

HB 2514 -1 STAFF MEASURE SUMMARY

House Committee On Education

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Meeting Dates: 1/27, 2/10

WHAT THE MEASURE DOES:

The measure clarifies the bonding authority of education service districts and increases the cap on the amount an education service district can raise by issuing bonds for capital costs. The measure establishes a limit on the aggregate principal amount of bonded indebtedness for education service districts (ESDs) of 7.95 percent (0.0795) of the real market value of all taxable property within the education service district to 7. The bonds can be used to finance capital costs for the ESD or its component school districts.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: No revenue impact

ISSUES DISCUSSED:

- Importance of funding for education service districts
- Need to clarify bonding authority

EFFECT OF AMENDMENT:

-1 Removes "or component school districts" from the purposes for which bond proceeds may be used.

BACKGROUND:

Education Service Districts (ESDs) are established in ORS Chapter 334. ESDs are tasked with assisting school districts and ODE in achieving Oregon's educational goals by providing equitable, high quality, cost-effective, and locally responsive educational services at a regional level. ESDs have locally elected boards and board-appointed superintendents. Currently, Oregon has 19 ESDs.