

Senate Bill 444

Sponsored by Senator KNOPP (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases formula weight for students in poverty families, in foster homes and in certain state-recognized facilities for purposes of State School Fund distributions.
Declares emergency, effective July 1, 2021.

A BILL FOR AN ACT

1
2 Relating to State School Fund adjustments for certain children; creating new provisions; amending
3 ORS 327.013, 327.195 and 327.254; and declaring an emergency.

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

5 **SECTION 1.** ORS 327.013 is amended to read:

6 327.013. The State School Fund distributions for school districts include the following grants:

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

8 For the purpose of the calculation made under this subsection:

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

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

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

14 (B) Teacher Experience Factor = \$25 × {District average teacher experience – statewide av-
15 erage teacher experience}. As used in this subparagraph, “average teacher experience” means the
16 average, in years, of teaching experience of licensed teachers as reported to the Department of Ed-
17 ucation.

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

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

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

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

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

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

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

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

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

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

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

20 (vi) The amount determined under ORS 327.077 for each remote small elementary school and for
21 each small high school in the district.

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

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

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

29 (3)(a) Transportation grant equals:

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

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

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

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

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

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

42 (c) As used in this subsection:

43 (A) "New school building" includes new school buildings, structures added onto existing school
44 buildings and premanufactured structures added to a school district if those buildings or structures
45 are to be used for instructing students.

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

SECTION 2. The amendments to ORS 327.013 by section 1 of this 2021 Act apply to State School Fund distributions commencing with the 2021-2022 distributions.

SECTION 3. ORS 327.195 is amended to read:

327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant awarded from the Student Investment Account = the grant recipient's ADMw × (the total amount available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).

(b) For purposes of this subsection and except as provided by paragraph (c) of this subsection, ADMw equals the ADMw as calculated under ORS 327.013[, *except that the additional amount allowed for students who are in poverty families, as determined under ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5*].

(c) When calculating ADMw, the Department of Education shall remove from a school district's calculation any amounts that are attributable to:

(A) A virtual public charter school, as defined in ORS 338.005;

(B) A public charter school that provided notice of the public charter school's intent to apply for a grant as an eligible applicant; and

(C) A public charter school sponsored by the school district that did not participate in the grant application or grant agreement.

(d) The amount of a grant distributed under this section may be adjusted by the department to ensure that:

(A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS 327.180 (3).

(B) A school district with an ADMw of 50 or less receives a minimum grant amount.

(2) The State Board of Education shall adopt any rules necessary for the distribution of grants under this section, including establishing:

(a) The minimum grant amounts under subsection (1)(d) of this section; and

(b) Any percentages and timelines for installment payments and adjustments of those installment payments.

(3) A grant recipient shall deposit the grant moneys the grant recipient receives under this section into a separate account and shall apply amounts in that account as provided by the grant agreement.

SECTION 4. ORS 327.254 is amended to read:

327.254. (1) The Department of Education shall use moneys in the Statewide Education Initiatives Account to provide funding for statewide education initiatives, including:

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

(b) Expanding school breakfast and lunch programs;

(c) Operating youth reengagement programs or providing youth reengagement services;

(d) Establishing and maintaining the Statewide School Safety and Prevention System under ORS 339.341;

(e) Developing and providing statewide equity initiatives, including the black or African-American education plan developed under ORS 329.841, the American Indian or Alaskan Native education plan developed under ORS 329.843, the Latino or Hispanic education plan developed under ORS 329.845 or any similar education plan identified by the department;

(f) Providing summer learning programs at schools that are considered high poverty under Title

1 I of the federal Elementary and Secondary Education Act of 1965;

2 (g) Funding early warning systems to assist students in graduating from high school, as de-
3 scribed in ORS 327.367;

4 (h) Developing and implementing professional development programs and training programs, in-
5 cluding programs that increase educator diversity and retain diverse educators;

6 (i) Planning for increased transparency and accountability in the public education system of this
7 state;

8 (j) Providing additional funding to school districts participating in the intensive program under
9 ORS 327.222;

10 (k) Providing technical assistance, including costs incurred for:

11 (A) The coaching program described in ORS 327.214; and

12 (B) The intensive program described in ORS 327.222, including costs for student success teams;

13 (L) Funding education service districts, as described in subsection (2) of this section; and

14 (m) Funding costs incurred by the department in implementing this section and ORS 327.175 to
15 327.235 and 327.274.

16 (2)(a) The amount of a distribution to an education service district under this section = the
17 education service district's ADMw \times (the total amount available for distribution to education ser-
18 vice districts in each biennium \div the total ADMw of all education service districts that receive a
19 distribution).

20 (b) For purposes of this subsection, ADMw equals the ADMw as calculated under ORS
21 327.013[*except that the additional amount allowed for students who are in poverty families, as deter-*
22 *mined under ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5].*

23 (c) An education service district shall use moneys received under this section as provided by a
24 plan developed by the school districts located within the education service district. A school district
25 that declines to participate in the development of the plan or that has withdrawn from an education
26 service district as provided by ORS 334.015 is not entitled to any moneys distributed to the educa-
27 tion service district under this subsection.

28 (d) A plan developed under this subsection must:

29 (A) Align with and support school districts in meeting the performance growth targets of the
30 school districts developing the plan;

31 (B) Include the provision of technical assistance to school districts in developing, implementing
32 and reviewing a plan for receiving a grant from the Student Investment Account;

33 (C) Provide for coordination with the department in administering and providing technical as-
34 sistance to school districts, including coordinating any coaching programs established under ORS
35 327.214; and

36 (D) Be adopted and amended as provided for local service plans under ORS 334.175 and approved
37 by the department.

38 (e) Each education service district must submit an annual report to the department that:

39 (A) Describes how the education service district spent moneys received under this subsection;
40 and

41 (B) Includes an evaluation of the education service district's compliance with the plan from the
42 superintendent of each school district that participated in the development of the plan.

43 (3) The State Board of Education shall adopt rules necessary for the distribution of moneys un-
44 der this section.

45 **SECTION 5. This 2021 Act being necessary for the immediate preservation of the public**

1 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
2 **July 1, 2021.**

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