

SB 141 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Wendy Gibson, Legislative Fiscal Office

**Department of Education
2025-27**

Budget Summary*

| | 2023-25 Legislatively Approved Budget ⁽¹⁾ | 2025-27 Current Service Level | 2025-27 Committee Recommendation | Committee Change from 2023-25 Leg. Approved | |
|---------------------|---|----------------------------------|-------------------------------------|--|----------|
| | | | | \$ Change | % Change |
| Other Funds Limited | \$ - | \$ - | \$2,625,296 | \$ 2,625,296 | 100.0% |
| Total | \$ - | \$ - | \$ 2,625,296 | \$ 2,625,296 | 100.0% |

Position Summary

| | | | | |
|--------------------------------------|------|------|------|------|
| Authorized Positions | 0 | 0 | 7 | 7 |
| Full-time Equivalent (FTE) positions | 0.00 | 0.00 | 5.75 | 5.75 |

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 141 provides \$2,625,296 Other Funds expenditure limitation for the Oregon Department of Education (ODE) for the 2025-27 biennium. The Other Funds are comprised of Corporate Activity Tax revenues transferred from the Fund for Student Success to the Statewide Education Initiatives Account.

Summary of Education Subcommittee Action

Senate Bill 141 develops a framework for 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 Programs, Juvenile Detention Education Programs, the Oregon School for the Deaf, and eligible day and residential treatment programs.

The bill requires the State Board of Education to develop statewide growth targets and performance metrics based on measurable outcomes, including new metrics for 8th grade math proficiency and Kindergarten through 2nd grade regular attendance rates. The bill also requires school districts receiving a grant from the State School Fund (SSF) to develop local performance growth targets and measure progress toward achieving these targets. The bill further directs ODE to review these performance growth targets starting in the 2026-27 school year. Based on this review, districts not meeting their targets will be required to accept coaching and support from ODE starting the in 2028-29 school year.

The bill establishes escalating accountability measures for school districts that are unable to meet their performance growth targets over time:

- After two years of not meeting performance growth targets, districts must accept support and coaching from ODE.

- After three years of not meeting targets, districts are required to enter the intensive coaching program.
- After four or more years of not meeting targets, ODE can prescribe the use of up to 25% of the district's SSF and Student Investment Account funding.

The bill also makes a series of statutory adjustments to align current programming, including renaming the intensive program to the intensive coaching program and adjusting the language of the program from being based on "highest needs" to requiring districts participate in the program if targets are not met.

The Subcommittee recommended \$1.5 million Other Funds from the Statewide Education Initiatives Account for the establishment of seven full time, permanent positions (5.75 FTE) within ODE to implement the accountability measures, including positions for program leadership, collaboration, metrics management, research, and data collection.

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

Additionally, the Subcommittee recommended \$1.1 million Other Funds from the Statewide Education Initiatives Account for services and supplies costs, including \$0.6 million to convene education professionals for evaluation and criteria development work; and \$0.5 million for one-time professional services costs during the 2025-27 biennium to fund a complaints process evaluator.

SB 5516 (2025) provided funding for expenses a school district might incur related to the implementation of this measure.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Education
Ben DeYoung -- 503-931-6249

| DESCRIPTION | GENERAL FUND | LOTTERY FUNDS | OTHER FUNDS | | FEDERAL FUNDS | | TOTAL ALL FUNDS | POS | FTE | |
|------------------------------------|--------------|---------------|--------------|------------|---------------|------------|-----------------|-----|------|--|
| | | | LIMITED | NONLIMITED | LIMITED | NONLIMITED | | | | |
| SUBCOMMITTEE ADJUSTMENTS | | | | | | | | | | |
| SCR581-010 - Department Operations | | | | | | | | | | |
| Personal Services | \$ - | \$ - | \$1,488,303 | \$ - | \$ - | \$ - | 1,488,303 | 7 | 5.75 | |
| Services and Supplies | \$ - | \$ - | \$1,136,993 | \$ - | \$ - | \$ - | 1,136,993 | | | |
| TOTAL ADJUSTMENTS | \$ - | \$ - | \$ 2,625,296 | \$ - | \$ - | \$ - | 2,625,296 | 7 | 5.75 | |
| SUBCOMMITTEE RECOMMENDATION * | \$ - | \$ - | \$ 2,625,296 | \$ - | \$ - | \$ - | 2,625,296 | 7 | 5.75 | |

*Excludes Capital Construction Expenditures