

A-Engrossed
House Bill 2448

Ordered by the House February 24
Including House Amendments dated February 24

Sponsored by Representative NERON; Representative NELSON (Presession 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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Transfers more money each year to the High Cost Disabilities Account from the State School Fund. (Flesch Readability Score: 68.9).

Increases the amount of money transferred each fiscal year by the Department of Education from the State School Fund to the High Cost Disabilities Account.

Appropriates moneys from the General Fund for transfer to the State School Fund.

Declares an emergency, effective July 1, 2025.

A BILL FOR AN ACT

1
2 Relating to funding for students eligible for special education; creating new provisions; amending
3 ORS 327.008; and declaring an emergency.

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

5 **SECTION 1.** ORS 327.008 is amended to read:

6 327.008. (1)(a) There is established a State School Fund in the General Fund.

7 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
8 grants, donations and other moneys from public and private sources for the State School Fund.
9 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

10 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
11 moneys transferred from the Fund for Student Success, moneys transferred from the Education Sta-
12 bility Fund and the Oregon Marijuana Account and moneys received as provided in paragraph (b)
13 of this subsection.

14 (d) The State School Fund is continuously appropriated to the Department of Education for the
15 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 327.356 to
16 327.359, 336.575, 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961.

17 (2) There shall be apportioned from the State School Fund to each school district a State School
18 Fund grant, consisting of the positive amount equal to a general purpose grant and a transportation
19 grant and a high cost disabilities grant minus local revenue, computed as provided in ORS 327.011
20 and 327.013.

21 (3) For the first school year after a public charter school ceases to operate because of dissol-
22 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
23 from the State School Fund to each school district that had sponsored a public charter school that
24 ceased to operate an amount equal to the school district's general purpose grant per extended
25 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
26 year.

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 (4) There shall be apportioned from the State School Fund to each education service district a
2 State School Fund grant as calculated under ORS 327.019.

3 (5) All figures used in the determination of the distribution of the State School Fund shall be
4 estimates for the same year as the distribution occurs, unless otherwise specified.

5 (6) Numbers of students in average daily membership used in the distribution formula shall be
6 the numbers as of June of the year of distribution.

7 (7) Each biennium, the Department of Education may expend from the State School Fund no
8 more than \$3 million for expenses incurred by the department in providing support to school dis-
9 tricts, education service districts and public charter schools at any time before, during or after a
10 threat or hazard that may affect a school district, an education service district or a public charter
11 school and for the purpose of helping to improve the safety and security of students and staff.

12 (8) Each biennium, the Department of Education may expend from the State School Fund no
13 more than \$10 million for expenses incurred by the Office of School Facilities under ORS 326.125
14 (1)(b) to (g).

15 (9) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facil-
16 ity Account established in ORS 327.022 the amount necessary to pay the costs of educational ser-
17 vices provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

18 (10) Each fiscal year, the Department of Education shall transfer the amount of [~~\$55~~] **\$155**
19 million from the State School Fund to the High Cost Disabilities Account established in ORS
20 327.348.

21 (11)(a) Each biennium, the Department of Education shall transfer \$39.5 million from the State
22 School Fund to the Educator Advancement Fund established under ORS 342.953.

23 (b) For the purpose of making the transfer under this subsection:

24 (A) The total amount available for all distributions from the State School Fund shall be reduced
25 by \$6 million;

26 (B) The amount distributed to school districts from the State School Fund under this section and
27 ORS 327.013 shall be reduced by \$16.75 million; and

28 (C) The amount distributed to education service districts from the State School Fund under this
29 section and ORS 327.019 shall be reduced by \$16.75 million.

30 (c) For each biennium, the amounts identified in this subsection shall be adjusted by the same
31 percentage by which the instructions furnished to state agencies by the Governor under ORS 291.204
32 direct the state agencies to adjust their agency budget requests for special payments under ORS
33 291.216 (6)(a)(C).

34 (12) Each biennium, the Department of Education shall transfer \$12.5 million from the State
35 School Fund to the Statewide English Language Learner Program Account established under ORS
36 327.344.

37 (13) Each fiscal year, the Department of Education may expend up to \$550,000 from the State
38 School Fund for the contract described in ORS 329.488. The amount distributed to education service
39 districts from the State School Fund under this section and ORS 327.019 shall be reduced by the
40 amount expended by the department under this subsection.

41 (14) Each biennium, the Department of Education may expend up to \$350,000 from the State
42 School Fund to provide administration of and support for the development of talented and gifted
43 education under ORS 343.404.

44 (15) Each biennium, the Department of Education may expend up to \$150,000 from the State
45 School Fund for the administration of a program to increase the number of licensed speech-language

1 pathologists and certified speech-language pathology assistants under ORS 348.398.

2 (16) Each biennium, the Department of Education shall transfer \$2 million from the State School
3 Fund for deposit to the Healthy School Facilities Fund established under ORS 332.337.
4 Notwithstanding ORS 332.337, the department may expend moneys received in the Healthy School
5 Facilities Fund under this subsection only as grants for costs associated with testing for elevated
6 levels of lead in water used for drinking or food preparation.

7 (17) Each biennium, the Department of Education shall transfer an amount not to exceed
8 \$5,595,000 for the purpose of making tampons and sanitary pads available as provided by ORS
9 326.545.

10 (18) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from
11 the State School Fund to the Small School District Supplement Fund established in ORS 327.359.

12 (19) Each biennium, the Department of Education shall transfer to the Oregon Military Depart-
13 ment the amount necessary to pay the costs of educational services provided to students admitted
14 to programs operated by the military department for at-risk youth, as described in ORS 396.360, that
15 are outstanding after any General Fund appropriations and the calculation of available federal funds
16 for the programs.

17 **SECTION 2. The amendments to ORS 327.008 by section 1 of this 2025 Act apply to State**
18 **School Fund distributions commencing with the 2025-2026 school year distributions.**

19 **SECTION 3. In addition to and not in lieu of any other appropriation, there is appropri-**
20 **ated to the Department of Education, for the biennium beginning July 1, 2025, out of the**
21 **General Fund, the amount of \$200,000,000, for the State School Fund.**

22 **SECTION 4. This 2025 Act being necessary for the immediate preservation of the public**
23 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**
24 **July 1, 2025.**

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