

House Bill 2186

Sponsored by Representative MCINTIRE, Senator BONHAM (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Allows virtual public charter schools to receive a SIA grant. (Flesch Readability Score: 61.3).

Allows virtual public charter schools to be eligible for grants distributed from the Student Investment Account.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to public charter school eligibility for grants from the Student Investment Account; creating new provisions; amending ORS 327.185 and 327.195; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 327.185 is amended to read:

327.185. (1) As used in this section, "eligible applicant" means any of the following entities:

(a) Common school districts and union high school districts.

(b) The Youth Corrections Education Program or the Juvenile Detention Education Program.

(c) Public charter schools [*that are not virtual public charter schools, as defined in ORS 338.005, and*] that have a student population of which:

(A) At least 35 percent of the student population is composed of students from the following student groups:

(i) Economically disadvantaged, as described in ORS 327.180 (2)(b)(A);

(ii) Racial or ethnic groups that have historically experienced academic disparities, as described in ORS 327.180 (2)(b)(B); or

(iii) Students with disabilities, as described in ORS 327.180 (2)(b)(C); and

(B) The percentage of the students from student groups identified under subparagraph (A) of this paragraph is greater than or equal to:

(i) The percentage of all students in the school district who are economically disadvantaged, if eligibility is determined based on the percentage of students who are economically disadvantaged;

(ii) The percentage of all students in the school district who are from racial or ethnic groups that have historically experienced academic disparities, if eligibility is determined based on the percentage of students who are from those racial or ethnic groups; or

(iii) The percentage of all students in the school district who are disabled, if eligibility is determined based on the percentage of students who are disabled.

(2)(a) Eligible applicants may apply for a grant from the Student Investment Account to receive a distribution under ORS 327.190.

(b) Notwithstanding ORS 338.155 (9), a public charter school that is not an eligible applicant may not apply for a grant under this section.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) Prior to preparing a grant application, an eligible applicant must:

2 (a) If the eligible applicant is a school district, determine whether the school district will allow
3 public charter schools sponsored by, or located within, the school district to participate in the grant
4 application and the grant agreement.

5 (b) If the eligible applicant is a public charter school, determine whether the public charter
6 school intends to apply for a grant and provide notice of that intent to the school district in which
7 the public charter school is located and to the Department of Education.

8 (4)(a) If an eligible applicant is a school district and decides to include public charter schools
9 in the grant application and grant agreement, the school district must provide all public charter
10 schools sponsored by, or located within, the school district the opportunity to participate in the
11 grant application and grant agreement.

12 (b)(A) A public charter school is not required to participate in the grant application and grant
13 agreement of a school district.

14 (B) If a public charter school does not participate in a grant application and grant agreement
15 under this subsection:

16 (i) The ADMw of the public charter school may not be used in the calculation of the school
17 district ADMw for grants distributed under ORS 327.195; and

18 (ii) The public charter school is not entitled to any grant moneys distributed under ORS 327.195.

19 (C) If a public charter school participates in a grant application and grant agreement under this
20 subsection:

21 (i) The public charter school and school district shall enter into an agreement for the distrib-
22 ution of moneys or the provision of services, including any accountability measures required of the
23 public charter school by the school district;

24 (ii) The ADMw of the public charter school shall be used in the calculation of the school district
25 ADMw for grants distributed under ORS 327.195; and

26 (iii) The public charter school is entitled to any grant moneys or services provided for in the
27 agreement entered into under this subparagraph.

28 (5)(a) For the purpose of preparing a grant application, an eligible applicant must determine:

29 (A) Which of the allowed uses identified in ORS 327.180 (3) the eligible applicant will fund with
30 grant moneys; and

31 (B) Which of the eligible uses identified under subparagraph (A) of this paragraph the eligible
32 applicant will designate to meeting student mental and behavioral health needs.

33 (b) An eligible applicant shall make the determinations required under paragraph (a) of this
34 subsection by:

35 (A) Engaging in strategic planning; and

36 (B) Considering the recommendations of the Quality Education Commission established under
37 ORS 327.500 and recommendations from the advisory groups formed by the Department of Education
38 for the purposes of the statewide education plans developed and implemented by the department.

39 (6)(a) The strategic planning required under subsection (5) of this section must include:

40 (A) A completed needs assessment, as described in ORS 329.095;

41 (B) An analysis of the potential academic impact, both for the students of the eligible applicant
42 and for student groups identified in ORS 327.180 (2)(b), from the allowed uses that would be funded
43 by grant moneys; and

44 (C) The creation of budgets for the allowed uses that would be funded by grant moneys.

45 (b) The strategic planning required under subsection (5) of this section must take into consid-

1 eration:

2 (A) Input from the community of the eligible applicant, including school employees, students
 3 from student groups identified in ORS 327.180 (2)(b) and parents of those students; and

4 (B) Data collected by the eligible applicant to enable the eligible applicant to make equity-based
 5 decisions.

6 (7) Based on the strategic planning described in subsection (6) of this section, the eligible ap-
 7 plicant shall develop a four-year plan for the use of grant moneys. The plan must be updated every
 8 two years and must:

9 (a) Identify which allowed uses identified in ORS 327.180 (3) will be funded with grant moneys
 10 and which of those uses will be designated to meet student mental and behavioral health needs.

11 (b) Describe how the allowed uses identified under paragraph (a) of this subsection will be used
 12 to:

13 (A) Meet students' mental and behavioral health needs;

14 (B) Increase academic achievement for students of the eligible applicant; and

15 (C) Reduce academic disparities for student groups identified in ORS 327.180 (2)(b) who are
 16 served by the eligible applicant, and identify which of those student groups will benefit from the
 17 allowed uses that are being funded with grant moneys.

18 (c) Include the budgets for the allowed uses to be funded with grant moneys.

19 (d) Be approved by the governing body of the eligible applicant at an open meeting, following:

20 (A) Provision of the plan at the main office of the eligible applicant and on the eligible
 21 applicant's website;

22 (B) Oral presentation of the plan by an administrator of the eligible applicant to the governing
 23 body of the eligible applicant; and

24 (C) Opportunity for the public to comment on the plan at an open meeting.

25 (e) Be a part of the local district continuous improvement plan described in ORS 329.095, if the
 26 eligible applicant is a school district.

27 (8) To apply for a grant, an eligible applicant must submit an application every two years in a
 28 format and according to timelines prescribed by the Department of Education. The application must
 29 include:

30 (a) A completed needs assessment, as described in ORS 329.095;

31 (b) The plan developed under subsection (7) of this section; and

32 (c) Budget estimates for each of the allowed uses identified in the plan developed under sub-
 33 section (7) of this section that will be funded by grant moneys.

34 **SECTION 2.** ORS 327.195 is amended to read:

35 327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant
 36 awarded from the Student Investment Account = the grant recipient's ADMw × (the total amount
 37 available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).

38 (b) For purposes of this subsection and except as provided by paragraph (c) of this subsection,
 39 ADMw equals:

40 (A) For school districts, the ADMw as calculated under ORS 327.013, except that the additional
 41 amount allowed for students who are in poverty families, as determined under ORS 327.013
 42 (1)(c)(A)(v)(I), shall be 0.5.

43 (B) For an educational program under the Youth Corrections Education Program or the Juvenile
 44 Detention Education Program, as provided in ORS 327.026.

45 (c) When calculating ADMw for a school district, the Department of Education shall remove

1 from the calculation any amounts that are attributable to:

2 [(A) *A virtual public charter school, as defined in ORS 338.005;*]

3 [(B)] (A) A public charter school that provided notice of the public charter school's intent to
4 apply for a grant as an eligible applicant; and

5 [(C)] (B) A public charter school sponsored by, or located within, the school district that did
6 not participate in the grant application or grant agreement.

7 (d) The amount of a grant distributed under this section may be adjusted by the department to
8 ensure that:

9 (A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS
10 327.180 (3).

11 (B) A school district with an ADMw of 50 or less receives a minimum grant amount.

12 (C) Each site of the Youth Corrections Education Program and the Juvenile Detention Educa-
13 tion Program receives a grant amount that is no less than the minimum grant amount provided to
14 a school district under subparagraph (B) of this paragraph.

15 (2) The State Board of Education shall adopt any rules necessary for the distribution of grants
16 under this section, including establishing:

17 (a) The minimum grant amounts under subsection (1)(d) of this section; and

18 (b) Any percentages and timelines for installment payments and adjustments of those installment
19 payments.

20 (3) A grant recipient shall deposit the grant moneys the grant recipient receives under this
21 section into a separate account and shall apply amounts in that account as provided by the grant
22 agreement.

23 **SECTION 3. The amendments to ORS 327.195 by section 2 of this 2025 Act first apply to**
24 **calculations of grants to be distributed for the 2025-2026 school year.**

25 **SECTION 4. This 2025 Act being necessary for the immediate preservation of the public**
26 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**
27 **on its passage.**

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