

## HB 3014 STAFF MEASURE SUMMARY

### House Committee On Education

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**Prepared By:** Lisa Gezelter, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 3/17, 3/24

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#### WHAT THE MEASURE DOES:

The measure establishes the School District Facility Equity Fund, requires the Oregon Department of Education's Office of School Facilities to award grants from the fund, authorizes the State Treasurer to issue lottery bonds, and modifies the responsibilities of the school facilities advisory group.

#### Detailed Summary

The measure establishes the School District Facility Equity Fund and allocates funding from that fund for two types of grants, with 50 percent of funding for the biennium available for each type of grant:

- Grants for facility replacement, repair, or maintenance or for health and safety upgrades, which are not conditional on district matching funds and are limited to \$2.5 million per grant recipient per biennium.
- Grants for construction, remodeling, or renovation, which are conditioned on matching funds and are limited to \$10 million per grant recipient per biennium.

The measure directs the State Board of Education to enact rules for eligibility, establishes allowable uses for grant funds, and authorizes the State Treasurer to issue lottery bonds in an amount that produces \$100 million in net proceeds. It also modifies the responsibilities of the school facilities advisory group and requires that group to present a report to the State Board of Education that makes recommendations about sustainable funding sources for the School District Facility Equity Fund. The measure declares an emergency and takes effect July 1, 2025.

#### ISSUES DISCUSSED:

- Student performance impacted by learning environment
- Inability of school districts to pass bonds
- Conditions in schools

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

The Oregon School Capital Improvement Matching (OSCIM) program provides matching grants to districts that pass a local bond measure. The program attempts to encourage local communities to invest in their own district's school facilities. Districts know ahead of the election what the state commitment will be, so community members can make an informed decision on their local bond measure.

The OSCIM program requires districts to submit a facilities assessment and a long-range plan. Grants are available to help districts with these requirements through the technical assistance program (TAP). Under current law, districts are awarded grants based either on their position on the priority list or based on when they submit their grant application. Districts that pass local bond measures of up to \$6 million are eligible for an equal amount of OSCIM funds. Districts that pass local bond measures of more than \$6 million are eligible for up to \$12 million in OSCIM funds based on a formula involving the district's adjusted assessed property value per ADM (OAR 581-027-0015).