shall be reduced by the
7 amount expended by the department under this subsection.

8 “(15) Each biennium, the Department of Education may expend up to
9 \$350,000 from the State School Fund to provide administration of and support
10 for the development of talented and gifted education under ORS 343.404.

11 “(16) Each biennium, the Department of Education may expend up to
12 \$150,000 from the State School Fund for the administration of a program to
13 increase the number of speech-language pathologists and speech-language
14 pathology assistants under ORS 348.394 to 348.406.

15 “(17) Each biennium, the Department of Education shall transfer \$2
16 million from the State School Fund for deposit to the Healthy School Facil-
17 ities Fund established under ORS 332.337. Notwithstanding ORS 332.337, the
18 department may expend moneys received in the Healthy School Facilities
19 Fund under this subsection only as grants for costs associated with testing
20 for elevated levels of lead in water used for drinking or food preparation.

21 **“SECTION 6. (1) The amendments to ORS 327.008 by section 5 of this**
22 **2019 Act become operative on July 1, 2020.**

23 **“(2) The amendments to ORS 327.008 by section 5 of this 2019 Act**
24 **apply to State School Fund distributions commencing with the**
25 **2020-2021 distributions.**

26 **“NOTE:** Section 7 was deleted by amendment. Subsequent sections were
27 not renumbered.

28

29

“DISTRICT IMPROVEMENT ACCOUNT

30

1 **“SECTION 8. Sections 9 to 16 of this 2019 Act are added to and made**
2 **a part of ORS chapter 327.**

3 **“SECTION 9. District Improvement Account. (1) The District Im-**
4 **provement Account is established in the State Treasury, separate and**
5 **distinct from the General Fund.**

6 **“(2) The District Improvement Account shall consist of:**

7 **“(a) Moneys transferred to the account from the Fund for Student**
8 **Success;**

9 **“(b) Moneys appropriated or otherwise transferred to the account**
10 **by the Legislative Assembly;**

11 **“(c) Amounts donated to the account; and**

12 **“(d) Other amounts deposited into the account from any source.**

13 **“(3) The Department of Education, on behalf of the State of Oregon,**
14 **may solicit and accept gifts, grants, donations and other moneys from**
15 **public and private sources for the District Improvement Account.**
16 **Moneys received as provided in this subsection shall be deposited into**
17 **the District Improvement Account.**

18 **“(4) Moneys in the District Improvement Account are continuously**
19 **appropriated to the Department of Education for the purpose of**
20 **awarding grants under section 10 of this 2019 Act.**

21 **“SECTION 10. Awarding of grants from District Improvement Ac-**
22 **count; eligible uses of grants; calculation of grants; rules. (1) In addi-**
23 **tion to those moneys distributed through the State School Fund, the**
24 **Department of Education shall award grants to common school dis-**
25 **tricts and union high school districts as provided under this section.**

26 **“(2) The purposes of grants awarded under this section shall be to:**

27 **“(a) Meet students’ mental or behavioral health needs; and**

28 **“(b) Increase student achievement for students of the school dis-**
29 **trict, including reducing academic disparities for:**

30 **“(A) Economically disadvantaged students;**

1 **“(B) Students from racial or ethnic groups that have historically**
2 **experienced academic disparities;**

3 **“(C) Students with disabilities; and**

4 **“(D) Students who are English language learners.**

5 **“(3) Grant moneys awarded under this section may be used by**
6 **school districts only for:**

7 **“(a) Increasing instructional time, which may include:**

8 **“(A) More hours or days of instructional time;**

9 **“(B) Summer programs;**

10 **“(C) Before-school or after-school programs; or**

11 **“(D) Technological investments that minimize class time used for**
12 **assessments administered to students.**

13 **“(b) Addressing students’ health or safety needs, which may in-**
14 **clude:**

15 **“(A) Social-emotional learning and development;**

16 **“(B) Student mental and behavioral health;**

17 **“(C) Improvements to teaching and learning practices or organiza-**
18 **tional structures that lead to better interpersonal relationships at the**
19 **school;**

20 **“(D) Student health and wellness;**

21 **“(E) Trauma-informed practices;**

22 **“(F) School health professionals and assistants; or**

23 **“(G) Facility improvements directly related to improving student**
24 **health or safety.**

25 **“(c) Reducing class sizes based on evidence-based criteria to ensure**
26 **appropriate student-teacher ratios or staff caseloads.**

27 **“(d) Expanding student access to and participation in well-rounded**
28 **learning experiences, which may include:**

29 **“(A) Developmentally appropriate, evidence-based early literacy**
30 **practices and programs in prekindergarten through third grade;**

1 **“(B) Evidence-based practices and programs in grades six through**
2 **eight, including learning, counseling and student support that is con-**
3 **nected to colleges and careers;**

4 **“(C) Broadened curricular options at all grade levels, including ac-**
5 **cess to:**

6 **“(i) Art, music and physical education classes;**

7 **“(ii) Science, technology, engineering and mathematics education;**

8 **“(iii) Career and technical education;**

9 **“(iv) Electives that are engaging to students;**

10 **“(v) Accelerated college credit programs, including dual credit pro-**
11 **grams, International Baccalaureate programs and advanced placement**
12 **programs;**

13 **“(vi) Dropout prevention programs and transition supports;**

14 **“(vii) Life skills classes; or**

15 **“(viii) Talented and gifted programs; or**

16 **“(D) Access to licensed educators with a library media endorsement.**

17 **“(4)(a) The amount of a grant awarded to a school district under**
18 **this section = the school district’s ADMw × (the total amount avail-**
19 **able for distribution to school districts as grants in each biennium ÷**
20 **the total ADMw of all school districts that receive a grant).**

21 **“(b) For the purpose of this subsection, ADMw equals the ADMw**
22 **as calculated under ORS 327.013, except that the additional amount**
23 **allowed for students who are in poverty families, as determined under**
24 **ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5.**

25 **“(5) Payments of grant moneys under this section may be made in**
26 **accordance with ORS 327.095, including any adjustments allowed under**
27 **ORS 327.099 and 327.101.**

28 **“(6) The State Board of Education may adopt any rules necessary**
29 **for the administration of grants as provided by sections 9 to 16 of this**
30 **2019 Act.**

1 **“SECTION 11. Application requirements to receive grants from**
2 **District Improvement Account.** (1) Any common school district or
3 union high school district in this state may apply for a grant from the
4 District Improvement Account as provided by this section.

5 **“(2)(a) Prior to applying for a grant, a school district must engage**
6 **in strategic planning to determine which programs and services listed**
7 **in section 10 (3) of this 2019 Act the school district will fund with grant**
8 **moneys. The strategic planning must include:**

9 **“(A) A completed school district needs assessment, as described in**
10 **ORS 329.095;**

11 **“(B) An analysis of the potential academic impact, both for the**
12 **students of the school district and for student groups identified in**
13 **section 10 (2)(b) of this 2019 Act, from the programs and services that**
14 **would be funded by grant moneys; and**

15 **“(C) Creation of budgets for the programs and services that would**
16 **be funded by grant moneys.**

17 **“(b) The strategic planning required under paragraph (a) of this**
18 **subsection must take into consideration:**

19 **“(A) Input from the school district community, including students**
20 **from student groups identified in section 10 (2)(b) of this 2019 Act and**
21 **parents of those students; and**

22 **“(B) Data collected by the school district to enable the school dis-**
23 **trict to make equity-based decisions.**

24 **“(3) Based on the strategic planning described in subsection (2) of**
25 **this section, the school district shall develop a four-year plan for use**
26 **of grant moneys. The plan must:**

27 **“(a) Identify which programs and services listed in section 10 (3) of**
28 **this 2019 Act will be funded with grant moneys.**

29 **“(b) Describe how the programs and services identified under para-**
30 **graph (a) of this subsection will be used to:**

1 “(A) Meet students’ mental or behavioral needs;

2 “(B) Increase student achievement for students of the district; and

3 “(C) Reduce academic disparities for student groups identified in
4 section 10 (2)(b) of this 2019 Act, and which of those student groups
5 will benefit from the programs and services.

6 “(c) Include the budget for implementing the programs and services
7 to be funded with grant moneys.

8 “(d) Be approved by the school district board at an open board
9 meeting, following:

10 “(A) Oral presentation of the plan by the superintendent to the
11 board; and

12 “(B) Opportunity for the public to comment on the plan at an open
13 board meeting.

14 “(e) Be a part of the local district continuous improvement plan
15 developed under ORS 329.095.

16 “(4) To apply for a grant, a school district must submit an applica-
17 tion every two years in a format and according to timelines prescribed
18 by the Department of Education. The application must include:

19 “(a) A completed school district needs assessment, as described in
20 ORS 329.095;

21 “(b) The plan developed under subsection (3) of this section; and

22 “(c) Budget estimates for each of the programs and services iden-
23 tified in the plan described under paragraph (b) of this subsection.

24 “SECTION 12. Approval of applications to receive grants from Dis-
25 trict Improvement Account; performance growth targets. (1) As used
26 in this section:

27 “(a) ‘Completion rate’ means the percentage of students who re-
28 ceived a high school diploma, a modified diploma, an extended diploma
29 or an alternative certificate or who received a certificate for passing
30 an approved high school equivalency test such as the General Educa-

1 tional Development test (GED).

2 “(b) ‘Disaggregated’ means separated based on the student groups
3 identified in section 10 (2)(b) of this 2019 Act.

4 “(c) ‘Graduation rate’ means the percentage of students who re-
5 ceived a high school diploma or a modified diploma.

6 “(d) ‘Ninth-grade on-track rates’ means the percentage of students
7 who completed the ninth grade with six or more credits that may be
8 applied toward high school graduation requirements.

9 “(e) ‘Regular attendance rates’ means the percentage of students
10 who have not missed 10 percent or more of school days, including ex-
11 cused, nonexcused and disciplinary exclusion, within a school year.

12 “(f) ‘Third-grade reading proficiency rate’ means the percentage of
13 students in the third grade who can read at or above grade level, as
14 determined based on a statewide summative assessment or a local as-
15 sessment.

16 “(2) The Department of Education shall review all applications for
17 a grant from the District Improvement Account that are submitted
18 by common and union high school districts and that comply with the
19 format and timeline requirements prescribed by the department under
20 section 11 (4) of this 2019 Act.

21 “(3) The department shall review an application to determine if the
22 application complies with the requirements of section 11 of this 2019
23 Act.

24 “(4) If an application complies with the requirements of section 11
25 of this 2019 Act, the department shall develop performance growth
26 targets for the school district. The performance growth targets must
27 be statistically based and must use the following metrics:

28 “(a) On-time graduation rates and completion rates, including:

29 “(A) The overall district-wide graduation rate and completion rates.

30 “(B) Gaps in disaggregated on-time graduation rates and completion

1 rates.

2 “(b) Ninth-grade on-track rates, including:

3 “(A) The overall district-wide ninth-grade on-track rates.

4 “(B) Gaps in disaggregated ninth-grade on-track rates.

5 “(c) Third-grade reading proficiency rates, including:

6 “(A) The overall district-wide third-grade reading proficiency rates.

7 “(B) Gaps in disaggregated third-grade reading proficiency rates.

8 “(d) Regular attendance rates, including:

9 “(A) Overall district-wide regular attendance rates.

10 “(B) Gaps in disaggregated regular attendance rates.

11 “(e) Any other optional local metrics.

12 “(5) When developing performance growth targets, the department
13 shall:

14 “(a) Review student data that is disaggregated;

15 “(b) Apply a process adopted by the department for the purpose of
16 strategically developing equitable policies and programs; and

17 “(c) Identify which student groups identified in section 10 (2)(b) of
18 this 2019 Act are most at risk of not meeting performance growth
19 targets.

20 “(6)(a) After developing performance growth targets for a school
21 district, the department shall enter into a grant agreement with the
22 school district. The grant agreement must include performance growth
23 targets for measuring the academic growth of the students of the
24 school district.

25 “(b) A grant agreement is not valid until approved by the school
26 district board at an open board meeting, following:

27 “(A) Oral presentation of the plan by the superintendent to the
28 board; and

29 “(B) Opportunity for the public to comment on the plan at an open
30 board meeting.

1 “(7) A school district shall deposit the grant moneys it receives
2 under sections 9 to 16 of this 2019 Act in a separate account and shall
3 apply amounts in that account as provided by the grant agreement.

4 “SECTION 13. Audits; determinations of moneys not spent in ac-
5 cordance with grant agreement or failure to meet performance growth
6 targets; technical assistance; student success teams. (1)(a) Each year,
7 each school district that received a grant from the District Improve-
8 ment Account under section 12 of this 2019 Act shall:

9 “(A) Conduct an audit of the use of grant moneys received by the
10 school district; and

11 “(B) Review the school district’s progress toward meeting the per-
12 formance growth targets in the grant agreement.

13 “(b) Results of the audit and review must be:

14 “(A) Presented to the school district board at an open board meet-
15 ing, following:

16 “(i) Oral presentation of the results by the superintendent to the
17 board; and

18 “(ii) Opportunity for the public to comment on the results at an
19 open board meeting;

20 “(B) Made available at the school district’s main office and on the
21 school district’s website; and

22 “(C) Included in the audit report filed with the Department of Ed-
23 ucation under ORS 327.137.

24 “(2)(a) Based on information received from an audit report filed
25 under ORS 327.137, the department shall determine each year whether
26 grant moneys received by a school district were used as provided by
27 the grant agreement.

28 “(b) If a school district is not using grant moneys as provided by
29 the school district’s grant agreement, the department shall:

30 “(A) Collaborate with the school district to identify and implement

1 **specific interventions;**

2 **“(B) Provide technical assistance to the school district as described**
3 **in this section; and**

4 **“(C) Deduct amounts from future grant distributions.**

5 **“(c) If amounts are to be deducted from future grant distributions**
6 **under paragraph (b)(C) of this subsection, the school district may ap-**
7 **peal to the State Board of Education for review as provided by the**
8 **board by rule.**

9 **“(d) If a school district fails to spend all available grant moneys,**
10 **the amounts not spent will be deducted from future grant distrib-**
11 **utions.**

12 **“(3)(a) The department shall determine each biennium if a school**
13 **district does not meet performance growth targets identified in the**
14 **school district’s grant agreement.**

15 **“(b) If a school district does not meet the performance growth tar-**
16 **gets, the department:**

17 **“(A) Shall require the school district to enter into a coaching pro-**
18 **gram described in section 14 of this 2019 Act; and**

19 **“(B) May direct the expenditure of grant moneys or revise the grant**
20 **agreement.**

21 **“(4) Each school district must conduct a district-wide performance**
22 **review every four years.**

23 **“(5) The department shall make available technical assistance to**
24 **school districts that are applying for grant moneys or that receive**
25 **grant moneys. The technical assistance shall include the provision of:**

26 **“(a) Evaluations of the academic return on investment of grant**
27 **moneys;**

28 **“(b) Strategic planning for the use of grant moneys; and**

29 **“(c) Best practices for meeting performance growth targets with**
30 **strategies funded by grant moneys.**

1 **“(6) When providing technical assistance, the department shall:**

2 **“(a) Apply a process adopted by the department to strategically de-**
3 **velop equitable policies and programs; and**

4 **“(b) Ensure that the technical assistance is based on the school**
5 **district’s needs and demographics.**

6 **“(7) For the purpose of providing technical assistance, the depart-**
7 **ment shall establish student success teams. Student success teams**
8 **shall be composed of personnel with expertise in school and school**
9 **district improvement strategies, including the use of differentiated**
10 **instruction and inclusionary practices.**

11 **“SECTION 14. Coaching program for school districts that do not**
12 **meet performance growth targets. (1) The Department of Education**
13 **shall establish a coaching program for school districts that do not**
14 **meet the performance growth targets specified in their grant agree-**
15 **ments as provided by section 12 of this 2019 Act.**

16 **“(2) A school district must participate in a coaching program for**
17 **at least one year if the school district does not meet performance**
18 **growth targets established for the school district. Under the program,**
19 **student success teams established under section 13 of this 2019 Act**
20 **shall advise and counsel school districts on how to meet performance**
21 **growth targets and shall assist school districts with ongoing profes-**
22 **sional development and peer collaboration.**

23 **“(3) After a school district has participated in a coaching program**
24 **for one year, the department may determine that the school district**
25 **is no longer required to participate in the program. If a school district**
26 **is no longer required to participate, the department shall make avail-**
27 **able to the school district ongoing technical assistance as described in**
28 **section 13 of this 2019 Act.**

29 **“SECTION 15. Intensive program for high needs school districts. (1)**
30 **The Department of Education shall establish an intensive program for**

1 school districts with the highest needs in this state based on those
2 school districts' progress toward meeting the performance growth
3 targets specified in their grant agreements.

4 “(2)(a) The department shall identify and select school districts to
5 participate in the intensive program. When selecting school districts,
6 the department shall consider geographic and demographic diversity.

7 “(b) A school district that is selected to participate in the intensive
8 program must participate in the program for at least four years.

9 “(3) A school district that participates in the intensive program
10 shall be eligible for additional funding from the District Improvement
11 Account. The additional funding shall be based on rules adopted by the
12 State Board of Education and shall be calculated based on the number
13 of students attending the public schools of the school district.

14 “(4) A school district participating in the intensive program must:

15 “(a) Commit to regular student success plan meetings to monitor
16 practices;

17 “(b) Develop review systems;

18 “(c) Use data to track student progress; and

19 “(d) Determine academic return on investment for interventions.

20 “(5) Under the intensive program, student success teams established
21 under section 13 of this 2019 Act shall advise and counsel school dis-
22 tricts on how to improve performance outcomes. Student success
23 teams shall develop recommendations for meeting performance growth
24 targets. School district boards must implement the recommendations
25 of the student success teams.

26 **SECTION 16. Reports to the Legislative Assembly.** (1) The Depart-
27 ment of Education shall make a report to the committees of the Leg-
28 islative Assembly related to education no later than February 28 of
29 each year regarding the implementation of sections 9 to 16 of this 2019
30 Act. The report must include an annual performance review of each

1 **school district in this state. The report must:**

2 **“(a) Identify whether the school district received a grant under**
3 **sections 9 to 16 of this 2019 Act.**

4 **“(b) Include a comparison of the school district’s progress toward**
5 **meeting performance growth targets compared with the actual per-**
6 **formance growth targets established by the Department of Education**
7 **for the following:**

8 **“(A) On-time graduation rates and completion rates, including the**
9 **overall district-wide rate and disaggregated student group rates;**

10 **“(B) Ninth-grade on-track rates, including the overall district-wide**
11 **rate and disaggregated student group rates;**

12 **“(C) Third-grade reading proficiency rates, including the overall**
13 **district-wide rate and disaggregated student group rates;**

14 **“(D) Regular attendance rates, including the overall district-wide**
15 **rate and disaggregated student group rates; and**

16 **“(E) Any other optional local metrics.**

17 **“(2) After making a report provided under this section, the De-**
18 **partment of Education may require a school district to conduct a fo-**
19 **cused district-wide audit or an audit on a specific funding area.**

20 **“SECTION 17. ORS 329.095 is amended to read:**

21 **“329.095. (1)(a) The Department of Education shall require school districts**
22 **and schools to conduct self-evaluations and to periodically update their local**
23 **district continuous improvement plans. Except as provided by paragraph**
24 **(b)(C) of this subsection, the department may not require school districts or**
25 **schools to conduct self-evaluations or to update their local district contin-**
26 **uous improvement plans more frequently than biennially.**

27 **“(b) The department may require a school district to:**

28 **“(A) File, periodically, or at the department’s request, its local district**
29 **continuous improvement plan with the department;**

30 **“(B) Notify the department of any substantial changes, as defined by rule**

1 of the State Board of Education, to the school district; or

2 “(C) Update its local district continuous improvement plan when there
3 has been a substantial change, as defined by rule of the board, to the school
4 district.

5 “(c) The self-evaluation process conducted as provided by this subsection
6 shall involve the public in the setting of local goals. The school districts
7 shall ensure that representatives from the demographic groups of their
8 school population are invited to participate in the development of local dis-
9 trict continuous improvement plans to achieve the goals.

10 “(2) As part of setting local goals, school districts shall undertake a
11 communications process that involves parents, students, teachers, school
12 employees and community representatives to explain and discuss the local
13 goals and their relationship to programs under this chapter.

14 “(3) At the request of the school district, department staff shall provide
15 ongoing technical assistance in the development and implementation of the
16 local district continuous improvement plan.

17 “(4) The local district continuous improvement plan shall include:

18 “(a) Goals to implement the following:

19 “(A) A rigorous curriculum aligned with state standards;

20 “(B) High-quality instructional programs;

21 “(C) Short-term and long-term professional development plans;

22 “(D) Programs and policies that achieve a safe educational environment;

23 “(E) A plan for family and community engagement;

24 “(F) Staff leadership development;

25 “(G) High-quality data systems;

26 “(H) Improvement planning that is data-driven;

27 “(I) Education service plans for students who have or have not exceeded
28 all of the academic content standards; and

29 “(J) A strong school library program;

30 “(b) A review of demographics, student performance, staff characteristics

1 and student access to, and use of, educational opportunities; *[and]*

2 “(c) A description of district efforts to achieve local efficiencies and ef-
3 forts to make better use of resources[.]; **and**

4 **“(d) A school district needs assessment, which shall:**

5 **“(A) Be conducted in a manner that is inclusive of historically**
6 **underserved students and of parents of those students.**

7 **“(B) Address the following priorities:**

8 **“(i) Reducing academic disparities for students identified in section**
9 **10 (2)(b) of this 2019 Act;**

10 **“(ii) Meeting students’ mental or behavioral health needs;**

11 **“(iii) Providing equitable access to academic courses across the**
12 **school district, with specific emphasis on access by students identified**
13 **in section 10 (2)(b) of this 2019 Act;**

14 **“(iv) Allowing teachers and staff to have sufficient time to:**

15 **“(I) Collaborate with other teachers and staff;**

16 **“(II) Review data on students’ grades, absences and discipline, based**
17 **on school and on grade level or course; and**

18 **“(III) Develop strategies to ensure at-risk students stay on-track to**
19 **graduate; and**

20 **“(v) Possible partnerships with other organizations, federally re-**
21 **cognized Indian tribes, school districts, education service districts,**
22 **regional achievement collaboratives, post-secondary institutions of**
23 **education, education partners or nonprofit programs and community-**
24 **based programs that have demonstrated achievement of positive out-**
25 **comes in work with students identified in section 10 (2)(b) of this 2019**
26 **Act.**

27 **“SECTION 18.** ORS 327.137 is amended to read:

28 **“327.137. (1)(a) Every common or union high school district or education**
29 **service district shall file a copy of its audit report with the Department of**
30 **Education within six months of the end of the fiscal year for which the audit**

1 is required. The audit report shall include:

2 “(A) Information necessary for the computation required in the adminis-
3 tration of ORS 327.006 to 327.133, 327.348, 327.731, 328.542 and 530.115 and
4 sections 1 to 3, chapter 735, Oregon Laws 2013, and this section; *[and]*

5 “**(B) If the district received distributions from the District Im-**
6 **provement Account, information on those distributions including a list**
7 **of expenditures made; and**

8 “[*(B)*] **(C)** If the district is a sponsor of any public charter schools, a copy
9 of each annual audit forwarded to the district as required by ORS 338.095 (4).

10 “(b) If the audit report, as submitted to the district, fails to provide the
11 [*detail necessary for the computation required in the administration of ORS*
12 *327.006 to 327.133, 327.348, 327.731, 328.542 and 530.115 and sections 1 to 3,*
13 *chapter 735, Oregon Laws 2013, and this section]* **information required un-**
14 **der paragraph (a)(A) or (B) of this subsection**, the district shall submit
15 the necessary information on forms provided by the department within the
16 time prescribed for filing the audit in this section.

17 “(c) The Superintendent of Public Instruction may withhold any payments
18 from the State School Fund for a public charter school that, pursuant to ORS
19 338.155, are due to a district under ORS 327.095 if:

20 “(A) The audit report filed by the district fails to include the public
21 charter school annual audit as required by paragraph [*(a)(B)*] **(a)(C)** of this
22 subsection; and

23 “(B) The district has not filed the public charter school annual audit with
24 the department by April 1.

25 “(d) If payments are withheld as provided by paragraph (c) of this sub-
26 section, the superintendent may allow payments to be made from the State
27 School Fund to the district upon receipt of the annual audit or upon the
28 meeting of any other conditions identified by rule of the State Board of Ed-
29 ucation.

30 “(e) Any district failing to file a copy of an audit report under this sec-

1 tion or a report under ORS 327.133 may not receive any payments from the
2 State School Fund **or the District Improvement Account** until the report
3 is filed.

4 “(2) Notwithstanding the timeline provided by this section and pursuant
5 to rules adopted by the State Board of Education, the superintendent may
6 waive a reporting date or specify an alternative date to provide the audit
7 report or information if a human-created disaster or a natural disaster af-
8 fects the ability of a school district or an education service district to pro-
9 vide the audit report or information by a specified date.

10 **“SECTION 19.** ORS 327.137, as amended by section 14, chapter 735,
11 Oregon Laws 2013, is amended to read:

12 “327.137. (1)(a) Every common or union high school district or education
13 service district shall file a copy of its audit report with the Department of
14 Education within six months of the end of the fiscal year for which the audit
15 is required. The audit report shall include:

16 “(A) Information necessary for the computation required in the adminis-
17 tration of ORS 327.006 to 327.133, 327.348, 327.731, 328.542 and 530.115 and
18 this section; [*and*]

19 **“(B) If the district received distributions from the District Im-**
20 **provement Account, information on those distributions including a list**
21 **of expenditures made; and**

22 “[*B*] (C) If the district is a sponsor of any public charter schools, a copy
23 of each annual audit forwarded to the district as required by ORS 338.095 (4).

24 “(b) If the audit report, as submitted to the district, fails to provide the
25 [*detail necessary for the computation required in the administration of ORS*
26 *327.006 to 327.133, 327.348, 327.731, 328.542 and 530.115 and this section*] **in-**
27 **formation required under paragraph (a)(A) or (B) of this subsection,**
28 the district shall submit the necessary information on forms provided by the
29 department within the time prescribed for filing the audit in this section.

30 “(c) The Superintendent of Public Instruction may withhold any payments

1 from the State School Fund for a public charter school that, pursuant to ORS
2 338.155, are due to a district under ORS 327.095 if:

3 “(A) The audit report filed by the district fails to include the public
4 charter school annual audit as required by paragraph [(a)(B)] (a)(C) of this
5 subsection; and

6 “(B) The district has not filed the public charter school annual audit with
7 the department by April 1.

8 “(d) If payments are withheld as provided by paragraph (c) of this sub-
9 section, the superintendent may allow payments to be made from the State
10 School Fund to the district upon receipt of the annual audit or upon the
11 meeting of any other conditions identified by rule of the State Board of Ed-
12 ucation.

13 “(e) Any district failing to file a copy of an audit report under this sec-
14 tion or a report under ORS 327.133 may not receive any payments from the
15 State School Fund **or the District Improvement Account** until the report
16 is filed.

17 “(2) Notwithstanding the timeline provided by this section and pursuant
18 to rules adopted by the State Board of Education, the superintendent may
19 waive a reporting date or specify an alternative date to provide the audit
20 report or information if a human-created disaster or a natural disaster af-
21 fects the ability of a school district or an education service district to pro-
22 vide the audit report or information by a specified date.

23 **“SECTION 20.** ORS 327.019 is amended to read:

24 “327.019. (1) As used in this section:

25 “(a) ‘Education service district extended ADMw’ means the sum of the
26 extended ADMw of the school districts located within the territory of the
27 education service district as computed under ORS 327.013.

28 “(b) ‘Local revenues of an education service district’ means the total of
29 the following:

30 “(A) The amount of revenue offset against local property taxes as deter-

1 mined by the Department of Revenue under ORS 311.175 (3)(a)(A);

2 “(B) The amount of property taxes actually received by the district in-
3 cluding penalties and interest on taxes;

4 “(C) The amount of revenue received by the district from state-managed
5 forestlands under ORS 530.115 (1)(b) and (c); and

6 “(D) Any positive amount obtained by subtracting the operating property
7 taxes actually imposed by the district based on the rate certified pursuant
8 to ORS 310.060 from the amount that would have been imposed by the dis-
9 trict if the district had certified the maximum rate of operating property
10 taxes allowed by law.

11 “(2) Each fiscal year, the Superintendent of Public Instruction shall cal-
12 culate a State School Fund grant for each education service district as pro-
13 vided in this section.

14 “(3)(a) Each fiscal year, the superintendent shall calculate the total
15 amount appropriated or allocated to the State School Fund and available for
16 distribution to school districts, education service districts and programs +
17 total amount of local revenues of all school districts, computed as provided
18 in ORS 327.011, + total amount of local revenues of all education service
19 districts. The superintendent may not include in the calculation under this
20 paragraph amounts received by the Department of Education from the State
21 School Fund under ORS 343.243.

22 “(b) The superintendent shall multiply the amount calculated under par-
23 agraph (a) of this subsection by 95.5 percent.

24 “(c) Based on the amount calculated under paragraph (b) of this sub-
25 section, the superintendent shall calculate a funding percentage to distribute
26 as nearly as practicable under ORS 327.006 to 327.133 and 327.348 and
27 sections 1 to 3, chapter 735, Oregon Laws 2013, the total amount calculated
28 under paragraph (b) of this subsection as school district general purpose
29 grants, facility grants, high cost disabilities grants and transportation grants
30 to school districts.

1 “(d) Based on the funding percentage calculated under paragraph (c) of
2 this subsection, the superintendent shall calculate the general purpose grant,
3 facility grant, transportation grant and high cost disabilities grant amounts
4 for each school district.

5 “(4)(a) The general services grant for an education service district shall
6 equal the higher of:

7 “(A) The total amount calculated under subsection (3)(d) of this section
8 for the school districts located within the territory of the education service
9 district $\times (4.5 \div 95.5)$; or

10 “(B) \$1,165,000, as adjusted each school year based on the same percentage
11 by which the amount appropriated to the State School Fund for distribution
12 to education service districts is increased or decreased as compared with the
13 amount appropriated for the 2015-2016 school year, if the education service
14 district received a general services grant of \$1 million for the 2010-2011
15 school year.

16 “(b) Notwithstanding paragraph (a) of this subsection and only for State
17 School Fund distributions made for the first school year after two or more
18 education service districts join together, if an education service district re-
19 ceived a general services grant as provided by paragraph (a)(B) of this sub-
20 section prior to the education service district joining together with one or
21 more other education service districts to form a new education service dis-
22 trict:

23 “(A) The general services grant for the new education service district
24 shall be calculated for each component education service district as though
25 the component education service districts had not joined together to form a
26 new education service district; and

27 “(B) A component education service district that received an amount as
28 provided by paragraph (a)(B) of this subsection shall be entitled to receive
29 that amount under the calculation provided by this paragraph.

30 “(5) Subject to subsection (6) of this section, the State School Fund grant

1 for an education service district = general services grant – local revenues
2 of the education service district.

3 “(6)(a) After completing the calculations under subsections (2) to (5) of
4 this section, the Superintendent of Public Instruction shall apportion from
5 the State School Fund to each education service district an amount =
6 (funding percentage × general services grant) – local revenues of the edu-
7 cation service district.

8 “(b) The funding percentage used in paragraph (a) of this subsection shall
9 be calculated by the superintendent to distribute as nearly as practicable the
10 total amount available for distribution to education service districts from the
11 State School Fund for each fiscal year.

12 “(7) Notwithstanding subsections (5) and (6) of this section:

13 “(a) The State School Fund grant of an education service district may not
14 be less than zero; and

15 “(b) The State School Fund grant of an education service district shall
16 be in an amount that, when combined with the local revenues of the educa-
17 tion service district, equals \$1,165,000, as adjusted each school year based on
18 the same percentage by which the amount appropriated to the State School
19 Fund for distribution to education service districts is increased or decreased
20 as compared with the amount appropriated for the 2015-2016 school year.

21 “(8) An education service district shall distribute to school districts lo-
22 cated within the territory of the education service district any amount of
23 local revenues of the education service district that is greater than the
24 general services grant. The amount that each school district receives under
25 this subsection shall be prorated based on the district extended ADMw of the
26 school district as calculated under ORS 327.013.

27 “(9)(a) An education service district shall distribute to a school district
28 that is located within the territory of the education service district but that
29 has withdrawn from the education service district as provided in ORS 334.015
30 the amounts received by the education service district as a general services

1 grant [*and from the School Improvement Fund*].

2 “(b) The amounts that a school district receives under this subsection:

3 “(A) Shall be prorated based on the district extended ADMw of the school
4 district as calculated under ORS 327.013;

5 “(B) Shall equal 90 percent of the school district’s prorated share, as
6 calculated under subparagraph (A) of this paragraph; and

7 “(C) May be used to pay for any expenses incurred in providing services
8 described in ORS 334.175 (2) to the students of the school district by:

9 “(i) The school district;

10 “(ii) The education service district from which the school district with-
11 drew;

12 “(iii) An education service district that is not the education service dis-
13 trict from which the school district withdrew; or

14 “(iv) Any other public entity with which the school district has entered
15 into a contract to provide the services.

16 **“SECTION 21.** ORS 327.019, as amended by section 9, chapter 735, Oregon
17 Laws 2013, and section 2, chapter 437, Oregon Laws 2015, is amended to read:

18 “327.019. (1) As used in this section:

19 “(a) ‘Education service district extended ADMw’ means the sum of the
20 extended ADMw of the school districts located within the territory of the
21 education service district as computed under ORS 327.013.

22 “(b) ‘Local revenues of an education service district’ means the total of
23 the following:

24 “(A) The amount of revenue offset against local property taxes as deter-
25 mined by the Department of Revenue under ORS 311.175 (3)(a)(A);

26 “(B) The amount of property taxes actually received by the district in-
27 cluding penalties and interest on taxes;

28 “(C) The amount of revenue received by the district from state-managed
29 forestlands under ORS 530.115 (1)(b) and (c); and

30 “(D) Any positive amount obtained by subtracting the operating property

1 taxes actually imposed by the district based on the rate certified pursuant
2 to ORS 310.060 from the amount that would have been imposed by the dis-
3 trict if the district had certified the maximum rate of operating property
4 taxes allowed by law.

5 “(2) Each fiscal year, the Superintendent of Public Instruction shall cal-
6 culate a State School Fund grant for each education service district as pro-
7 vided in this section.

8 “(3)(a) Each fiscal year, the superintendent shall calculate the total
9 amount appropriated or allocated to the State School Fund and available for
10 distribution to school districts, education service districts and programs +
11 total amount of local revenues of all school districts, computed as provided
12 in ORS 327.011, + total amount of local revenues of all education service
13 districts. The superintendent may not include in the calculation under this
14 paragraph amounts received by the Department of Education from the State
15 School Fund under ORS 343.243.

16 “(b) The superintendent shall multiply the amount calculated under par-
17 agraph (a) of this subsection by 95.5 percent.

18 “(c) Based on the amount calculated under paragraph (b) of this sub-
19 section, the superintendent shall calculate a funding percentage to distribute
20 as nearly as practicable under ORS 327.006 to 327.133 and 327.348 the total
21 amount calculated under paragraph (b) of this subsection as school district
22 general purpose grants, facility grants, high cost disabilities grants and
23 transportation grants to school districts.

24 “(d) Based on the funding percentage calculated under paragraph (c) of
25 this subsection, the superintendent shall calculate the general purpose grant,
26 facility grant, transportation grant and high cost disabilities grant amounts
27 for each school district.

28 “(4)(a) The general services grant for an education service district shall
29 equal the higher of:

30 “(A) The total amount calculated under subsection (3)(d) of this section

1 for the school districts located within the territory of the education service
2 district $\times (4.5 \div 95.5)$; or

3 “(B) \$1,165,000, as adjusted each school year based on the same percentage
4 by which the amount appropriated to the State School Fund for distribution
5 to education service districts is increased or decreased as compared with the
6 amount appropriated for the 2015-2016 school year, if the education service
7 district received a general services grant of \$1 million for the 2010-2011
8 school year.

9 “(b) Notwithstanding paragraph (a) of this subsection and only for State
10 School Fund distributions made for the first school year after two or more
11 education service districts join together, if an education service district re-
12 ceived a general services grant as provided by paragraph (a)(B) of this sub-
13 section prior to the education service district joining together with one or
14 more other education service districts to form a new education service dis-
15 trict:

16 “(A) The general services grant for the new education service district
17 shall be calculated for each component education service district as though
18 the component education service districts had not joined together to form a
19 new education service district; and

20 “(B) A component education service district that received an amount as
21 provided by paragraph (a)(B) of this subsection shall be entitled to receive
22 that amount under the calculation provided by this paragraph.

23 “(5) Subject to subsection (6) of this section, the State School Fund grant
24 for an education service district = general services grant – local revenues
25 of the education service district.

26 “(6)(a) After completing the calculations under subsections (2) to (5) of
27 this section, the Superintendent of Public Instruction shall apportion from
28 the State School Fund to each education service district an amount =
29 (funding percentage \times general services grant) – local revenues of the edu-
30 cation service district.

1 “(b) The funding percentage used in paragraph (a) of this subsection shall
2 be calculated by the superintendent to distribute as nearly as practicable the
3 total amount available for distribution to education service districts from the
4 State School Fund for each fiscal year.

5 “(7) Notwithstanding subsections (5) and (6) of this section:

6 “(a) The State School Fund grant of an education service district may not
7 be less than zero; and

8 “(b) The State School Fund grant of an education service district shall
9 be in an amount that, when combined with the local revenues of the educa-
10 tion service district, equals \$1,165,000, as adjusted each school year based on
11 the same percentage by which the amount appropriated to the State School
12 Fund for distribution to education service districts is increased or decreased
13 as compared with the amount appropriated for the 2015-2016 school year.

14 “(8) An education service district shall distribute to school districts lo-
15 cated within the territory of the education service district any amount of
16 local revenues of the education service district that is greater than the
17 general services grant. The amount that each school district receives under
18 this subsection shall be prorated based on the district extended ADMw of the
19 school district as calculated under ORS 327.013.

20 “(9)(a) An education service district shall distribute to a school district
21 that is located within the territory of the education service district but that
22 has withdrawn from the education service district as provided in ORS 334.015
23 the amounts received by the education service district as a general services
24 grant [*and from the School Improvement Fund*].

25 “(b) The amounts that a school district receives under this subsection:

26 “(A) Shall be prorated based on the district extended ADMw of the school
27 district as calculated under ORS 327.013;

28 “(B) Shall equal 90 percent of the school district’s prorated share, as
29 calculated under subparagraph (A) of this paragraph; and

30 “(C) May be used to pay for any expenses incurred in providing services

1 described in ORS 334.175 (2) to the students of the school district by:

2 “(i) The school district;

3 “(ii) The education service district from which the school district with-
4 drew;

5 “(iii) An education service district that is not the education service dis-
6 trict from which the school district withdrew; or

7 “(iv) Any other public entity with which the school district has entered
8 into a contract to provide the services.

9 **“SECTION 22.** ORS 334.177 is amended to read:

10 “334.177. (1) As used in this section, ‘local revenues of an education ser-
11 vice district’ has the meaning given that term in ORS 327.019 but does not
12 include any local revenues distributed under ORS 327.019 (8).

13 “(2) An education service district board shall expend at least 90 percent
14 of all amounts received from the State School Fund and at least 90 percent
15 of all amounts considered to be local revenues of an education service dis-
16 trict on services or programs that have been approved by the component
17 school districts of the education service district through the resolution pro-
18 cess described in ORS 334.175.

19 “(3)(a) Notwithstanding subsection (2) of this section, the school district
20 board of a school district that is located in a region described in ORS 334.013
21 (1)(a), (e) or (i) may request in writing that a percentage of the amounts
22 identified in subsection (2) of this section be distributed to the school district
23 for any purpose identified by the school district board.

24 “(b) A school district board that makes a request under paragraph (a) of
25 this subsection:

26 “(A) Must make the request to the education service district board by
27 November 1 of the year prior to the school year for which the request is
28 being made; and

29 “(B) Must designate the percentage of the amounts identified in sub-
30 section (2) of this section that will be distributed to the school district.

1 “(c) The education service district board:

2 “(A) Shall approve a request submitted as provided by this subsection; and

3 “(B) Shall determine the amounts attributable to the school district and
4 eligible for distribution based on the weighted average daily membership
5 (ADMw) of the school district for which the request was made.

6 “(d) For each school year for which a school district receives a distrib-
7 ution as provided by this subsection:

8 “(A) The school district may act only in an advisory capacity for deci-
9 sions made in relation to the governance of the education service district if
10 the school district board designates a percentage under paragraph (a) of this
11 subsection that is greater than 50 percent but less than 100 percent; and

12 “(B) Notwithstanding ORS 334.015 and 334.019, the school district shall
13 be considered to have withdrawn from the education service district in the
14 manner provided by ORS 334.015 if the school district board designates a
15 percentage under paragraph (a) of this subsection that is 100 percent.

16 “[4] *An education service district board shall expend 100 percent of all*
17 *amounts received from the School Improvement Fund on services or programs*
18 *that have been approved by the component school districts of the education*
19 *service district through the resolution process described in ORS 334.175.]*

20 “[5] (4) The expenditure requirements of this section apply only to
21 amounts retained by the education service district after making any distrib-
22 utions required under ORS 327.019 (9).

23 **“SECTION 23. ORS 327.290, 327.294 and 327.297 are repealed.**

24 **“SECTION 24. The amendments to ORS 327.019, 327.137, 329.095 and**
25 **334.177 by sections 17 to 22 of this 2019 Act and the repeal of ORS**
26 **327.290, 327.294 and 327.297 by section 23 of this 2019 Act become oper-**
27 **ative on July 1, 2020.**

28

29 **“STATEWIDE INITIATIVE ACCOUNT**

30

1 **“SECTION 25. Sections 26 and 27 of this 2019 Act are added to and**
2 **made a part of ORS chapter 327.**

3 **“SECTION 26. Statewide Initiative Account. (1) The Statewide Ini-**
4 **tiative Account is established in the State Treasury, separate and dis-**
5 **tinct from the General Fund.**

6 **“(2) The Statewide Initiative Account shall consist of:**

7 **“(a) Moneys transferred to the account from the Fund for Student**
8 **Success;**

9 **“(b) Moneys appropriated or otherwise transferred to the account**
10 **by the Legislative Assembly;**

11 **“(c) Amounts donated to the account; and**

12 **“(d) Other amounts deposited into the account from any source.**

13 **“(3) The Department of Education, on behalf of the State of Oregon,**
14 **may solicit and accept gifts, grants, donations and other moneys from**
15 **public and private sources for the Statewide Initiative Account. Mon-**
16 **eys received as provided in this subsection shall be deposited into the**
17 **Statewide Initiative Account.**

18 **“(4) Moneys in the Statewide Initiative Account are continuously**
19 **appropriated to the Department of Education for use as described in**
20 **section 27 of this 2019 Act.**

21 **“SECTION 27. Statewide Initiative Account uses. (1) The Depart-**
22 **ment of Education shall use moneys in the Statewide Initiative Ac-**
23 **count for the following purposes:**

24 **“(a) Funding the High School Graduation and College and Career**
25 **Readiness Act at the levels prescribed by ORS 327.856;**

26 **“(b) Expanding school breakfast and lunch programs;**

27 **“(c) Operating youth reengagement programs or providing youth**
28 **reengagement services;**

29 **“(d) Funding high cost disabilities grants under ORS 327.348;**

30 **“(e) Establishing and maintaining the Statewide School Safety and**

1 **Prevention System under section 31 of this 2019 Act;**

2 **“(f) Developing and providing statewide equity initiatives, as iden-**
3 **tified by the Department of Education;**

4 **“(g) Planning for increased transparency and accountability in the**
5 **public education system of the state;**

6 **“(h) Funding student success teams established under section 13 of**
7 **this 2019 Act; and**

8 **“(i) Funding administrative costs incurred by the Department of**
9 **Education and the Early Learning Division in implementing this sec-**
10 **tion and sections 9 to 16 and 30 of this 2019 Act.**

11 **“(2) The State Board of Education shall adopt any rules necessary**
12 **for the administration of this section.**

13

14 **“EARLY LEARNING ACCOUNT**

15

16 **“SECTION 28. Sections 29 and 30 of this 2019 Act are added to and**
17 **made a part of ORS chapter 327.**

18 **“SECTION 29. Early Learning Account. (1) The Early Learning Ac-**
19 **count is established in the State Treasury, separate and distinct from**
20 **the General Fund.**

21 **“(2) The Early Learning Account shall consist of:**

22 **“(a) Moneys transferred from the Fund for Student Success under**
23 **section 2 of this 2019 Act;**

24 **“(b) Moneys appropriated or otherwise transferred to the account**
25 **by the Legislative Assembly;**

26 **“(c) Amounts donated to the account; and**

27 **“(d) Other amounts deposited into the account from any source.**

28 **“(3) The Department of Education, on behalf of the State of Oregon,**
29 **may solicit and accept gifts, grants, donations and other moneys from**
30 **public and private sources for the Early Learning Account. Moneys**

1 received as provided in this subsection shall be deposited into the
2 Early Learning Account.

3 “(4) Moneys in the Early Learning Account are continuously ap-
4 propriated to the Department of Education for use by the Early
5 Learning Division as described in section 30 of this 2019 Act.

6 **“SECTION 30. Early Learning Account uses. (1) The Early Learning**
7 **Division shall use moneys in the Early Learning Account to provide**
8 **funding for:**

9 “(a) Early childhood special education or early intervention ser-
10 vices;

11 “(b) Relief nurseries;

12 “(c) The Early Childhood Equity Fund established by section 37 of
13 this 2019 Act;

14 “(d) The Oregon prekindergarten program and other public pre-
15 school programs established under ORS 329.170 to 329.200;

16 “(e) Professional development for early childhood educators; and

17 “(f) Early Head Start programs.

18 “(2) The State Board of Education, in consultation with the Early
19 Learning Council, shall adopt any rules necessary for the adminis-
20 tration of this section.

21

22 **“STATEWIDE SCHOOL SAFETY AND PREVENTION SYSTEM**

23

24 **“SECTION 31. Statewide School Safety and Prevention System. (1)**

25 **As used in this section:**

26 “(a) ‘Cyberbullying’ has the meaning given that term in ORS
27 **339.351.**

28 “(b) ‘Harassment, intimidation or bullying’ has the meaning given
29 that term in ORS **339.351.**

30 “(c) ‘Suicidal behavior’ includes:

1 **“(A) Self-directed, injurious behavior with an intent to die as a re-**
2 **sult of the behavior;**

3 **“(B) Nonfatal, self-directed, potentially injurious behavior with an**
4 **intent to die as a result of the behavior that may not result in injury;**
5 **or**

6 **“(C) Thinking about, considering or planning suicide.**

7 **“(d) ‘Violence’ means aggressive behavior with the intention, or an**
8 **outcome that poses a risk, of serious or lethal injury.**

9 **“(2) The Department of Education shall establish and maintain the**
10 **Statewide School Safety and Prevention System.**

11 **“(3) The system required under this section shall consist of the**
12 **following:**

13 **“(a) Assistance to school districts and education service districts in**
14 **decreasing acts of harassment, intimidation or bullying and acts of**
15 **cyberbullying through the implementation of effective prevention**
16 **programs that:**

17 **“(A) Incorporate evidenced-based, multitiered practices; and**

18 **“(B) Support resiliency building and trauma-informed care prac-**
19 **tices.**

20 **“(b) Assistance to school districts and education service districts in**
21 **decreasing youth suicidal behavior through the implementation of ef-**
22 **fective prevention programs and student wellness programs that focus**
23 **on early identification and intervention by school safety and pre-**
24 **vention specialists, as described in subsection (4) of this section, who:**

25 **“(A) Provide training, outreach and technical assistance related to**
26 **youth suicidal behavior prevention and wellness;**

27 **“(B) Support coordination between schools and health agencies, in-**
28 **cluding public and private behavioral health providers; and**

29 **“(C) Support school districts and education service districts in the**
30 **establishment of suicidal behavior prevention programs.**

1 “(c) Assistance to school districts and education service districts in
2 implementing a multidisciplinary student safety assessment system to
3 identify, assess and support students who present a potential risk for
4 violence to others. Multidisciplinary school safety assessment teams
5 shall be made available to assist each school district and education
6 service district in assessing students who are engaged in violence or
7 who are posing a threat of violence to others. The teams shall:

8 “(A) Assess potential danger and identify circumstances and risk
9 factors that may increase risk for potential violence;

10 “(B) Develop management and intervention plans in collaboration
11 with community partners; and

12 “(C) Connect students and families to community resources and
13 supports.

14 “(d) Promotion and use of the statewide school safety tip line es-
15 tablished by ORS 339.329. School safety and prevention specialists, as
16 described in subsection (4) of this section, shall work collaboratively
17 with the Oregon State Police to support school districts and education
18 service districts in accessing and implementing the school safety tip
19 line.

20 “(4) The system required under this section shall be supported by
21 school safety and prevention specialists who:

22 “(a) Serve regions of this state;

23 “(b) Are cross-trained in safety assessments and in the prevention
24 of youth suicide, of acts of bullying, intimidation or harassment and
25 of acts of cyberbullying; and

26 “(c) Provide or facilitate training, the development of programs and
27 plans, the coordination of local teams and the provision of ongoing
28 consultation to regional partners, school districts and education ser-
29 vice districts.

30 “(5) The State Board of Education, in consultation with the Oregon

1 Health Authority and other representatives of school districts, educa-
2 tion service districts, school employees, human services, mental health
3 professionals and law enforcement agencies, shall adopt rules related
4 to the system required under this section.

5
6 **“STATEWIDE YOUTH REENGAGEMENT SYSTEM**

7
8 **“SECTION 32. Youth reengagement program. (1) As used in this**
9 **section, ‘eligible youth’ means a person who:**

10 **“(a) Is at least 16 years of age but younger than 21 years of age at**
11 **the beginning of the school year; and**

12 **“(b)(A) Is a school dropout, as defined in ORS 339.505;**

13 **“(B) Is not making sufficient progress toward meeting state and**
14 **local requirements for a high school diploma, a modified diploma or**
15 **an extended diploma before reaching 21 years of age, as determined**
16 **based on standards adopted by the Youth Development Council by rule;**
17 **or**

18 **“(C) Is recommended to participate in a youth reengagement pro-**
19 **gram by the Department of Human Services, a juvenile court, the**
20 **Oregon Youth Authority or any other entity identified by the Youth**
21 **Development Council by rule.**

22 **“(2) The Youth Development Division shall develop and administer**
23 **a statewide youth reengagement system to provide appropriate educa-**
24 **tional opportunities and access to services for eligible youths.**

25 **“(3) Under the statewide youth reengagement system, a school dis-**
26 **trict may choose to provide a youth reengagement program. A youth**
27 **reengagement program:**

28 **“(a) Must be offered in collaboration with the Youth Development**
29 **Division; and**

30 **“(b) May include a partnership with an education service district,**

1 a community college district or another public entity or with a
2 community-based organization.

3 “(4) A youth reengagement program must offer, at a minimum, the
4 following:

5 “(a) Academic instruction that enables an eligible youth to receive
6 credit that can be:

7 “(A) Applied toward a high school diploma, a modified diploma or
8 an extended diploma; or

9 “(B) Used to improve college or career readiness, including courses
10 that assist the student in preparing for an approved high school
11 equivalency test such as the General Educational Development (GED)
12 test; and

13 “(b) Services for monitoring and supporting eligible youths, includ-
14 ing:

15 “(A) Academic and career counseling and coaching services; and

16 “(B) Assistance with accessing services and resources that support
17 at-risk youth and reduce barriers to educational success.

18 “(5) If a school district chooses to provide a youth reengagement
19 program, the school district may enter into an agreement to provide
20 academic instruction or services as described in subsection (4) of this
21 section. The agreement:

22 “(a) May be with an education service district, a community college
23 district or another public entity or with a community-based organiza-
24 tion; and

25 “(b) Must comply with any other requirements prescribed by the
26 State Board of Education or the Youth Development Division by rule.

27 “(6)(a) The State Board of Education, in collaboration with the
28 Youth Development Council, shall establish by rule criteria for a
29 school district to receive funding under ORS 327.013 for eligible youths
30 participating in a youth reengagement program.

1 **“(b) The criteria to receive funding may prescribe:**

2 **“(A) Enrollment and attendance standards for eligible youths that**
3 **are different from the standards for other students of the school dis-**
4 **trict, but that consider the eligible youths to be enrolled full time.**

5 **“(B) Performance measures that establish targets that must be met**
6 **for purposes of accountability. The performance measure targets shall**
7 **be based on standards adopted by the Youth Development Council and**
8 **may take into account the specific purpose of the program offered by**
9 **the school district, the population served by the program and any**
10 **other factors identified by the council.**

11 **“(c) The criteria to receive funding must require a school district**
12 **to provide to the Department of Education and the Youth Develop-**
13 **ment Division information that, at a minimum, describes:**

14 **“(A) How the school district will identify, refer and enroll eligible**
15 **youths;**

16 **“(B) How academic instruction and services will be provided**
17 **through the youth reengagement program and what academic in-**
18 **struction and services will be provided;**

19 **“(C) How student records will be maintained and how data will be**
20 **collected and reported;**

21 **“(D) How any applicable assessments under ORS 329.485 or 329.488**
22 **will be administered;**

23 **“(E) How the school district will provide special education and re-**
24 **lated services for eligible youths with disabilities who have an indi-**
25 **vidualized education program or will provide necessary**
26 **accommodations and plans for eligible youths who qualify under sec-**
27 **tion 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);**

28 **“(F) How the school district will ensure that eligible youths receive**
29 **appropriate in-person guidance or support; and**

30 **“(G) How the school district will record and report performance**

1 **measures for purposes of accountability, including longitudinal moni-**
2 **toring of student progress and post-secondary education and employ-**
3 **ment readiness.**

4 **“(7) The Department of Education and Youth Development Division**
5 **shall provide technical assistance to school districts choosing to pro-**
6 **vide youth reengagement programs.**

7 **“(8)(a) The State Board of Education and the Youth Development**
8 **Council shall coordinate to adopt rules under this section.**

9 **“(b) When adopting rules under this section, the board and the di-**
10 **vision shall consult with the Education and Workforce Policy Advisor,**
11 **post-secondary institutions of education and community-based organ-**
12 **izations that have previously offered youth reengagement programs,**
13 **providers of online courses and programs and education service dis-**
14 **tricts.**

15 **“(c) The rules must provide a method for an eligible youth to par-**
16 **ticipate in a youth reengagement program if a program is not provided**
17 **by the school district in which the eligible youth is a resident.**

18 **“(9) Nothing in this section affects the authority of a school district**
19 **to directly offer youth reengagement programs or other educational**
20 **services for eligible youths.**

21 **“SECTION 33.** ORS 417.847, as amended by section 63, chapter 774,
22 Oregon Laws 2015, and section 36, chapter 17, Oregon Laws 2017, is amended
23 to read:

24 **“417.847. (1) The Youth Development Council is established.**

25 **“(2) The council is established for the purpose of overseeing a unified**
26 **system that provides services to school-age children through youth 24 years**
27 **of age in a manner that supports educational success, focuses on crime pre-**
28 **vention, reduces high risk behaviors and is integrated, measurable and ac-**
29 **countable. The council shall provide direction to the Youth Development**
30 **Division.**

1 “(3) The council consists of no fewer than 15 members who are appointed
2 by the Governor. The Governor shall ensure that membership of the council
3 satisfies any federal requirements for membership of a state advisory com-
4 mittee on juvenile justice, and shall include tribal representation in the
5 membership of the council.

6 “(4) The council shall:

7 “(a) Determine the availability of funding to support community-based
8 youth development programs, services and initiatives with demonstrated
9 outcomes and strategic objectives established by the council by rule.

10 “(b) Prioritize funding for services related to:

11 “(A) The prevention of and intervention in the risk factors that lead to
12 juvenile delinquency and the promotion of protective factors that improve
13 the health and well-being of children and youth, as supported by evidence-
14 based program models and other research-based models; and

15 “(B) The prevention of and intervention in gang violence and gang in-
16 volvement.

17 “(c) **Administer and coordinate the statewide youth reengagement**
18 **system described in section 32 of this 2019 Act.**

19 “(5) The council may:

20 “(a) Enter into performance-based intergovernmental agreements with re-
21 gional and county entities, and tribal governments, to contract for the pro-
22 vision of youth development programs, services and initiatives that will
23 achieve demonstrated outcomes and strategic objectives established by the
24 council by rule.

25 “(b) Determine the means by which services to children and youth may
26 be provided effectively and efficiently across multiple programs to improve
27 the academic and social outcomes of children and youth.

28 “(c) Assess state programs and services related to youth development and
29 training, and identify methods by which programs and services may be co-
30 ordinated or consolidated.

1 “(d) Establish common academic and social indicators to support attain-
2 ment of goals established by the council.

3 “(e) Establish common program outcome measurements and coordinate
4 data collection across multiple programs and services.

5 “(f) Ensure implementation of best practices that:

6 “(A) Are evidence based;

7 “(B) Are culturally, gender and age appropriate;

8 “(C) Address individual risk factors;

9 “(D) Build upon factors that improve the health and well-being of children
10 and youth; and

11 “(E) Include tribal best practices.

12 “(6) The Governor may designate one member of the council to serve as
13 the chairperson or, if the Governor chooses not to designate a chairperson,
14 the council may elect one of its members to serve as chairperson.

15 “(7) In accordance with applicable provisions of ORS chapter 183, the
16 council may adopt rules necessary for the administration of the laws that the
17 council is charged with administering.

18 “**SECTION 34.** ORS 341.481 is amended to read:

19 “341.481. (1) A district shall admit high school graduates who are resi-
20 dents of Oregon **or who are participating in a youth reengagement**
21 **program under section 32 of this 2019 Act** and may admit other residents
22 who, in the judgment of the administration of the district, are capable of
23 profiting from the instruction offered in a specific course or program without
24 regard to age. In the case of a student younger than 16 years of age, the
25 college administration shall make the final determination.

26 “(2) Districts may also admit persons who are not residents of the district
27 or of the state, including persons who are not citizens of the United States,
28 if such admission is considered suitable.

29 “(3) Upon application of a qualified high school student residing in this
30 state and upon agreement between the district and the school district in

1 which the student resides, the student may be admitted to the community
2 college.

3 “(4) Any district may contract with another district to admit students of
4 either college to the college of the other.

5 **“SECTION 35.** ORS 339.515 is amended to read:

6 “339.515. (1) In order to meet the goals described in ORS 339.510, the De-
7 partment of Education shall develop a system of uniform reporting and shall
8 assist school districts in establishing such systems, with appropriate allow-
9 ances being made for the size of districts and their existing reporting sys-
10 tems. **The system shall take into account youths participating in a**
11 **youth reengagement program, as described by section 32 of this 2019**
12 **Act or as otherwise described by standards prescribed by the State**
13 **Board of Education by rule, and shall ensure to the extent practicable**
14 **that the system does not provide a disincentive to school districts to**
15 **reengage youths.**

16 “(2) The department shall provide training and technical assistance to
17 school district personnel so that, statewide, the student accounting system
18 produces uniform and accurate reports.

19 **“SECTION 36. Section 32 of this 2019 Act and the amendments to**
20 **ORS 339.515, 341.481 and 417.847 by sections 33 to 35 of this 2019 Act**
21 **become operative on July 1, 2020.**

22

23 **“EARLY CHILDHOOD EQUITY FUND**

24

25 **“SECTION 37. Early Childhood Equity Fund. (1) The Early Child-**
26 **hood Equity Fund is established in the State Treasury, separate and**
27 **distinct from the General Fund. Interest earned by the Early Child-**
28 **hood Equity Fund shall be credited to the fund. Moneys in the fund**
29 **are continuously appropriated to the Department of Education for the**
30 **Early Learning Division to make grants under section 38 of this 2019**

1 Act to culturally specific early learning, early childhood and parent
2 support programs and to promote the capacity of culturally specific
3 organizations to deliver these programs.

4 “(2) The fund shall consist of:

5 “(a) Moneys appropriated or otherwise transferred to the fund from
6 the Legislative Assembly;

7 “(b) Earnings received on moneys in the fund; and

8 “(c) Other amounts deposited into the fund from any source.

9 **“SECTION 38. Early childhood support grant program. (1) The Early**
10 **Learning Division may make grants from the Early Childhood Equity**
11 **Fund established under section 37 of this 2019 Act to culturally specific**
12 **early learning, early childhood and parent support programs in this**
13 **state that build capacity in communities, ensure children start**
14 **kindergarten ready to succeed and support families to be stable,**
15 **healthy and attached. For the purposes of this subsection, a program**
16 **is in this state if the program serves communities within the ge-**
17 **ographic boundaries of this state, including communities within Indian**
18 **country of a federally recognized Oregon Indian tribe that is within**
19 **the geographic boundaries of this state.**

20 “(2) To receive a grant under this section, a program must:

21 “(a) Provide outreach, support and resources to children and fami-
22 lies who are at risk because of any combination of two or more fac-
23 tors, including their race, ethnicity, English language proficiency,
24 socioeconomic status and geographic location; and

25 “(b) Demonstrate a proven ability to provide outreach, support and
26 resources to children and families described in paragraph (a) of this
27 subsection.

28 “(3) The division shall monitor capacity needs and provide technical
29 assistance to grantees.

30 “(4) The division shall conduct a biennial evaluation of programs

1 **that receive grants under this section. The evaluation shall include**
2 **measurement of outcomes that align with:**

3 **“(a) Current research regarding positive child and family indicators,**
4 **including family stability and early childhood school readiness; and**

5 **“(b) Culturally specific approaches.**

6 **“(5) The Early Learning Council, in consultation with the division,**
7 **shall adopt rules necessary to carry out the provisions of this section.**
8 **The rules shall include requirements for eligibility for grants under**
9 **this section.**

10 **“(6) On or before September 15 of each odd-numbered year, the di-**
11 **vision shall submit to the interim committees of the Legislative As-**
12 **sembly related to early childhood and child welfare a report on the**
13 **status and impact of grants made to programs under this section. The**
14 **report shall include changes in the capacity of culturally specific or-**
15 **ganizations and the results of any biennial evaluations conducted in**
16 **accordance with subsection (4) of this section.**

17 **“SECTION 39. ORS 417.790 is amended to read:**

18 **“417.790. The Early Learning Division shall:**

19 **“(1) Make grants to fund research-based services and initiatives to im-**
20 **prove outcomes for children, youth or families.**

21 **“(2) Make Great Start grants to fund community-based programs for**
22 **children zero through six years of age. A recipient shall use Great Start**
23 **grant funds to provide research-based early childhood programs in commu-**
24 **nity settings and to provide services that have proven to be successful and**
25 **that meet the needs of the community. These services shall be provided in**
26 **accordance with ORS 417.728.**

27 **“(3) Make grants under section 38 of this 2019 Act to fund culturally**
28 **specific early learning, early childhood and parent support programs**
29 **that build capacity in communities to provide culturally appropriate**
30 **services to ensure children start kindergarten ready to succeed and to**

1 support family stability.

2

3 **“STATEWIDE EQUITY INITIATIVES**

4

5 **“SECTION 40. (1) As used in this section, ‘plan student’ means a**
6 **student enrolled in early childhood through post-secondary education**
7 **who:**

8 **“(a) Is an American Indian or Alaskan Native; and**

9 **“(b) Has experienced disproportionate results in education due to**
10 **historical practices, as identified by the State Board of Education by**
11 **rule.**

12 **“(2)(a) The Department of Education shall develop and implement**
13 **a statewide education plan for plan students.**

14 **“(b) When developing the plan, the department shall consult with**
15 **representatives from tribal governments and from executive branch**
16 **agencies who have formed government-to-government relations to fo-**
17 **cus on education. Additionally, the department may receive input from**
18 **an advisory group consisting of community members, education**
19 **stakeholders and representatives of the Early Learning Division, the**
20 **Youth Development Division and the Higher Education Coordinating**
21 **Commission.**

22 **“(c) The department shall be responsible for:**

23 **“(A) Implementing the plan developed under this subsection;**

24 **“(B) Developing eligibility criteria, the applicant selection process**
25 **and expectations for recipients of grant awards described in this sec-**
26 **tion; and**

27 **“(C) Advising the State Board of Education on the adoption of rules**
28 **under this section.**

29 **“(3) The plan developed under this section must address:**

30 **“(a) The disparities experienced by plan students in every indicator**

1 of academic success, as documented by the department’s statewide
2 report card and other relevant reports related to plan students;

3 “(b) The historical practices leading to disproportionate outcomes
4 for plan students; and

5 “(c) The educational needs of plan students from early childhood
6 through post-secondary education as determined by examining cul-
7 turally appropriate best practices in this state and across the nation.

8 “(4) The plan developed and implemented under this section must
9 provide strategies to:

10 “(a) Address the disproportionate rate of disciplinary incidents in-
11 volving plan students as compared to all students in the education
12 system;

13 “(b) Increase parental engagement in the education of plan stu-
14 dents;

15 “(c) Increase the engagement of plan students in educational ac-
16 tivities before and after regular school hours;

17 “(d) Increase early childhood education and kindergarten readiness
18 for plan students;

19 “(e) Improve literacy and numeracy levels among plan students
20 between kindergarten and grade three;

21 “(f) Support plan student transitions to middle school and through
22 the middle school and high school grades to maintain and improve
23 academic performance;

24 “(g) Support culturally responsive pedagogy and practices from
25 early childhood through post-secondary education;

26 “(h) Support the development of culturally responsive curricula
27 from early childhood through post-secondary education;

28 “(i) Increase attendance of plan students in early childhood pro-
29 grams through post-secondary and professional certification programs;

30 and

1 “(j) Increase attendance of plan students in four-year post-
2 secondary institutions of education.

3 “(5) The department shall submit a biennial report concerning the
4 progress of the plan developed and implemented under this section to
5 a committee of the Legislative Assembly related to education at each
6 even-numbered year regular session of the Legislative Assembly.

7 “(6) The department, in consultation with the advisory group, shall
8 award grants to early learning hubs, providers of early learning ser-
9 vices, school districts, education service districts, post-secondary in-
10 stitutions of education, tribal governments and community-based
11 organizations to implement the strategies provided in the plan devel-
12 oped and implemented under this section.

13 “(7) To qualify for and receive grants described in this section, an
14 applicant must identify and demonstrate that the applicant meets the
15 eligibility criteria adopted by the State Board of Education by rule.

16 “SECTION 41. (1) As used in this section, ‘plan student’ means a
17 student enrolled in early childhood through post-secondary education
18 who:

19 “(a) Is Latino or Hispanic, including individuals of Mexican, Cuban,
20 Puerto Rican, South American, Central American or Spanish descent;
21 and

22 “(b) Has experienced disproportionate results in education due to
23 historical practices, as identified by the State Board of Education by
24 rule.

25 “(2)(a) The Department of Education shall develop and implement
26 a statewide education plan for plan students.

27 “(b) The department shall form an advisory group consisting of in-
28 dividuals representing:

29 “(A) Urban and rural communities;

30 “(B) Indigenous and immigrant populations;

1 **“(C) English language learners;**
2 **“(D) Individuals with disabilities;**
3 **“(E) Parents and students;**
4 **“(F) Youth who are lesbian, gay, bisexual, transgender, queer or**
5 **another minority gender or sexual orientation;**
6 **“(G) Community-based organizations serving Latino or Hispanic**
7 **youth and families; and**
8 **“(H) Education stakeholders, including representatives of the Early**
9 **Learning Division, the Youth Development Division and the Higher**
10 **Education Coordinating Commission.**
11 **“(c) The advisory group formed as provided in paragraph (b) of this**
12 **subsection shall advise the department regarding:**
13 **“(A) Development and implementation of the plan;**
14 **“(B) Eligibility criteria, applicant selection processes and expecta-**
15 **tions for recipients of grant awards described in this section; and**
16 **“(C) Adoption of rules by the State Board of Education for the im-**
17 **plementation of the plan.**
18 **“(3) The plan developed under this section must address:**
19 **“(a) The disparities experienced by plan students in every indicator**
20 **of academic success, as documented by the department’s statewide**
21 **report card and other relevant reports related to plan students;**
22 **“(b) The historical practices leading to disproportionate outcomes**
23 **for plan students; and**
24 **“(c) The educational needs of plan students from early childhood**
25 **through post-secondary education as determined by examining cul-**
26 **turely appropriate best practices in this state and across the nation.**
27 **“(4) The plan developed and implemented under this section must**
28 **provide strategies to:**
29 **“(a) Address the disproportionate rate of disciplinary incidents in-**
30 **volving plan students compared to all students in the education sys-**

1 **tem;**

2 **“(b) Increase parental engagement in the education of plan stu-**
3 **dents;**

4 **“(c) Increase the engagement of plan students in educational ac-**
5 **tivities before and after regular school hours;**

6 **“(d) Increase early childhood education and kindergarten readiness**
7 **for plan students;**

8 **“(e) Improve literacy and numeracy levels among plan students**
9 **between kindergarten and grade three;**

10 **“(f) Support plan student transitions to middle school and through**
11 **the middle school and high school grades to maintain and improve**
12 **academic performance;**

13 **“(g) Support culturally responsive pedagogy and practices from**
14 **early childhood through post-secondary education;**

15 **“(h) Support the development of culturally responsive curricula**
16 **from early childhood through post-secondary education;**

17 **“(i) Increase attendance of plan students in community colleges and**
18 **professional certification programs; and**

19 **“(j) Increase attendance of plan students in four-year post-**
20 **secondary institutions of education.**

21 **“(5) The department shall submit a biennial report concerning the**
22 **progress of the plan developed and implemented under this section to**
23 **a committee of the Legislative Assembly related to education at each**
24 **even-numbered year regular session of the Legislative Assembly.**

25 **“(6) The department, in consultation with the advisory group, shall**
26 **award grants to early learning hubs, providers of early learning ser-**
27 **vices, school districts, post-secondary institutions of education and**
28 **community-based organizations to implement the strategies provided**
29 **in the plan developed and implemented under this section.**

30 **“(7) To qualify for and receive a grant described in this section, an**

1 applicant must identify and demonstrate that the applicant meets the
2 eligibility criteria established by the State Board of Education by rule.

3 **“SECTION 42.** The Department of Education shall submit a report,
4 in the manner provided by ORS 192.245, concerning the development
5 of the statewide education plans under sections 40 and 41 of this 2019
6 Act to an interim committee of the Legislative Assembly related to
7 education no later than January 1, 2020.

8 **“SECTION 43.** Notwithstanding sections 40 and 41 of this 2019 Act,
9 the Department of Education may not do any of the following prior
10 to July 1, 2020:

11 **“(1)** Implement the statewide education plans developed under
12 sections 40 and 41 of this 2019 Act, including awarding any grants to
13 implement the plans; or

14 **“(2)** Make any expenditures from any appropriations made to the
15 department for the implementation of the plans developed under
16 sections 40 and 41 of this 2019 Act.

17

18 **“CAPTIONS**

19

20 **“SECTION 44.** The unit and section captions used in this 2019 Act
21 are provided only for the convenience of the reader and do not become
22 part of the statutory law of this state or express any legislative intent
23 in the enactment of this 2019 Act.

24

25 **“EFFECTIVE DATE**

26

27 **“SECTION 45.** This 2019 Act takes effect on the 91st day after the
28 date on which the 2019 regular session of the Eightieth Legislative
29 Assembly adjourns sine die.”.

30
