

House Bill 3420

Sponsored by Representative MCINTIRE, Senator TAYLOR

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: Transfers money from the State School Fund for use on TAG education. (Flesch Readability Score: 74.8).

Requires the Department of Education to transfer from the State School Fund to the Talented and Gifted Education Account an amount that equals one percent of the total amount available to school districts as general purpose grants.

Establishes the Talented and Gifted Education Account. Prescribes the distribution of the account.

Declares an emergency, effective July 1, 2025.

A BILL FOR AN ACT

1
2 Relating to funding for talented and gifted educational programs; creating new provisions; amending
3 ORS 326.545, 327.008, 343.395, 343.401, 343.404 and 343.411; 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, **interest earned by the Talented and Gifted Ed-**
13 **ucation Account** and moneys received as provided in paragraph (b) 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

42 **(15) Each fiscal year, the Department of Education shall transfer from the State School**
 43 **Fund to the Talented and Gifted Education Account established by section 4 of this 2025 Act**
 44 **an amount that equals one percent of the total amount available for distribution to school**
 45 **districts as general purpose grants.**

1 [(15)] (16) Each biennium, the Department of Education may expend up to \$150,000 from the
 2 State School Fund for the administration of a program to increase the number of licensed speech-
 3 language pathologists and certified speech-language pathology assistants under ORS 348.398.

4 [(16)] (17) Each biennium, the Department of Education shall transfer \$2 million from the State
 5 School Fund for deposit to the Healthy School Facilities Fund established under ORS 332.337.
 6 Notwithstanding ORS 332.337, the department may expend moneys received in the Healthy School
 7 Facilities Fund under this subsection only as grants for costs associated with testing for elevated
 8 levels of lead in water used for drinking or food preparation.

9 [(17)] (18) Each biennium, the Department of Education shall transfer an amount not to exceed
 10 \$5,595,000 for the purpose of making tampons and sanitary pads available as provided by ORS
 11 326.545.

12 [(18)] (19) Each fiscal year, the Department of Education shall transfer the amount of \$2.5
 13 million from the State School Fund to the Small School District Supplement Fund established in ORS
 14 327.359.

15 [(19)] (20) Each biennium, the Department of Education shall transfer to the Oregon Military
 16 Department the amount necessary to pay the costs of educational services provided to students ad-
 17 mitted to programs operated by the military department for at-risk youth, as described in ORS
 18 396.360, that are outstanding after any General Fund appropriations and the calculation of available
 19 federal funds for the programs.

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

22 **SECTION 3. Section 4 of this 2025 Act is added to and made a part of ORS chapter 327.**

23 **SECTION 4. (1) The Talented and Gifted Education Account is established in the State**
 24 **Treasury, separate and distinct from the General Fund. Interest earned by the Talented and**
 25 **Gifted Education Account shall be credited to the State School Fund.**

26 **(2) Moneys in the Talented and Gifted Education Account are continuously appropriated**
 27 **to the Department of Education for distribution each fiscal year as provided in ORS 343.401.**

28 **(3) The Department of Education, on behalf of the State of Oregon, may solicit and ac-**
 29 **cept gifts, grants or donations from public and private sources for talented and gifted edu-**
 30 **cation. Moneys received under this subsection shall be deposited into the Talented and**
 31 **Gifted Education Account.**

32 **SECTION 5. ORS 343.395 is amended to read:**

33 343.395. As used in ORS 343.391 to 343.413, unless the context requires otherwise:

34 (1) "Application" means a request for state funds that is submitted by a school district under
 35 ORS 343.399 to develop and operate programs for students under a written plan of instruction for
 36 talented and gifted children described in ORS 343.397.

37 (2) "Identification" means the formal process of screening and selecting talented and gifted
 38 children according to administrative rules established by the [board] **State Board of Education.**

39 [(3)] *"School district" has the meaning given that term in ORS 330.005 (2). "School district" in-*
 40 *cludes, where appropriate, an education service district, state operated schools or programs or a con-*
 41 *sortium of school districts submitting a joint application.]*

42 **(3) "School district" includes:**

43 **(a) A school district, as defined in ORS 330.005; and**

44 **(b) Where appropriate, an education service district, state-operated schools or programs**
 45 **or a consortium of school districts submitting a joint application.**

1 (4)(a) “State funds” means moneys distributed from the Talented and Gifted Education
 2 Account and any other funds appropriated or otherwise made available by the Legislative
 3 Assembly for the instruction of talented and gifted children under ORS 343.391 to 343.413.

4 (b) “State funds” does not include moneys available to the Department of Education as
 5 provided by ORS 327.008 (14).

6 [(4)] (5) “Talented and gifted children” means *[those]* children who require special educational
 7 programs or services, or both, beyond those normally provided by the regular school program in
 8 order to realize their contribution to self and society and who demonstrate outstanding ability or
 9 potential in one or more of the following areas:

10 (a) General intellectual ability as commonly measured by measures of intelligence and aptitude.

11 (b) Unusual academic ability in one or more academic areas.

12 (c) Creative ability in using original or nontraditional methods in thinking and producing.

13 (d) Leadership ability in motivating the performance of others either in educational or nonedu-
 14 cational settings.

15 (e) Ability in the visual or performing arts, such as dance, music or art.

16 **SECTION 6.** ORS 343.401 is amended to read:

17 343.401. (1) *[Except as provided in ORS 343.404,]* The **state** funds specifically appropriated for
 18 the program under ORS 343.391 to 343.413 shall be distributed only to school districts *[whose ap-
 19 plications submitted to]* **for which** the Superintendent of Public Instruction **has approved an appli-
 20 cation** pursuant to ORS 343.399 *[have been approved].*

21 (2) **State funds from the Talented and Gifted Education Account shall be distributed as
 22 follows:**

23 (a) **50 percent for distribution to school districts for special programs and services for
 24 talented and gifted children as described in ORS 343.399, based on the weighted average daily
 25 membership of the school district, as calculated under ORS 327.013.**

26 (b) **25 percent to the Department of Education to provide to school districts grants re-
 27 lated to talented and gifted education, as provided by rule of the State Board of Education.**

28 (c) **25 percent to education service districts that serve rural and small school districts,
 29 as identified by rule of the State Board of Education, for regional programs that provide
 30 rural and small school districts with:**

31 (A) **Technical support and identification and assessment services related to talented and
 32 gifted education;**

33 (B) **Special educational services and programs for talented and gifted children; and**

34 (C) **Professional development related to talented and gifted education.**

35 [(2)] (3) State funds **not described in subsection (2) of this section** shall be allocated on an
 36 approved program cost basis, the amount of which shall be established annually by the State Board
 37 of Education.

38 [(3)] (4) School districts shall account for the state funds expended for talented and gifted chil-
 39 dren identified in the districts on a form acceptable to the Department of Education, as described
 40 in rules adopted by the *[board]* **State Board of Education.**

41 **SECTION 7.** ORS 343.404 is amended to read:

42 343.404. (1) The Superintendent of Public Instruction may annually expend funds *[appropriated
 43 for the talented and gifted program]* **available to the Department of Education under ORS 327.008
 44 (14)** to provide administration of and support for the development of talented and gifted education
 45 statewide.

1 (2) *[These services]* **Administration and support funded as provided by this section** may in-
 2 clude:

3 (a) Teacher training programs and workshops;

4 (b) Consultant and technical assistance to districts;

5 (c) Small grants to and contracts with school districts, education service districts, colleges and
 6 universities and private contractors to produce and disseminate curriculum and instruction materi-
 7 als to other school districts;

8 (d) Training and assistance for parents of the talented and gifted children in meeting the edu-
 9 cational needs of their children; and

10 (e) Contracting for the creation and administration of regional talented and gifted centers to
 11 provide services related to talented and gifted programs.

12 **SECTION 8.** ORS 343.411 is amended to read:

13 343.411. (1) ORS 343.407 and 343.409 apply to the identification of and provision of special edu-
 14 cational programs and services for children described in ORS 343.395 *[(4)(a)]* **(5)(a)** and (b) and rules
 15 adopted by the State Board of Education.

16 (2) School districts may identify and provide special educational programs and services for
 17 children who demonstrate creative abilities, leadership abilities or unusual abilities in the visual or
 18 performing arts as described in ORS 343.395 *[(4)(c)]* **(5)(c)**, (d) and (e) and rules adopted by the board.

19 (3) The board shall adopt state guidelines for the identification and provision of special educa-
 20 tional programs and services described in subsection (2) of this section.

21 **SECTION 9.** ORS 326.545 is amended to read:

22 326.545. (1) As used in this section:

23 (a) “Public education provider” means:

24 (A) A school district;

25 (B) A public charter school;

26 (C) An education service district;

27 (D) A community college; or

28 (E) A public university listed in ORS 352.002.

29 (b) “Public school building” means a building used by a public education provider to provide
 30 educational services to students.

31 (c) “Student bathroom” means a bathroom that is accessible by students in kindergarten or
 32 above, including a gender-neutral bathroom, a bathroom designated for females and a bathroom
 33 designated for males.

34 (2) Each public education provider shall ensure that both tampons and sanitary pads are avail-
 35 able at no cost to students through dispensers located in every student bathroom of every public
 36 school building.

37 (3) A public education provider, and any employee of a public education provider, is not liable
 38 in a criminal action or for civil damages as a result of a student’s use of a tampon or sanitary pad
 39 made available under this section.

40 (4) The State Board of Education and the Higher Education Coordinating Commission shall
 41 adopt any rules necessary for the administration of this section. Rules adopted by the board and
 42 commission shall provide for:

43 (a) The number of dispensers required in each student bathroom;

44 (b) The types of products available in each student bathroom;

45 (c) The provision of tampons and sanitary pads in an alternate location when the public educa-

1 tion provider does not have control of the student bathrooms used by the students of the public
2 education provider;

3 (d) Modifications to or exemptions from the requirements of this section for student bathrooms
4 that are not located in commonly accessible areas of the public school buildings of a community
5 college or a public university; and

6 (e) Payments to public education providers for costs incurred under this section, including:

7 (A) For school districts, public charter schools and education service districts and subject to
8 subparagraph (B) of this paragraph, distributions from amounts available under ORS 327.008 [(17)]
9 (18) to be made based on the average daily membership, as defined in ORS 327.006, of the district
10 or school;

11 (B) For education service districts, distributions to be made as provided by subparagraph (A)
12 of this paragraph may not exceed 7.5 percent of the amounts available for distribution under ORS
13 327.008 [(17)] (18);

14 (C) For community colleges, distributions from the Community College Support Fund to be made
15 based on the full-time equivalent student enrollment of the community college; and

16 (D) For public universities, distributions from a public university support fund established by the
17 commission by rule.

18 **SECTION 10. This 2025 Act being necessary for the immediate preservation of the public**
19 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**
20 **July 1, 2025.**

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