## HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3198

By JOINT COMMITTEE ON WAYS AND MEANS

June 21

1	On page 1 of the printed A-engrossed bill, line 2, after the first "ORS" insert "327.254, 327.274
2	and".
3	On page 3, line 43, after the comma insert "prioritize schools with the lowest rates of profi-
4	ciency in literacy and".
5	On page 7, delete lines 44 and 45.
6	On page 8, delete lines 1 and 2 and insert:
7	"NOTE: Section 12 was deleted by amendment. Subsequent sections were not renumbered.".
8	Delete lines 42 through 45 and insert:
9	"NOTE: Section 15 was deleted by amendment. Subsequent sections were not renumbered.".
10	On page 9, after line 38, insert:
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## "FUNDING FOR EARLY LITERACY SUCCESS INITIATIVE

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"SECTION 18. 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 Alaska 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 I of the federal Elementary and Secondary Education Act of 1965;
- "(g) Funding early warning systems to assist students in graduating from high school, as described in ORS 327.367;
- "(h) Developing and implementing professional development programs and training programs, including programs that increase educator diversity and retain diverse educators;
- "(i) Planning for increased transparency and accountability in the public education system of this state;
  - "(j) Providing additional funding to school districts participating in the intensive program under

ORS 327.222;

- "(k) Providing technical assistance, including costs incurred for:
- 3 "(A) The coaching program described in ORS 327.214; and
  - "(B) The intensive program described in ORS 327.222, including costs for student success teams;
- 5 "(L) Funding public charter schools, as described in ORS 327.362;
  - "(m) Funding the Early Literacy Success School Grant program, as provided by section 5 of this 2023 Act;
  - "(n) Funding the Early Literacy Success Community Grant program, as established by section 13 of this 2023 Act;
    - "[(m)] (o) Funding education service districts, as described in subsection (2) of this section; and
  - "[(n)] (p) Funding costs incurred by the department in implementing this section and ORS 327.175 to 327.235 and 327.274.
    - "(2)(a) The amount of a distribution to an education service district under this section shall be made as provided by paragraph (b) of this subsection after calculating the following for each education service district:
    - "(A) One percent of the total amount available for distribution to education service districts in each biennium.
    - "(B) The education service district's  $ADMw \times$  (the total amount available for distribution to education service districts in each biennium  $\div$  the total ADMw of all education service districts that receive a distribution).
    - "(b) The amount of the distribution to an education service district shall be the greater of the amounts calculated under paragraph (a) of this subsection, except that, for distributions made as provided by paragraph (a)(B) of this subsection, the total amount available for distribution to education service districts shall be the amount remaining after any distributions required under paragraph (a)(A) of this subsection have been made.
    - "(c) For purposes 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.
    - "(d) An education service district shall use moneys received under this section as provided by a plan developed by the school districts located within the education service district. A school district that declines to participate in the development of the plan or that has withdrawn from an education service district as provided by ORS 334.015 is not entitled to any moneys distributed to the education service district under this subsection.
      - "(e) A plan developed under this subsection must:
    - "(A) Align with and support school districts in meeting the performance growth targets of the school districts developing the plan;
  - "(B) Include the provision of technical assistance to school districts in developing, implementing and reviewing a plan for receiving a grant from the Student Investment Account;
  - "(C) Provide for coordination with the department in administering and providing technical assistance to school districts, including coordinating any coaching programs established under ORS 327.214; and
- 42 "(D) Be adopted and amended as provided for local service plans under ORS 334.175 and approved by the department.
  - "(f) Each education service district must submit an annual report to the department that:
    - "(A) Describes how the education service district spent moneys received under this subsection;

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- "(B) Includes an evaluation of the education service district's compliance with the plan from the superintendent of each school district that participated in the development of the plan.
- "(3) The State Board of Education shall adopt rules necessary for the distribution of moneys under this section.
- "SECTION 19. ORS 327.274, as amended by section 29, chapter 27, Oregon Laws 2022, is amended to read:
- "327.274. (1) The Department of Education and the Early Learning Division shall use moneys in the Early Learning Account to provide funding for early learning programs in a manner consistent with a statewide early learning system plan overseen by the Early Learning Council. Early learning programs that may receive moneys from the Early Learning Account include:
  - "(a) The Birth Through Five Literacy Plan established by section 9 of this 2023 Act;
- "[(a)] (b) Early childhood special education or early intervention services, as provided by ORS 343.475;
- "[(b)] (c) Relief nurseries;
  - "[(c)] (d) Programs funded by the Early Childhood Equity Fund;
- "[(d)] (e) The Oregon prekindergarten program and other public preschool programs established under ORS 329.170 to 329.200, by increasing:
- 19 "(A) The total number of spaces for children served by the programs; or
- 20 "(B) Existing spaces for full-day programs from half-day programs;
- 21 "[(e)] (f) Professional development for early childhood educators; and
- 22 "[(f)] (g) Early Head Start programs.
- 23 "(2) In addition to the uses identified in subsection (1) of this section, moneys in the Early 24 Learning Account may be used for:
  - "(a) Staffing needs of the Early Learning Division for the purpose of implementing this section.
  - "(b) Costs incurred by the division in conducting the biennial evaluation of programs that receive grants under ORS 417.782.
  - "(3) The State Board of Education and the Early Learning Council shall adopt rules necessary for the distribution of moneys under this section.
  - "<u>SECTION 20.</u> ORS 327.274, as amended by section 21, chapter 631, Oregon Laws 2021, and section 30, chapter 27, Oregon Laws 2022, is amended to read:
    - "327.274. (1) The Department of Early Learning and Care shall use moneys in the Early Learning Account to provide funding for early learning programs in a manner consistent with a statewide early learning system plan overseen by the Early Learning Council. Early learning programs that may receive moneys from the Early Learning Account include:
      - "(a) The Birth Through Five Literacy Plan established by section 9 of this 2023 Act;
- 37 "[(a)] (b) Early childhood special education or early intervention services, as provided by ORS 343.475;
  - "[(b)] (c) Relief nurseries;
    - "[(c)] (d) Programs funded by the Early Childhood Equity Fund;
- "[(d)] (e) The Oregon prekindergarten program and other public preschool programs established under ORS 329.170 to 329.200, by increasing:
  - "(A) The total number of spaces for children served by the programs; or
- 44 "(B) Existing spaces for full-day programs from half-day programs;
- 45 "[(e)] (f) Professional development for early childhood educators; and

"[(f)] (g) Early Head Start programs.

- "(2) In addition to the uses identified in subsection (1) of this section, moneys in the Early Learning Account may be used for:
- "(a) Staffing needs of the Department of Early Learning and Care for the purpose of implementing this section.
- "(b) Costs incurred by the department in conducting the biennial evaluation of programs that receive grants under ORS 417.782.
- "(3) The Early Learning Council shall adopt rules necessary for the distribution of moneys under this section.

"SECTION 21. Notwithstanding any other law limiting expenditures, the amount of \$90,000,000 is established for the biennium beginning July 1, 2023, as the maximum limit for payments of grants-in-aid, program costs and purchased services by the Department of Education from the Statewide Education Initiatives Account established under ORS 327.250 for Early Literacy Success School Grants.

"SECTION 22. Notwithstanding any other law limiting expenditures, the amount of \$1 is established for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses for operations, grants-in-aid, program costs and purchased services by the Department of Early Learning and Care from corporate activity tax funds transferred from the Early Learning Account by the Department of Education for Birth Through Five Literacy Plan grants.

"SECTION 23. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4 (1), chapter \_\_\_\_, Oregon Laws 2023 (Enrolled House Bill 5013), for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses for operations, grants-in-aid, program costs and purchased services by the Department of Early Learning and Care from corporate activity tax funds transferred from the Early Learning Account by the Department of Education, for operations, is increased by \$567,592, for administration of the Birth Through Five Literacy Plan.

"SECTION 24. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 12, chapter \_\_\_\_, Oregon Laws 2023 (Enrolled House Bill 5014), for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses by the Department of Education for a transfer of corporate activities tax funds from the Early Learning Account established under ORS 327.269 to the Department of Early Learning and Care, is increased by \$567,593, for administration of the Birth Through Five Literacy Plan.

"SECTION 25. Notwithstanding any other law limiting expenditures, the amount of \$1 is established for the biennium beginning July 1, 2023, as the maximum limit for payments of grants-in-aid, program costs and purchased services by the Department of Education from the Statewide Education Initiatives Account established under ORS 327.250 for Early Literacy Success Community Grants.

"SECTION 26. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 14, chapter \_\_\_\_, Oregon Laws 2023 (Enrolled House Bill 5014), for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses by the Department of Education from the Statewide Education Initiatives Account established under ORS 327.250, for operations, is increased by \$4,328,241, for administration of the Early Literacy Success School Grant program and the Early Literacy Success Community

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Grant program.".
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In line 42, delete "18" and insert "27".

In line 45, delete "19" and insert "28". 3

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