

House Bill 2681

Sponsored by Representative OWENS, Senator FINDLEY, Representative DIEHL; Representatives HIEB, LEWIS, MORGAN, SCHARF, WRIGHT, Senator WEBER (at the request of Public Affairs Counsel) (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**.

Removes restriction on distribution of Student Investment Account moneys to virtual public charter schools.

A BILL FOR AN ACT

1
2 Relating to moneys available to virtual public charter schools; amending ORS 327.185 and 327.195.

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

4 **SECTION 1.** ORS 327.185 is amended to read:

5 327.185. (1) As used in this section, "eligible applicant" means any of the following entities:

6 (a) Common school districts and union high school districts.

7 (b) The Youth Corrections Education Program or the Juvenile Detention Education Program.

8 (c) Public charter schools [*that are not virtual public charter schools, as defined in ORS 338.005,*
9 *and*] that have a student population of which:

10 (A) At least 35 percent of the student population is composed of students from the following
11 student groups:

12 (i) Economically disadvantaged, as described in ORS 327.180 (2)(b)(A);

13 (ii) Racial or ethnic groups that have historically experienced academic disparities, as described
14 in ORS 327.180 (2)(b)(B); or

15 (iii) Students with disabilities, as described in ORS 327.180 (2)(b)(C); and

16 (B) The percentage of the students from student groups identified under subparagraph (A) of this
17 paragraph is greater than:

18 (i) The percentage of all students in the school district who are economically disadvantaged, if
19 eligibility is determined based on the percentage of students who are economically disadvantaged;

20 (ii) The percentage of all students in the school district who are from racial or ethnic groups
21 that have historically experienced academic disparities, if eligibility is determined based on the
22 percentage of students who are from those racial or ethnic groups; or

23 (iii) The percentage of all students in the school district who are disabled, if eligibility is de-
24 termined based on the percentage of students who are disabled.

25 (2)(a) Eligible applicants may apply for a grant from the Student Investment Account to receive
26 a distribution under ORS 327.190.

27 (b) Notwithstanding ORS 338.155 (9), a public charter school that is not an eligible applicant
28 may not apply for a grant under this section.

29 (3) Prior to preparing a grant application, an eligible applicant must:

30 (a) If the eligible applicant is a school district, determine whether the school district will allow
31 public charter schools sponsored by, or located within, the school district to participate in the grant

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 application and the grant agreement.

2 (b) If the eligible applicant is a public charter school, determine whether the public charter
3 school intends to apply for a grant and provide notice of that intent to the school district in which
4 the public charter school is located and to the Department of Education.

5 (4)(a) If an eligible applicant is a school district and decides to include public charter schools
6 in the grant application and grant agreement, the school district must provide all public charter
7 schools sponsored by, or located within, the school district the opportunity to participate in the
8 grant application and grant agreement.

9 (b)(A) A public charter school is not required to participate in the grant application and grant
10 agreement of a school district.

11 (B) If a public charter school does not participate in a grant application and grant agreement
12 under this subsection:

13 (i) The ADMw of the public charter school may not be used in the calculation of the school
14 district ADMw for grants distributed under ORS 327.195; and

15 (ii) The public charter school is not entitled to any grant moneys distributed under ORS 327.195.

16 (C) If a public charter school participates in a grant application and grant agreement under this
17 subsection:

18 (i) The public charter school and school district shall enter into an agreement for the distrib-
19 ution of moneys or the provision of services, including any accountability measures required of the
20 public charter school by the school district;

21 (ii) The ADMw of the public charter school shall be used in the calculation of the school district
22 ADMw for grants distributed under ORS 327.195; and

23 (iii) The public charter school is entitled to any grant moneys or services provided for in the
24 agreement entered into under this subparagraph.

25 (5)(a) For the purpose of preparing a grant application, an eligible applicant must determine:

26 (A) Which of the allowed uses identified in ORS 327.180 (3) the eligible applicant will fund with
27 grant moneys; and

28 (B) Which of the eligible uses identified under subparagraph (A) of this paragraph the eligible
29 applicant will designate to meeting student mental and behavioral health needs.

30 (b) An eligible applicant shall make the determinations required under paragraph (a) of this
31 subsection by:

32 (A) Engaging in strategic planning; and

33 (B) Considering the recommendations of the Quality Education Commission established under
34 ORS 327.500.

35 (6)(a) The strategic planning required under subsection (5) of this section must include:

36 (A) A completed needs assessment, as described in ORS 329.095;

37 (B) An analysis of the potential academic impact, both for the students of the eligible applicant
38 and for student groups identified in ORS 327.180 (2)(b), from the allowed uses that would be funded
39 by grant moneys; and

40 (C) The creation of budgets for the allowed uses that would be funded by grant moneys.

41 (b) The strategic planning required under subsection (5) of this section must take into consid-
42 eration:

43 (A) Input from the community of the eligible applicant, including school employees, students
44 from student groups identified in ORS 327.180 (2)(b) and parents of those students; and

45 (B) Data collected by the eligible applicant to enable the eligible applicant to make equity-based

1 decisions.

2 (7) Based on the strategic planning described in subsection (6) of this section, the eligible ap-
 3 plicant shall develop a four-year plan for the use of grant moneys. The plan must be updated every
 4 two years and must:

5 (a) Identify which allowed uses identified in ORS 327.180 (3) will be funded with grant moneys
 6 and which of those uses will be designated to meet student mental and behavioral health needs.

7 (b) Describe how the allowed uses identified under paragraph (a) of this subsection will be used
 8 to:

9 (A) Meet students' mental and behavioral health needs;

10 (B) Increase academic achievement for students of the eligible applicant; and

11 (C) Reduce academic disparities for student groups identified in ORS 327.180 (2)(b) who are
 12 served by the eligible applicant, and identify which of those student groups will benefit from the
 13 allowed uses that are being funded with grant moneys.

14 (c) Include the budgets for the allowed uses to be funded with grant moneys.

15 (d) Be approved by the governing body of the eligible applicant at an open meeting, following:

16 (A) Provision of the plan at the main office of the eligible applicant and on the eligible
 17 applicant's website;

18 (B) Oral presentation of the plan by an administrator of the eligible applicant to the governing
 19 body of the eligible applicant; and

20 (C) Opportunity for the public to comment on the plan at an open meeting.

21 (e) Be a part of the local district continuous improvement plan described in ORS 329.095, if the
 22 eligible applicant is a school district.

23 (8) To apply for a grant, an eligible applicant must submit an application every two years in a
 24 format and according to timelines prescribed by the Department of Education. The application must
 25 include:

26 (a) A completed needs assessment, as described in ORS 329.095;

27 (b) The plan developed under subsection (7) of this section; and

28 (c) Budget estimates for each of the allowed uses identified in the plan developed under sub-
 29 section (7) of this section that will be funded by grant moneys.

30 **SECTION 2.** ORS 327.195 is amended to read:

31 327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant
 32 awarded from the Student Investment Account = the grant recipient's ADMw × (the total amount
 33 available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).

34 (b) For purposes of this subsection and except as provided by paragraph (c) of this subsection,
 35 ADMw equals:

36 (A) For school districts, the ADMw as calculated under ORS 327.013, except that the additional
 37 amount allowed for students who are in poverty families, as determined under ORS 327.013
 38 (1)(c)(A)(v)(I), shall be 0.5.

39 (B) For an educational program under the Youth Corrections Education Program or the Juvenile
 40 Detention Education Program, as provided in ORS 327.026.

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

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

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

1 [(C)] (B) A public charter school sponsored by, or located within, the school district that did
2 not participate in the grant application or grant agreement.

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

5 (A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS
6 327.180 (3).

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

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

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

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

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

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