

SB 1002 STAFF MEASURE SUMMARY

Senate Committee On Education

Action Date: 04/04/23

Action: Do pass and requesting referral to Finance and Revenue.

Vote: 4-3-0-0

Yeas: 4 - Dembrow, Frederick, President Wagner, Weber

Nays: 3 - Anderson, Gelser Blouin, Robinson

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 3/23, 4/4

WHAT THE MEASURE DOES:

Repeals prohibition on school districts using facility grant from State School Fund distributions for capital construction costs. Repeals facility grants distribution as part of State School Fund. Permits Oregon Department of Education to expend up to \$3 million State School Fund per biennium to respond to threat or hazard affecting school district and to improve safety and security of students and staff. Declares emergency, effective July 1, 2023.

ISSUES DISCUSSED:

- End of federal funding for emergency preparedness

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 1002 was introduced at the request of the Oregon Department of Education (ODE). According to ODE, funding from facility grants is no longer necessary due to legal changes that allow school districts to include the costs currently funded by the facility grant in their bond requests. Those changes took place through the passage of [House Joint Resolution 13 \(2009\)](#) and Measure 68, which was adopted by popular vote on May 18, 2010. The removal of certain constitutional limitations on local taxing districts in order to finance capital costs is codified in the [Oregon Constitution Art. XI § 11L](#) and applies to any bond debt incurred on or after January 1, 2011.

The State School Fund consists of moneys appropriated by the Legislative Assembly and intended for distribution to school districts. Each school district receives a State School Fund grant, calculated as a general purpose grant, a facility grant, a transportation grant, and a high cost disabilities grant minus local revenue. In addition, ORS 327.008 directs ODE to transfer State School Fund moneys to certain accounts each biennium, including the Educator Advancement Fund, Statewide English Language Learner Program Account, and the Healthy School Facilities Fund; and permits the department to expend limited amounts from the State School Fund for the administration of certain programs, such as talented and gifted education and a program to increase the number of speech-language pathologists (SLPs) and SLP assistants.

Senate Bill 1002 eliminates the facility grant made to schools from the State School Fund and repurposes State School Fund dollars to support school emergency preparedness.