

House Bill 2583

Sponsored by Representative MCINTIRE (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 some virtual public charter schools to receive an SIA grant. (Flesch Readability Score: 64.9).

Allows virtual public charter schools that do not provide educational services through a for-profit entity that contracts with the governing body of the virtual public charter school to be eligible for grants distributed from the Student Investment Account.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to public charter school eligibility for grants from the Student Investment Account; creat-
3 ing new provisions; amending ORS 327.185 and 327.195; and declaring an emergency.

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

5 **SECTION 1.** ORS 327.185 is amended to read:

6 327.185. *[(1) As used in this section, "eligible applicant" means any of the following entities:]*

7 *[(a) Common school districts and union high school districts.]*

8 *[(b) The Youth Corrections Education Program or the Juvenile Detention Education Program.]*

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

11 **(1) As used in this section:**

12 **(a) "Eligible applicant" means any of the following entities:**

13 **(A) A common school district or a union high school district.**

14 **(B) The Youth Corrections Education Program or the Juvenile Detention Education**
15 **Program.**

16 **(C) An eligible public charter school.**

17 **(b) "Eligible public charter school" means a public charter school that:**

18 **(A) Is not a virtual public charter school for which a for-profit entity contracts with the**
19 **governing body of the virtual public charter school to provide educational management ser-**
20 **vices; and**

21 **(B) Has a student population of which:**

22 *[(A)] (i) At least 35 percent of the student population is composed of students from the following*
23 *student groups:*

24 *[(i)] (I) Economically disadvantaged, as described in ORS 327.180 (2)(b)(A);*

25 *[(ii)] (II) Racial or ethnic groups that have historically experienced academic disparities, as*
26 *described in ORS 327.180 (2)(b)(B); or*

27 *[(iii)] (III) Students with disabilities, as described in ORS 327.180 (2)(b)(C); and*

28 *[(B)] (ii) The percentage of the students from student groups identified under [subparagraph (A)]*

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 *of this paragraph*] **sub-subparagraph (i) of this subparagraph** is greater than or equal to:

2 [(i)] **(I)** The percentage of all students in the school district who are economically disadvan-
 3 tagged, if eligibility is determined based on the percentage of students who are economically disad-
 4 vantaged;

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

8 [(iii)] **(III)** The percentage of all students in the school district who are disabled, if eligibility
 9 is determined based on the percentage of students who are disabled.

10 **(c) “Virtual public charter school” has the meaning given that term in ORS 338.005.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

45 (B) Which of the eligible uses identified under subparagraph (A) of this paragraph the eligible

1 applicant will designate to meeting student mental and behavioral health needs.

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

4 (A) Engaging in strategic planning; and

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

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

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

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

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

14 (b) The strategic planning required under subsection (5) of this section must take into consid-
15 eration:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant
 5 awarded from the Student Investment Account = the grant recipient's ADMw × (the total amount
 6 available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).

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

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

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

14 (c) When calculating ADMw for a school district, the Department of Education shall remove
 15 from the calculation any amounts that are attributable to:

16 (A) A virtual public charter school, as defined in ORS 338.005, **for which a for-profit entity**
 17 **contracts with the governing body of the virtual public charter school to provide educational**
 18 **management services;**

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

21 (C) A public charter school sponsored by, or located within, the school district that did not
 22 participate in the grant application or grant agreement.

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

25 (A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS
 26 327.180 (3).

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

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

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

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

34 (b) Any percentages and timelines for installment payments and adjustments of those installment
 35 payments.

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

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

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