

A-Engrossed House Bill 3040

Ordered by the House April 16
Including House Amendments dated April 16

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of Governor Tina Kotek for Department of Education)

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: Changes the grant program for reading and directs ODE to establish a coaching program for teaching how to read. (Flesch Readability Score: 62.8).

[Digest: Directs ODE to study ways to help children learn how to read. (Flesch Readability Score: 88.9).]

[Requires the Department of Education to study methods for improving early literacy outcomes. Directs the department to submit findings to the interim committees of the Legislative Assembly related to education not later than September 15, 2026.]

[Sunsets January 2, 2027.]

Prescribes professional development and coaching requirements under the Early Literacy Success School Grant program. Expands the allowed uses of grants related to curricula.

Modifies the reporting date related to Early Literacy Success School Grants and the contents of the reports.

Expands allowed interventions for the Department of Education to take when a school district or public charter school does not meet the goals established in an early literacy success plan.

Directs the department to establish an early literacy coaching program to support school districts, schools and educators for the purpose of improving early literacy instruction.

A BILL FOR AN ACT

Relating to early literacy; creating new provisions; and amending ORS 327.254, 327.829, 327.831, 327.835, 327.837 and 327.843.

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

SECTION 1. ORS 327.829 is amended to read:

327.829. (1) As part of the Early Literacy Success Initiative, the Department of Education shall establish and administer the Early Literacy Success School Grant program.

(2) Under the program, the department shall award annual grants to school districts and to public charter schools that are elementary schools. The grants must be used to implement the purposes of the Early Literacy Success Initiative, as identified in ORS 327.827, by funding the following:

(a) The provision of professional development and coaching in research-aligned literacy strategies *[to teachers and administrators in early elementary grades]* to improve early literacy instruction.

Professional development and coaching:

(A) Must be provided to teachers and administrators in early elementary grades; and

(B) May be provided to instructional assistants in early elementary grades and to any other staff identified by the State Board of Education by rule.

(b) The provision of extended learning programs that use research-aligned literacy strategies and that are made available to students in early elementary grades by licensed teachers or by qualified tutors. The extended learning programs may include:

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.

(A) Home-based summer reading activities for students who need additional support and enrichment; and

(B) An intensive summer school program for students who need the most additional support and who receive at least 60 hours of direct literacy instruction by an instructional assistant or a licensed teacher trained in research-aligned literacy strategies.

(c) The provision of high-dosage tutoring to students in early elementary grades that integrates reading and writing and that is delivered by a qualified tutor using developmentally appropriate practices.

[(d) The adoption of curricula that uses research-aligned literacy strategies and the implementation of that curricula. Funding under this paragraph may be used to:]

(d) The adoption and implementation of curricula that uses research-aligned literacy strategies and that is applicable starting in any grade from prekindergarten through grade five. Funding under this paragraph may be used to:

(A) Purchase curricula and materials that are culturally relevant; or

(B) Provide professional development and time for teachers, *[and]* administrators **and instructional assistants in early elementary grades, and any other staff identified by the State Board of Education by rule**, to attend training related to the curricula.

(e) The employment of literacy specialists, coaches or interventionists.

(3) A grant received under ORS 327.833 may be used only for purposes identified in subsection (2) of this section for the benefit of children and students in prekindergarten through grade three.

(4) The State Board of Education may adopt any rules necessary for the administration of grants under ORS 327.829 to 327.837. Rules shall, to the greatest extent practicable, prioritize schools with the lowest rates of proficiency in literacy and assist in the operational alignment of grant programs and improvement strategies administered by the Department of Education, including:

(a) Grants distributed from the Student Investment Account, as provided by ORS 327.175 to 327.235;

(b) Apportionments made under the High School Graduation and College and Career Readiness Act, as provided by ORS 327.853 to 327.895; **and**

(c) District continuous improvement plans, as described in ORS 329.095.

SECTION 2. ORS 327.831 is amended to read:

327.831. (1) Any school district or public charter school that is an elementary school may apply for a noncompetitive grant under the Early Literacy Success School Grant program as provided by ORS 327.829 to 327.837.

(2) Grants awarded under ORS 327.833 are not competitive, but a school district or public charter school must comply with the requirements prescribed by ORS 327.829 to 327.837 and by rules adopted by the State Board of Education under ORS 327.829 to 327.837.

(3) To be eligible for a grant under ORS 327.833, a school district or public charter school must submit to the Department of Education an application that includes:

(a) An early literacy success plan. The plan must be updated every two years and must establish four-year goals for the school district or public charter school to achieve for making progress in satisfying the purposes of the Early Literacy Success Initiative, as described in ORS 327.827. The plan must include:

(A) A review of the early literacy program, including the English language arts curricula used by elementary schools of the school district or by the public charter school, using criteria established by the department;

(B) A student growth assessment for all students and disaggregated by student groups that have historically experienced academic disparities; and

(C) A description of how the school district or the public charter school will provide:

(i) Professional development and coaching, as described in ORS 327.829 (2)(a);

(ii) Extended learning programs, as described in ORS 327.829 (2)(b); and

(iii) High-dosage tutoring, as described in ORS 327.829 (2)(c).

(b) An accurate, up-to-date inventory of literacy assessments, tools, curricula and digital resources used by the school district or public charter school to support literacy in early elementary grades. The school district or public charter school must:

(A) Ensure that the literacy assessments, tools, curricula and digital resources of the inventory are based on research-aligned literacy strategies and are formative, diagnostic and culturally responsive; and

(B) Include in the inventory the date of adoption of the literacy assessment, tool, curriculum or digital resource.

[(c) A plan for communication efforts to support engagement between:]

[(A) School districts;]

(c) Strategies for communicating and engaging with the following regarding the plan:

[(B)] (A) Elementary schools of the school district;

[(C)] (B) Families of the school district; and

[(D)] (C) Members of the school district community.

(4) An application described in subsection (3) of this section must be presented and approved by the school district board or the governing body of the public charter school at an open meeting following:

(a) Oral presentation of the application by an administrator of the school district or public charter school to the school district board or the governing body of the public charter school; and

(b) Opportunity for the public to comment on the application.

(5) To the greatest extent practicable, a school district or public charter school shall align an early literacy success plan developed under this section with the plan developed for distributions from the Student Investment Account as provided by ORS 327.185 (7).

(6) For the purposes of this section, the department shall:

(a) Establish timelines and forms for applications submitted under this section;

(b) Evaluate applications before awarding grant funds;

(c) Assist school districts and public charter schools in prioritizing early literacy investments with funds received under this section; and

(d) Provide technical assistance to school districts and public charter schools in developing and implementing the early literacy success plan required for the application.

SECTION 3. ORS 327.835 is amended to read:

327.835. (1) Each recipient of an Early Literacy Success School Grant under ORS 327.833 must submit an annual report to the Department of Education.

(2) The report required under this section must include:

(a) The school district's or public charter school's progress toward achieving the goals established in the early literacy success plan, as described in ORS 327.831 (3);

(b) An inventory of literacy assessments, tools, curricula and digital resources used by the school district or the public charter school to support literacy;

(c) Evidence that the literacy assessments, tools, curricula and digital resources in the inventory

described in paragraph (b) of this subsection are used with fidelity to research-aligned literacy strategies;

(d) Evidence that teachers, *[and]* administrators, **instructional assistants and other staff identified by the State Board of Education by rule** are provided with professional development *[plans]* for using and implementing, with fidelity to research-aligned literacy strategies, the literacy assessments, tools, curricula and digital resources in the inventory described in paragraph (b) of this subsection;

(e) The number and percentage of **administrators, teachers and instructional assistants** for early elementary grades **and the number and percentage of other staff identified by the State Board of Education who are** receiving professional development and coaching as described in ORS 327.829 (2)(a), disaggregated by grade level;

(f) The number and percentage of students participating in early literacy extended learning programs, as described in ORS 327.829 (2)(b), at the school and the school district level and their outcomes disaggregated by student group and by grade level;

(g) The number and percentage of students participating in high-dosage tutoring, as described in ORS 327.829 (2)(c), **at the school and the school district level** and their outcomes disaggregated by student group and by grade level; and

(h) The curricula being used by the school district or public charter school.

(3) Prior to *[December 31]* **February 1** of each year, the department shall:

(a) Submit to the **committees or** interim committees of the Legislative Assembly related to education a summary of the Early Literacy Success School Grant program, which must take into consideration the reports submitted under subsection (1) of this section; and

(b) Publish an online, easily accessible inventory of literacy assessments, tools, curricula and digital resources being used to support early literacy in early elementary grades.

SECTION 4. ORS 327.837 is amended to read:

327.837. (1) Based on the reports submitted under ORS 327.835, the Department of Education shall monitor a school district's or a public charter school's progress toward achieving the goals established in the early literacy success plan, as described in ORS 327.831 (3).

(2) The department shall intervene when a school district or public charter school does not meet the goals established in the early literacy success plan.

(3) When the department intervenes, as provided by subsection (2) of this section, the department:

(a) Shall assist the school district or the public charter school in developing a corrective action plan; *[and]*

(b) May retain any or all of the amount the school district or public charter school would have received as a distribution under ORS 327.833 and may use a portion of the amount retained to prepare and assist the school district or the public charter school in implementing the corrective action plan[.];

(c) **May require the school district or the public charter school to adopt textbooks or other instructional materials from the list of textbooks and other instructional materials adopted by the State Board of Education under ORS 337.050 for early literacy; and**

(d) **May require the school district or the public charter school to participate in school or school district training and improvement activities, as identified by the department.**

(4) An intervention and corrective action plan shall continue until the school district or public charter school makes sufficient and sustained progress toward achieving the goals established in the

early literacy success plan. The department shall determine when sufficient and sustained progress has been achieved.

(5) If a school district or public charter school continues to fail to make progress toward achieving the goals established in the early literacy success plan, the department may take additional action, including not allowing for the distribution to the school district or public charter school of any additional moneys under ORS 327.833.

SECTION 5. ORS 327.843 is amended to read:

327.843. (1) As part of the Early Literacy Success Initiative, the Department of Education shall establish and administer the Early Literacy Success Community Grant program.

(2) The purposes of the grant program are to:

(a) Expand culturally and linguistically responsive early literacy programs for children in early elementary grades by:

(A) Encouraging family and caregiver engagement; and

(B) Providing research-aligned professional training and coaching for direct service staff in early literacy.

(b) Develop and implement programs that engage parents and children in early elementary grades in early literacy and that are available equitably and statewide.

(c) Provide high-dosage tutoring programs and training to tutors to qualify the tutors for instruction in a manner consistent with research-aligned literacy strategies.

(d) Expand and develop language revitalization efforts by federally recognized Indian tribes in this state.

(3) Under the program, the department shall distribute grants from the Early Literacy Success Community Grant Fund in accordance with rules adopted by the State Board of Education. Rules adopted under this section must:

(a) Establish metrics of success;

[(b) Be adopted in consultation with the federally recognized Indian tribes of this state; and]

[(c)] **(b)** Align, to the greatest extent practicable, with:

(A) The purposes of the Early Literacy Success School Grant program established by ORS 327.829 to 327.837;

(B) District continuous improvement plans, as described in ORS 329.095; and

(C) Programs related to culturally specific parent and child support[.]; **and**

(c) For grants awarded for the purpose identified in subsection (2)(d) of this section, be adopted in consultation with the federally recognized tribes of this state.

SECTION 6. Section 7 of this 2025 Act is added to and made a part of ORS 327.829 to 327.837.

SECTION 7. (1) The Department of Education shall establish an early literacy coaching program to support school districts, schools and educators for the purpose of improving early literacy instruction. The department shall establish no more than 10 regions that, taken as a whole, cover all parts of this state and shall select a coaching provider for each region.

(2) The goals of the early literacy coaching program are to:

(a) Support curriculum-based professional learning;

(b) Enhance educator capacity in evidence-based literacy instruction;

(c) Promote differentiated instruction and intervention;

(d) Increase collaborative planning and practices;

1 (e) Ensure equitable access to high-quality instruction in research-aligned literacy
2 strategies and grade level standards; and

3 (f) Strengthen data-driven decision-making.

4 (3)(a) The department shall initiate a process, which may include a competitive process,
5 to identify an entity to provide coaching to achieve the goals described in subsection (2) of
6 this section.

7 (b) Following the process described in paragraph (a) of this subsection, the department
8 may enter into a contract with an entity identified in paragraph (c) of this subsection to be
9 a coaching provider.

10 (c) An entity is eligible to enter into a contract with the department under this sub-
11 section to be a coaching provider if the entity meets the qualifications established by the
12 State Board of Education by rule and the entity is any of the following:

13 (A) A school district;

14 (B) An education service district;

15 (C) An institution of higher education;

16 (D) An entity associated with an educator network established under ORS 342.943;

17 (E) A nonprofit organization; or

18 (F) An entity identified by the department based on rules adopted by the State Board of
19 Education.

20 (4)(a) The department shall initiate a process, which may include a competitive process,
21 to identify and fund entities to support and implement the early literacy coaching program
22 established by this section, including the following:

23 (A) Any needed design, operationalization, resource development or support of the early
24 literacy coaching program and coaching providers; and

25 (B) Support of coaching providers throughout the coaching process, as required by the
26 department based on rules adopted by the State Board of Education.

27 (b) Following the process described in paragraph (a) of this subsection, the department
28 may enter into a contract or other agreement with any entity identified in subsection (3)(c)
29 of this section or with any private entity.

30 (5) The State Board of Education may adopt by rule the characteristics of schools and
31 school districts that may be prioritized to participate in the early literacy coaching program.

32 (6) No later than February 1 of each year, the department shall submit to the Governor
33 and to the committees or interim committees of the Legislative Assembly related to educa-
34 tion a summary of the early literacy coaching program established by this section. The
35 summary must include:

36 (a) The number of school districts that participated in the program;

37 (b) The effectiveness of the supports provided to school districts, schools and educators
38 and the allocation of resources; and

39 (c) The impact of the program on statewide early literacy outcomes.

40 (7) The department shall conduct biennial reviews of the early literacy coaching program
41 established by this section and shall consult with school districts, educators and other enti-
42 ties identified by the department to ensure that the program meets the purposes of the
43 program.

44 **SECTION 8.** ORS 327.254, as amended by section 25, chapter 95, Oregon Laws 2024, is amended
45 to read:

1 327.254. (1) The Department of Education shall use moneys in the Statewide Education Initi-
 2 atives Account to provide funding for statewide education initiatives, including:

3 (a) Funding the High School Graduation and College and Career Readiness Act at the levels
 4 prescribed by ORS 327.856;

5 (b) Expanding school breakfast and lunch programs;

6 (c) Operating youth reengagement programs or providing youth reengagement services;

7 (d) Establishing and maintaining the Statewide School Safety and Prevention System under ORS
 8 339.341;

9 (e) Developing and providing statewide equity initiatives, including any statewide education plan
 10 developed and implemented by the department;

11 (f) Providing summer learning programs at schools that are considered high poverty under Title
 12 I of the federal Elementary and Secondary Education Act of 1965;

13 (g) Funding early warning systems to assist students in graduating from high school, as de-
 14 scribed in ORS 327.367;

15 (h) Developing and implementing professional development programs and training programs, in-
 16 cluding programs that increase educator diversity and retain diverse educators;

17 (i) Planning for increased transparency and accountability in the public education system of this
 18 state;

19 (j) Providing additional funding to school districts participating in the intensive program under
 20 ORS 327.222;

21 (k) Providing technical assistance, including costs incurred for:

22 (A) The coaching program described in ORS 327.214; and

23 (B) The intensive program described in ORS 327.222, including costs for student success teams;

24 (L) Funding public charter schools, as described in ORS 327.362;

25 (m) Funding the Early Literacy Success School Grant program, as provided by ORS 327.833, **and**
 26 **the early literacy coaching program described in section 7 of this 2025 Act;**

27 (n) Funding the Early Literacy Success Community Grant program, as established by ORS
 28 327.843;

29 (o) Funding any additional amounts for approved recovery schools, as provided by rules of the
 30 State Board of Education adopted under ORS 327.029;

31 (p) Funding education service districts, as described in subsection (2) of this section;

32 (q) Funding the Youth Corrections Education Program and the Juvenile Detention Education
 33 Program through the Juvenile Justice Education Fund established under section 22, chapter 95,
 34 Oregon Laws 2024, when necessary as provided by section 23, chapter 95, Oregon Laws 2024; and

35 (r) Funding costs incurred by the department in implementing this section and ORS 327.175 to
 36 327.235 and 327.274.

37 (2)(a) The amount of a distribution to an education service district under this section shall be
 38 made as provided by paragraph (b) of this subsection after calculating the following for each edu-
 39 cation service district:

40 (A) One percent of the total amount available for distribution to education service districts in
 41 each biennium.

42 (B) The education service district's $\text{ADMw} \times$ (the total amount available for distribution to
 43 education service districts in each biennium \div the total ADMw of all education service districts
 44 that receive a distribution).

45 (b) The amount of the distribution to an education service district shall be the greater of the

1 amounts calculated under paragraph (a) of this subsection, except that, for distributions made as
2 provided by paragraph (a)(B) of this subsection, the total amount available for distribution to edu-
3 cation service districts shall be the amount remaining after any distributions required under para-
4 graph (a)(A) of this subsection have been made.

5 (c) For purposes of this subsection, ADMw equals the ADMw as calculated under ORS 327.013,
6 except that the additional amount allowed for students who are in poverty families, as determined
7 under ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5.

8 (d) An education service district shall use moneys received under this section as provided by a
9 plan developed by the school districts located within the education service district. A school district
10 that declines to participate in the development of the plan or that has withdrawn from an education
11 service district as provided by ORS 334.015 is not entitled to any moneys distributed to the educa-
12 tion service district under this subsection.

13 (e) A plan developed under this subsection must:

14 (A) Align with and support the meeting of performance growth targets established for recipients
15 of moneys under ORS 327.195 that are located within the education service district;

16 (B) Include the provision, to recipients of moneys under ORS 327.195 that are located within the
17 education service district, of technical assistance in developing, implementing and reviewing a plan
18 for receiving a grant from the Student Investment Account;

19 (C) Provide for coordination with the department in administering and providing technical as-
20 sistance to recipients of moneys under ORS 327.195 that are located within the education service
21 district, including coordinating any coaching programs established under ORS 327.214; and

22 (D) Be adopted and amended as provided for local service plans under ORS 334.175 and approved
23 by the department.

24 (f) For the purposes of paragraph (e) of this subsection, recipients of moneys under ORS 327.195
25 that are located within the education service district include, as applicable:

26 (A) Common school districts and union high school districts;

27 (B) Any charter school that is an eligible applicant, as defined in ORS 327.185; and

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

29 (g) Each education service district must submit an annual report to the department that:

30 (A) Describes how the education service district spent moneys received under this subsection;
31 and

32 (B) Includes an evaluation of the education service district's compliance with the plan from the
33 superintendent of each school district that participated in the development of the plan.

34 (3) The State Board of Education shall adopt rules necessary for the distribution of moneys un-
35 der this section.