



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

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Bill Title: Relating to education; declaring an emergency.

Government Unit(s) Affected: Department of Education, School Districts, Counties, Oregon Youth Authority

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Education	\$ -	\$ -	\$ 2,625,296	\$ -	\$ 2,625,296	7	5.75
Total Fiscal Impact	\$ -	\$ -	\$ 2,625,296	\$ -	\$ 2,625,296	7	5.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Education	\$ -	\$ -	\$ 6,733,086	\$ -	\$ 6,733,086	9	7.83
Total Fiscal Impact	\$ -	\$ -	\$ 6,733,086	\$ -	\$ 6,733,086	9	7.83

Measure Description

The measure develops a framework of accountability and transparency in K-12 education outcomes and changes the definition of school district to include education service districts, public charter schools, approved recovery schools, Youth Corrections Education Program, Juvenile Detention Education Program, Oregon School for the Deaf, and eligible day and residential treatment programs.

The measure requires the State Board of Education to develop statewide growth targets and metrics on measurable outcomes, including new metrics for 8th-grade math proficiency and K-2nd-grade regular attendance rates. School districts receiving a grant from the State School Fund (SSF) are required to develop local performance growth targets and measure progress toward achieving the targets in a public forum.

The Oregon Department of Education (ODE) is directed to review performance growth targets starting in the 2026-27 school year, and districts not meeting their targets must accept coaching and support for the 2028-29 school year.

Escalating accountability measures are established in the measure for school districts that are unable to meet their performance growth targets over time. After two years of not meeting targets, districts must accept support and coaching. After three years, districts are required to enter the Intensive Program, and after four years, ODE can direct up to 25% of the district's SSF and Student Investment Account funding.

To align current programming, the measure makes a series of statutory adjustments, including renaming the Intensive Program to the Intensive Coaching Program and adjusting the language from being based on "highest

needs” to a required participation program. The measure also expands reporting requirements for ODE and the districts receiving funding from the SSF.

The measure requires school districts and charter schools to administer interim assessments in mathematics and language arts at least three times each school year in kindergarten through eighth grade and to review the data during a public meeting of the governing body. The State Board of Education (SBE) shall adopt a list of no more than four approved interim assessments.

ODE, when intervening based on a school district’s failure to meet goals established in an early literacy success plan, may require the school district to adopt certain textbooks or other instructional materials, or may require the district to participate in certain training or improvement activities.

The measure requires ODE to study reporting requirements imposed on school districts, identify reporting requirements that could be reduced or removed, and possible statutory changes; to contract with a public or private entity to review administrative rule requirements for school districts to be considered standard; and to summarize administrative and organizational changes to improve grant consolidation, align internal operations, organize efforts to elevate best practices and responsive support for school districts before the 2026-27 school year, and implementation of this measure.

Fiscal Analysis

The fiscal impact of the measure is \$2.6 million Other Funds and seven positions (5.75 FTE) in the 2025-27 biennium, and \$6.7 million Other Funds and nine positions (7.83 FTE) in the 2027-29 biennium.

Department of Education

The fiscal impact to ODE is \$2.6 million Other Funds from the Statewide Education Initiatives Account in the 2025-27 biennium. This funding supports the establishment of seven positions (5.75 FTE) to implement the measure, including:

- One Accounting Manager 3 (1.00 FTE)
- One Program Analyst 1 (0.50 FTE)
- One Education Program Specialist 2 (1.00 FTE)
- One Administrative Specialist 2 (1.00 FTE)
- One Public Affairs Specialist 3 (0.88 FTE)
- One Research Analyst 4 (0.88 FTE)
- One Accountant 2 (0.50 FTE)

These positions will provide program leadership, collaboration, metrics management, research, data collection, and accounting services.

In the 2027-29 biennium, the fiscal impact to ODE is \$6.7 million Other Funds from the Statewide Education Initiatives Account. The anticipated funding will support nine positions (7.83 FTE), including the seven permanent positions (6.50 FTE) established in the 2025-27 biennium, plus two additional Education Program Specialist 2 positions (1.33 FTE) to support districts with the Intensive Coaching Program.

School Districts

The SSF budget in the 2025-27 biennium is the adjusted current service level budget of \$11.4 billion. This increased amount assumes funding is included for any expense school districts might incur related to the implementation of this accountability measure.

Other Entities

The measure is not anticipated to have a fiscal impact on Counties or the Oregon Youth Authority.

Relevant Dates

The measure declares an emergency and takes effect on passage.

The measure specifies that performance growth targets developed prior to the measure's effective date shall be the district's performance growth targets for the 2025-26 school year, and that new performance growth targets will be applied to the 2026-27 school year.

The measure makes modified reporting requirements operative on January 1, 2028, and bases them on the 2026-27 school year.

SBE shall adopt a list of approved interim assessments by January 31, 2026, with interim assessments to begin in the 2026-27 school year.

The measure requires ODE to submit three separate reports to the Legislature, all of which are due by December 15, 2026.