

HB 4079 STAFF MEASURE SUMMARY

House Committee On Education

Action Date: 02/07/24

Action: Do pass and be referred to Revenue by prior reference

Vote: 7-0-0-0

Yeas: 7 - Cramer, Hudson, McIntire, Neron, Nguyen H, Valderrama, Wright

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

Prepared By: Taylor Bickel, LPRO Analyst

Meeting Dates: 2/5, 2/7

WHAT THE MEASURE DOES:

The measure removes the cap on the amount of state funds a school district may receive for students who have a disability. The measure also provides school districts additional state funds based on the number of students in the district who are homeless. Effective July 1, 2024.

Detailed Summary:

Removes the cap on special education weights in the State School Fund distribution formula for school districts. Provides for one additional weight in the distribution formula for each student who is homeless. Effective July 1, 2024.

ISSUES DISCUSSED:

- Gaps in funding under current 11 percent cap
- Possibility of overidentification of students for special education if cap were removed
- Changes in SSF distributions to districts if cap on special education weighting were removed
- Absence of cap on any other ADM weighted group
- Undercounting of homeless students
- Differences in graduation and drop out rates for homeless students

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The State School Fund (SSF) equalization formula is the means by which the state distributes the largest source of state funds to school districts and education service districts (ORS 327.006). The formula allocates money to school districts on a per-student basis, using a weighted student count, or ADMw, to adjust for cost differences among districts based on students' needs.

The formula assigns weights to students in a variety of categories. Students with a disability under ORS 343.035 receive 1.0 additional weight above the standard weight, so that a district receives double the amount of funding for a student with a disability than the district would receive otherwise. Currently, districts may not claim the additional weight for special education for more than 11 percent of their total student population unless they receive a waiver from the Oregon Department of Education. The formula does not currently allocate any additional weights to students who are homeless.