

## SENATE AMENDMENTS TO SENATE BILL 141

By COMMITTEE ON EDUCATION

April 18

In line 2 of the printed bill, after “education” insert “; creating new provisions; amending ORS 326.051, 327.016, 327.180, 327.185, 327.190, 327.201, 327.208, 327.222, 327.224, 327.235, 327.254, 327.362, 327.837, 329.095, 329.485, 334.217 and 336.680 and section 2, chapter 6, Oregon Laws 2024; repealing ORS 327.214 and 337.065; and declaring an emergency”.

Delete lines 4 through 9 and insert:

### **“PERFORMANCE GROWTH METRICS**

**“SECTION 1. Sections 2 to 6 of this 2025 Act are added to and made a part of ORS 327.006 to 327.133.**

**“SECTION 2. As used in sections 2 to 6 of this 2025 Act:**

**“(1) ‘Disaggregated’ means separated based on student group.**

**“(2) ‘Eighth-grade mathematics proficiency rate’ means the percentage of students in the eighth grade who are determined to be proficient or above in mathematics, as determined under rules adopted by the State Board of Education.**

**“(3) ‘Five-year completion rate’ means the percentage of students who received a high school diploma, a modified diploma or an extended diploma or who received a certificate for passing an approved high school equivalency test such as the General Educational Development test (GED) within five years of the student beginning the ninth grade.**

**“(4) ‘High school diploma’ means a diploma that is awarded to a student upon satisfaction of the requirements prescribed by ORS 329.451 (2).**

**“(5) ‘Local metric rate’ means the percentage of students who meet or exceed an indicator of a measurable student performance outcome.**

**“(6) ‘Ninth-grade on-track rate’ means the percentage of students who, at the end of the summer following the year the students began ninth grade, completed one quarter of the credits required for high school graduation.**

**“(7) ‘On-time graduation rate’ means the percentage of students who received a high school diploma or a modified diploma within four years of the students beginning the ninth grade.**

**“(8) ‘Regular attendance rate’ means the percentage of students who are absent, as determined by Department of Education policy, for less than 10 percent of the school days for which the students are enrolled.**

**“(9) ‘Regular early-grade attendance rate’ means the percentage of students in kindergarten through grade two who are absent, as determined by Department of Education policy, for less than 10 percent of the school days for which the students are enrolled.**

1       **“(10) ‘School district’ means:**

2       **“(a) A common school district or a union high school district;**

3       **“(b) An education service district that has enrolled students in any grade from**  
4 **kindergarten through grade 12 for specialized services;**

5       **“(c) A public charter school;**

6       **“(d) An approved recovery school;**

7       **“(e) The Youth Corrections Education Program;**

8       **“(f) The Juvenile Detention Education Program;**

9       **“(g) The Oregon School for the Deaf; or**

10       **“(h) Eligible day treatment programs and eligible residential treatment programs for ed-**  
11 **ucation services to children who are in treatment programs as described in ORS 343.961.**

12       **“(11) ‘Student group’ means the following student groups:**

13       **“(a) Economically disadvantaged students, as determined based on rules adopted by the**  
14 **State Board of Education;**

15       **“(b) Students from racial or ethnic groups that have historically experienced academic**  
16 **disparities, as determined under rules adopted by the State Board of Education;**

17       **“(c) Students with disabilities;**

18       **“(d) Students who are English language learners;**

19       **“(e) Students who are foster children, as defined in ORS 30.297;**

20       **“(f) Students who are homeless, as determined under rules adopted by the State Board**  
21 **of Education; and**

22       **“(g) Any other student groups that have historically experienced academic disparities,**  
23 **as determined by the State Board of Education by rule.**

24       **“(12) ‘Third-grade reading proficiency rate’ means the percentage of students in the third**  
25 **grade who are determined to be proficient or above in English language arts, as determined**  
26 **under rules adopted by the State Board of Education.**

27       **“SECTION 3. (1) Each school district that receives moneys from the State School Fund**  
28 **shall measure outcomes of the students of the school district as provided by this section.**

29       **“(2)(a) The State Board of Education shall develop statewide targets for the following**  
30 **metrics:**

31       **“(A) On-time graduation rate;**

32       **“(B) Five-year completion rate;**

33       **“(C) Ninth-grade on-track rate;**

34       **“(D) Eighth-grade mathematics proficiency rate;**

35       **“(E) Third-grade reading proficiency rate;**

36       **“(F) Regular attendance rate;**

37       **“(G) Regular early-grade attendance rate; and**

38       **“(H) Local metric rates.**

39       **“(b) For the purpose of this subsection:**

40       **“(A) The board shall develop a list of no more than five local metrics; and**

41       **“(B) Each school district shall select one local metric from the list developed under**  
42 **subparagraph (A) of this paragraph.**

43       **“(3) Based on the statewide metric targets developed under subsection (2) of this section,**  
44 **the Department of Education shall establish metric targets for similar school districts, as**  
45 **determined by the department. The metric targets for similar school districts shall include:**

1       “(a) On-time graduation rates, including:  
2       “(A) The overall on-time graduation rate.  
3       “(B) Gaps in disaggregated on-time graduation rates.  
4       “(b) Five-year completion rates, including:  
5       “(A) The overall five-year completion rate.  
6       “(B) Gaps in disaggregated five-year completion rates.  
7       “(c) Ninth-grade on-track rates, including:  
8       “(A) The overall ninth-grade on-track rate.  
9       “(B) Gaps in disaggregated ninth-grade on-track rates.  
10       “(d) Eighth-grade mathematics proficiency rates, including:  
11       “(A) The overall eighth-grade mathematics proficiency rate.  
12       “(B) Gaps in disaggregated eighth-grade mathematics proficiency rates.  
13       “(e) Third-grade reading proficiency rates, including:  
14       “(A) The overall third-grade reading proficiency rate.  
15       “(B) Gaps in disaggregated third-grade reading proficiency rates.  
16       “(f) Regular attendance rates, including:  
17       “(A) The overall regular attendance rate.  
18       “(B) Gaps in disaggregated regular attendance rates.  
19       “(g) Regular early-grade attendance rates, including:  
20       “(A) The overall regular early-grade attendance rate.  
21       “(B) Gaps in disaggregated regular early-grade attendance rates.  
22       “(h) Local metric rates, including:  
23       “(A) The overall local metric rate.  
24       “(B) Gaps in disaggregated local metric rates.  
25       “(4)(a) The department shall collaborate with each school district to develop performance  
26 growth targets for the school district to make progress toward meeting the metric targets  
27 established under subsection (3) of this section. The board shall adopt by rule requirements  
28 for a school district not identified in section 2 (10)(a) or (c) of this 2025 Act for the purpose  
29 of developing differentiated performance growth targets for the school district.  
30       “(b) The performance growth targets must:  
31       “(A) Be based on data available for longitudinal analysis; and  
32       “(B) Be developed based on guidance established by the department.  
33       “(5) When developing performance growth targets, the department and school district  
34 shall:  
35       “(a) Review disaggregated student data;  
36       “(b) Apply a process adopted by the department for the purpose of strategically develop-  
37 ing equitable policies and programs; and  
38       “(c) Identify which student groups are most at risk of not meeting performance growth  
39 targets.  
40       “(6)(a) The department shall make available technical assistance to school districts to  
41 assist school districts in meeting performance growth targets. The technical assistance must  
42 include identifying and implementing best practices for meeting performance growth targets.  
43       “(b) For the purpose of providing technical assistance under this subsection, the depart-  
44 ment may enter into a contract with any entities the department determines are qualified  
45 to provide the technical assistance.

1       **“SECTION 4. For purposes of section 3 of this 2025 Act:**

2       **“(1) Any performance growth targets developed prior to the effective date of this 2025**  
3 **Act by a school district with the Department of Education for the purpose of making**  
4 **progress toward meeting the metric targets identified in section 3 (3)(a), (b), (c), (e) or (f)**  
5 **of this 2025 Act shall be the performance growth targets for the school district for the**  
6 **2025-2026 school year.**

7       **“(2) For any metric target for which, on the effective date of this 2025 Act, the school**  
8 **district does not have a performance growth target developed with the department, the**  
9 **school district and the department must develop the performance growth target and first**  
10 **apply the performance growth target to the 2026-2027 school year.**

11       **“SECTION 5. (1) Each year, each school district that receives moneys from the State**  
12 **School Fund shall review the school district’s progress toward meeting the performance**  
13 **growth targets developed as provided by section 3 of this 2025 Act.**

14       **“(2) Results of the school district’s review of progress made toward meeting performance**  
15 **growth targets must be:**

16       **“(a) Made available at the main office of the school district and on the school district’s**  
17 **website.**

18       **“(b) Presented to the governing body of the school district at an open meeting, following:**

19       **“(A) Oral presentation of the results by an administrator of the school district to the**  
20 **governing body of the school district; and**

21       **“(B) Opportunity for the public to comment on the results at an open meeting.**

22       **“(c) Provided to the Department of Education.**

23       **“(3)(a) Based on information received under subsection (2) of this section, the department**  
24 **shall determine each year whether the school district met the performance growth targets**  
25 **developed for the school district as provided by section 3 of this 2025 Act.**

26       **“(b) In addition to determinations made under paragraph (a) of this subsection, the de-**  
27 **partment may establish a procedure for conducting performance audits on a random basis**  
28 **or based on just cause as allowed under rules adopted by the State Board of Education and**  
29 **consistent with ORS 327.141.**

30       **“(4) If a school district does not meet the performance growth targets developed as pro-**  
31 **vided by section 3 of this 2025 Act:**

32       **“(a) After two years of the district’s not meeting the performance growth targets, the**  
33 **department shall offer and the school district must accept coaching and support from the**  
34 **department. Through the coaching, the department shall advise and counsel a school district**  
35 **on how to meet performance growth targets and shall assist a school district with ongoing**  
36 **professional development and peer collaboration.**

37       **“(b) After three or more years of the district’s not meeting the performance growth**  
38 **targets, the department shall provide and the school district must participate in intensive**  
39 **coaching as described in ORS 327.222. A school district that participates in intensive coaching**  
40 **shall receive additional funding based on rules adopted by the State Board of Education. The**  
41 **school district must use the additional funding as prescribed by the department based on rule**  
42 **of the board.**

43       **“(c) After four or more years of the district’s not meeting the performance growth tar-**  
44 **gets, the department shall require the school district to authorize the department to pre-**  
45 **scribe the uses of moneys available to the school district as provided by this paragraph. An**

1 authorization made under this paragraph is in addition to the requirement that the school  
2 district participate in intensive coaching as described in paragraph (b) of this subsection. A  
3 school district must authorize the department to prescribe the uses of up to 25 percent of  
4 the moneys available to the school district from:

5 “(A) The State School Fund as follows:

6 “(i) For a common school district or a union high school district, the amount received  
7 as a general purpose grant under ORS 327.013.

8 “(ii) For an education service district, the amount received under ORS 327.019.

9 “(iii) For a public charter school, the amount received under ORS 338.155.

10 “(iv) For an approved recovery school, the amount received under ORS 327.029.

11 “(v) For the Youth Corrections Education Program, the amount received under ORS  
12 327.026.

13 “(vi) For the Juvenile Detention Education Program, the amount received under ORS  
14 327.026.

15 “(vii) For the Oregon School for the Deaf, the amount received under ORS 343.243.

16 “(viii) For eligible day treatment programs and eligible residential treatment programs,  
17 the amount received under ORS 343.243.

18 “(B) Grants awarded from the Student Investment Account under ORS 327.195.

19 “(5) For the purpose of providing coaching under this section, the department may enter  
20 into a contract with any entities the department determines are qualified to provide the  
21 coaching.

22 “(6) For the purpose of prescribing the uses of the moneys identified in subsection (4)(c)  
23 of this section, the department shall:

24 “(a) Present the proposed uses of the moneys to the governing body of the school district  
25 at an open meeting of the governing body that occurs no later than January 31 of the school  
26 year preceding the school year during which the department will be prescribing the uses of  
27 the moneys; and

28 “(b) Enter into a partnership with an organization that specializes in budgets for public  
29 kindergarten through grade 12 schools to provide additional training and consultation ser-  
30 vices for a school district for which the uses of moneys will be prescribed.

31 “(7) The State Board of Education shall adopt by rule timelines and criteria for recon-  
32 sideration of whether a school district shall remain subject to the provisions of subsection  
33 (4) of this section. The criteria:

34 “(a) Must take into consideration data from the statewide assessment system and in-  
35 terim assessments; and

36 “(b) May allow the department to determine that a school district is making satisfactory  
37 progress, as defined by rule, toward meeting performance growth targets and is no longer  
38 subject to the provisions of subsection (4) of this section.

39 “SECTION 6. (1) The review of a school district’s progress toward meeting performance  
40 growth targets under section 5 (3) of this 2025 Act shall first be made based on the 2026-2027  
41 school year and a school district may first be required to accept coaching and support under  
42 section 5 (4)(a) of this 2025 Act for the 2028-2029 school year.

43 “(2) Notwithstanding subsection (1) of this section, a school district that had agreed to  
44 participate in the intensive program under ORS 327.222 prior to the effective date of this 2025  
45 Act:

1       “(a) May complete the terms of the school district’s agreement for participation; and

2       “(b) Is not subject to a review of the school district’s progress toward meeting perform-  
3       **ance growth targets under section 5 (3) of this 2025 Act until the school district completes**  
4       **the terms of the school district’s agreement for participation.**

5       “**SECTION 7.** ORS 327.222, 327.224 and 327.235 are added to and made a part of sections  
6       **2 to 6 of this 2025 Act.**

7       “**SECTION 8.** ORS 327.222 is amended to read:

8       “327.222. (1) The Department of Education shall establish an intensive **coaching** program for  
9       school districts [*with the highest needs in this state.*] **that do not meet performance growth tar-**  
10       **gets for three or more years, as described in section 5 of this 2025 Act.**

11       “[(2)(a) *The department shall identify and select school districts to participate in the intensive*  
12       *program. The department may not select a public charter school under this section.*]

13       “[(b) *A school district that agrees to participate in the intensive program must participate in the*  
14       *program for at least four years.*]

15       “[(3) *A school district that agrees to participate in the intensive program shall be eligible for ad-*  
16       *ditional funding from the Statewide Education Initiatives Account. The additional funding shall be*  
17       *based on rules adopted by the State Board of Education and shall be calculated based on the ADMw*  
18       *of the school district, as calculated under ORS 327.195.*]

19       “[(4)] **(2)** A school district that [*agrees to participate*] **participates** in the intensive **coaching**  
20       program shall:

21       “(a) Commit to regular student success plan meetings to monitor practices;

22       “(b) Use data to track student progress;

23       “(c) Ensure school employees receive appropriate professional development and training;

24       “(d) Create safe and inclusive learning environments;

25       “(e) Improve school and school district practices and structures to support teaching and learn-  
26       ing; and

27       “(f) Improve the skills of the members of the school board.

28       “[(5)] **(3)(a)** For the purpose of assisting school districts participating in the intensive **coaching**  
29       program, the department shall establish student success teams. **To the greatest extent practicable,**  
30       **student success teams shall assist school districts in person and while on site at the school**  
31       **district.**

32       “(b) Student success teams shall be [*composed of*]:

33       “(A) **Led by a person who has at least seven years of relevant experience, as determined**  
34       **by the department, in systems change, curriculum and instruction, leadership, finance, hu-**  
35       **man resources, school district board governance, local district continuous improvement**  
36       **plans, labor and management relations or community engagement; and**

37       “(B) **Supported by** personnel with expertise in school and school district improvement strate-  
38       gies, including the use of differentiated instruction and inclusionary practices.

39       “(c) A student success team is not a government body and is not subject to any statute or rule  
40       applicable to a public body.

41       “[(6)(a)] **(4)(a)** Under the intensive **coaching** program, student success teams shall:

42       “(A) Advise and counsel school districts on how to improve performance outcomes; and

43       “(B) Develop recommendations for meeting performance growth targets.

44       “(b) School district boards and superintendents of school districts participating in an intensive  
45       **coaching** program must:

1 “(A) Accept all recommendations of the student success teams related to the use of **State**  
2 **School Fund moneys**, Student Investment Account grant moneys and additional funding received  
3 under this section. A school district that does not accept the recommendations made under this  
4 subparagraph is not eligible for additional funding under this section.

5 “(B) Consider, and may accept, all recommendations of the student success teams not described  
6 in subparagraph (A) of this paragraph.

7 “(c) A school district that receives recommendations under this subsection must issue a report  
8 that:

9 “(A) Describes the recommendations;

10 “(B) Identifies the recommendations that will be implemented and the timelines for implementing  
11 the recommendations; and

12 “(C) Identifies the recommendations that will not be implemented and an explanation for why  
13 the recommendations will not be implemented.

14 “(d) The report required under paragraph (c) of this subsection must be:

15 “(A) Made available at the school district’s main office and on the school district’s website; and

16 “(B) Distributed to the school district community, including employees of the school district and  
17 families of the students of the school district.

18 “**SECTION 9.** ORS 327.224 is amended to read:

19 “327.224. (1) The Student Success Teams Account is established in the State Treasury, separate  
20 and distinct from the General Fund.

21 “(2) The Student Success Teams Account shall consist of:

22 “(a) Moneys transferred to the account from the Statewide Education Initiatives Account;

23 “(b) Moneys appropriated or otherwise transferred to the Student Success Teams Account by the  
24 Legislative Assembly; and

25 “(c) Other amounts deposited into the account from any source.

26 “(3) Moneys in the Student Success Teams Account are continuously appropriated to the De-  
27 partment of Education for the purpose of funding the intensive **coaching** program for school dis-  
28 tricts [*with the highest needs*] established under ORS 327.222, including funding any costs incurred  
29 for student success teams under that program.

30 “**SECTION 10.** ORS 327.235 is amended to read:

31 “327.235. The Department of Education shall make a report to the committees of the Legislative  
32 Assembly related to education no later than February 1 of each year regarding the implementation  
33 of ORS 327.175 to 327.235 **and sections 2 to 5 of this 2025 Act**. The report must include an annual  
34 performance review of **each school district and, if applicable**, each eligible applicant, as defined  
35 in ORS 327.185. The report must:

36 “(1) **For eligible applicants for a grant awarded from the Student Investment Account**  
37 **under ORS 327.195**, identify whether the eligible applicant received a grant under ORS 327.175 to  
38 327.235.

39 “(2) For **school districts and** grant recipients, include a comparison of the **school district’s**  
40 **or** grant recipient’s progress toward meeting performance growth targets compared with the actual  
41 performance growth targets [*established*] **developed** by the department for the following:

42 “(a) On-time graduation rates and five-year completion rates, including the overall rate and  
43 disaggregated student group rates;

44 “(b) Ninth-grade on-track rates, including the overall rate and disaggregated student group  
45 rates;

1 “(c) **Eighth-grade mathematics proficiency rates and** third-grade reading proficiency rates,  
2 including the overall rate and disaggregated student group rates;

3 “(d) Regular attendance rates **and regular early-grade attendance rates**, including the overall  
4 rate and disaggregated student group rates; *[and]*

5 “(e) **Local metrics rates, including the overall rate and the disaggregated student group**  
6 **rates; and**

7 “[*(e)*] (f) Any optional local metrics or any targets related to student mental and behavioral  
8 health needs established by the State Board of Education **for purposes of ORS 327.175 to 327.235.**

9 “**SECTION 11. (1) The amendments to ORS 327.235 by section 10 of this 2025 Act become**  
10 **operative on January 1, 2028.**

11 “**(2) The Department of Education shall make the first report required under ORS**  
12 **327.235, as amended by section 10 of this 2025 Act, no later than February 1, 2028, based on**  
13 **the 2026-2027 school year.**

14  
15 “**ALIGNMENT WITH OTHER PROGRAMS**

16  
17 “**SECTION 12.** ORS 327.180 is amended to read:

18 “327.180. (1) In addition to those moneys distributed through the State School Fund, the De-  
19 partment of Education shall award grants from the Student Investment Account. Grants shall be  
20 distributed as provided under ORS 327.195.

21 “(2) The purposes of grants distributed under ORS 327.195 shall be to:

22 “(a) Meet students’ mental or behavioral health needs; and

23 “(b) Increase academic achievement for students, including reducing academic disparities for  
24 **each student group identified in section 2 (11) of this 2025 Act.***[.]*

25 “[*(A) Economically disadvantaged students, as determined based on rules adopted by the State*  
26 *Board of Education;*]

27 “[*(B) Students from racial or ethnic groups that have historically experienced academic disparities,*  
28 *as determined under rules adopted by the State Board of Education;*]

29 “[*(C) Students with disabilities;*]

30 “[*(D) Students who are English language learners;*]

31 “[*(E) Students who are foster children, as defined in ORS 30.297;*]

32 “[*(F) Students who are homeless, as determined under rules adopted by the State Board of Edu-*  
33 *cation; and]*

34 “[*(G) Any other student groups that have historically experienced academic disparities, as deter-*  
35 *mined by the State Board of Education by rule.]*

36 “(3) Grant moneys received under ORS 327.195 may be used by a grant recipient only for:

37 “(a) Increasing instructional time, which may include:

38 “(A) More hours or days of instructional time;

39 “(B) Summer programs;

40 “(C) Before-school or after-school programs; or

41 “(D) Technological investments that minimize class time used for assessments administered to  
42 students.

43 “(b) Addressing students’ health or safety needs, which may include:

44 “(A) Social-emotional learning and development;

45 “(B) Student mental and behavioral health;



1 “(C) Improvements to teaching and learning practices or organizational structures that lead to  
2 better interpersonal relationships at the school;

3 “(D) Student health and wellness;

4 “(E) Trauma-informed practices;

5 “(F) School health professionals and assistants; or

6 “(G) Facility improvements directly related to improving student health or safety.

7 “(c) Reducing class sizes, which may include increasing the use of instructional assistants, by  
8 using evidence-based criteria to ensure appropriate student-teacher ratios or staff caseloads.

9 “(d) Expanding availability of and student participation in well-rounded learning experiences,  
10 which may include:

11 “(A) Developmentally appropriate and culturally responsive early literacy practices and pro-  
12 grams in prekindergarten through third grade;

13 “(B) Culturally responsive practices and programs in grades six through eight, including learn-  
14 ing, counseling and student support that is connected to colleges and careers;

15 “(C) Broadened curricular options at all grade levels, including access to:

16 “(i) Art, music and physical education classes;

17 “(ii) Science, technology, engineering and mathematics education;

18 “(iii) Career and technical education, including career and technical student organization pro-  
19 grams and payment of student fees, costs and instructors of those programs;

20 “(iv) Electives that are engaging to students;

21 “(v) Accelerated college credit programs, including dual credit programs, International  
22 Baccalaureate programs and advanced placement programs;

23 “(vi) Dropout prevention programs and transition supports;

24 “(vii) Life skills classes; or

25 “(viii) Talented and gifted programs; or

26 “(D) Access to licensed educators with a library media endorsement.

27 “**SECTION 13.** ORS 327.185 is amended to read:

28 “327.185. (1) As used in this section, ‘eligible applicant’ means any of the following entities:

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

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

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

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

35 “(i) Economically disadvantaged, as described in [ORS 327.180 (2)(b)(A)] **section 2 (11)(a) of this**  
36 **2025 Act;**

37 “(ii) Racial or ethnic groups that have historically experienced academic disparities, as de-  
38 scribed in [ORS 327.180 (2)(b)(B)] **section 2 (11)(b) of this 2025 Act;** or

39 “(iii) Students with disabilities, as described in [ORS 327.180 (2)(b)(C)] **section 2 (11)(c) of this**  
40 **2025 Act;** and

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

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

45 “(ii) The percentage of all students in the school district who are from racial or ethnic groups

1 that have historically experienced academic disparities, if eligibility is determined based on the  
2 percentage of students who are from those racial or ethnic groups; or

3 “(iii) The percentage of all students in the school district who are disabled, if eligibility is de-  
4 termined based on the percentage of students who are disabled.

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

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

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

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

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

16 “(4)(a) If an eligible applicant is a school district and decides to include public charter schools  
17 in the grant application and grant agreement, the school district must provide all public charter  
18 schools sponsored by, or located within, the school district the opportunity to participate in the  
19 grant application and grant agreement.

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

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

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

26 “(ii) The public charter school is not entitled to any grant moneys distributed under ORS  
27 327.195.

28 “(C) If a public charter school participates in a grant application and grant agreement under  
29 this subsection:

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

33 “(ii) The ADMw of the public charter school shall be used in the calculation of the school dis-  
34 trict ADMw for grants distributed under ORS 327.195; and

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

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

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

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

42 “(b) An eligible applicant shall make the determinations required under paragraph (a) of this  
43 subsection by:

44 “(A) Engaging in strategic planning; and

45 “(B) Considering the recommendations of the Quality Education Commission established under

1 ORS 327.500 and recommendations from the advisory groups formed by the Department of Education  
2 for the purposes of the statewide education plans developed and implemented by the department.

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

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

5 “(B) An analysis of the potential academic impact, both for the students of the eligible applicant  
6 and for student groups identified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act**, from the  
7 allowed uses that would be funded by grant moneys; and

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

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

11 “(A) Input from the community of the eligible applicant, including school employees, students  
12 from student groups identified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act** and parents  
13 of those students; and

14 “(B) Data collected by the eligible applicant to enable the eligible applicant to make equity-  
15 based decisions.

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

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

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

23 “(A) Meet students’ mental and behavioral health needs;

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

25 “(C) Reduce academic disparities for student groups identified in [ORS 327.180 (2)(b)] **section 2**  
26 **(11) of this 2025 Act** who are served by the eligible applicant, and identify which of those student  
27 groups will benefit from the allowed uses that are being funded with grant moneys.

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

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

30 “(A) Provision of the plan at the main office of the eligible applicant and on the eligible  
31 applicant’s website;

32 “(B) Oral presentation of the plan by an administrator of the eligible applicant to the governing  
33 body of the eligible applicant; and

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

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

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

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

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

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

44 “**SECTION 14.** ORS 327.190 is amended to read:

45 “327.190. [(1) As used in this section:]

1 “[(a) ‘Disaggregated’ means separated based on the student groups identified in ORS 327.180  
2 (2)(b).]

3 “[(b) ‘Five-year completion rate’ means the percentage of students who received a high school di-  
4 ploma, a modified diploma or an extended diploma or who received a certificate for passing an ap-  
5 proved high school equivalency test such as the General Educational Development test (GED) within  
6 five years of the student beginning the ninth grade.]

7 “[(c) ‘High school diploma’ means a diploma that is awarded to a student upon satisfaction of the  
8 requirements prescribed by ORS 329.451 (2).]

9 “[(d) ‘Ninth-grade on-track rates’ means the percentage of students who, at the end of the summer  
10 following the year the students began ninth grade, completed one quarter of the credits required for  
11 high school graduation.]

12 “[(e) ‘On-time graduation rate’ means the percentage of students who received a high school di-  
13 ploma or a modified diploma within four years of the students beginning the ninth grade.]

14 “[(f) ‘Regular attendance rates’ means the percentage of students who are absent, as determined  
15 by Department of Education policy, for less than 10 percent of the school days for which the students  
16 are enrolled.]

17 “[(g) ‘Third-grade reading proficiency rate’ means the percentage of students in the third grade  
18 who are determined to be proficient or above in English language arts, as determined under rules  
19 adopted by the State Board of Education.]

20 “[(2)] (1) The Department of Education shall review all applications for grants from the Student  
21 Investment Account that comply with the requirements prescribed by ORS 327.185.

22 “[(3)] (2) If an application complies with the requirements of ORS 327.185, the department  
23 shall:

24 “(a) If the grant applicant has developed performance growth targets as provided by  
25 section 3 of this 2025 Act, confirm the applicable performance growth targets; or

26 “(b) If the grant applicant has not developed performance growth targets under section  
27 3 of this 2025 Act, collaborate with the grant [recipient] applicant to develop applicable [longi-  
28 tudinal] performance growth targets that are in alignment with section 3 of this 2025 Act. [The  
29 longitudinal performance growth targets must:]

30 “[(a) Be based on data available for longitudinal analysis;]

31 “[(b) Be developed based on guidance established by the department; and]

32 “[(c) Use the following applicable metrics:]

33 “[(A) On-time graduation rates and five-year completion rates, including:]

34 “[(i) The overall on-time graduation rate and five-year completion rate.]

35 “[(ii) Gaps in disaggregated on-time graduation rates and five-year completion rates.]

36 “[(B) Ninth-grade on-track rates, including:]

37 “[(i) The overall ninth-grade on-track rate.]

38 “[(ii) Gaps in disaggregated ninth-grade on-track rates.]

39 “[(C) Third-grade reading proficiency rates, including:]

40 “[(i) The overall third-grade reading proficiency rate.]

41 “[(ii) Gaps in disaggregated third-grade reading proficiency rates.]

42 “[(D) Regular attendance rates, including:]

43 “[(i) The overall regular attendance rate.]

44 “[(ii) Gaps in disaggregated regular attendance rates.]

45 “[(4)] (3) In addition to the metrics [identified] **confirmed or developed** in subsection [(3)] (2)

of this section, the following may be used to develop applicable performance growth targets:

“(a) Local metrics; and

“(b) Targets related to student mental and behavioral health needs, as established by the State Board of Education by rule.

*“(5) When developing performance growth targets, the department and grant recipient shall:”*

*“[(a) Review disaggregated student data;]*

*“[(b) Apply a process adopted by the department for the purpose of strategically developing equitable policies and programs; and]*

*“[(c) Identify which student groups identified in ORS 327.180 (2)(b) are most at risk of not meeting performance growth targets.]”*

*“[(6)(a)] (4)(a) After **confirming or** developing performance growth targets, the department and grant [recipient] **applicant** shall enter into a grant agreement. The grant agreement must include applicable performance growth targets for measuring the academic growth of the students of the grant recipient.*

*“(b) A grant agreement is not valid until approved by the governing body of the grant [recipient] **applicant** at an open meeting following:*

*“(A) Provision of the plan at the main office of the grant recipient and on the grant recipient’s website;*

*“(B) Oral presentation of the plan by an administrator of the grant recipient to the governing body of the grant recipient; and*

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

*“[(7)] (5) Any agreements between a public charter school and a grant recipient that is a school district shall become part of the grant agreement.*

**“SECTION 15.** ORS 327.201 is amended to read:

**“327.201. (1)(a) Each year, each recipient of a grant from the Student Investment Account shall[.]**

**“[(A)] conduct a financial audit of the use of grant moneys that is prepared in accordance with the Municipal Audit Law. [; and]**

**“[(B) Review the grant recipient’s progress toward meeting the performance growth targets in the grant agreement.]”**

**“(b) Results of the financial audit [and progress review] must be:**

**“(A) Made available at the main office of the grant recipient and on the grant recipient’s website.**

**“(B) Presented to the governing body of the grant recipient at an open meeting, following:**

**“(i) Oral presentation of the results by an administrator of the grant recipient to the governing body of the grant recipient; and**

**“(ii) Opportunity for the public to comment on the results at an open meeting.**

**“(C) Forwarded to the Department of Education.**

**“(2)(a) Based on information received under subsection (1) of this section, the department shall determine each year whether grant moneys received by a grant recipient were used as provided by the grant agreement.**

**“(b) If a grant recipient did not use grant moneys as provided by the grant agreement, the department shall:**

**“(A) Collaborate with the grant recipient to identify and implement specific interventions;**

**“(B) Provide technical assistance to the grant recipient as described in ORS 327.208; [or]**

1 “(C) **Direct amounts of future grant distributions for specific investments; or**  
2 “[C)] (D) Deduct amounts from future grant distributions.  
3 “(c) If amounts are to be deducted from future grant distributions under paragraph [(b)(C)]  
4 **(b)(D)** of this subsection, the grant recipient may appeal to the State Board of Education for review  
5 as provided by the board by rule.  
6 “(d) If a grant recipient fails to commit to spending all available grant moneys, the department  
7 may deduct amounts not committed from future grant distributions.  
8 “[3)(a) *The department shall determine each biennium if a grant recipient does not meet perform-*  
9 *ance growth targets identified in the grant agreement.]*  
10 “[b) *If a grant recipient does not meet the performance growth targets:]*  
11 “[A) *The grant recipient may submit an explanation for the reasons why the performance growth*  
12 *targets were not met; and]*  
13 “[B) *The department may:]*  
14 “[i) *Take into consideration the explanation submitted by the grant recipient;]*  
15 “[ii) *Require the grant recipient to enter into a coaching program described in ORS 327.214; or]*  
16 “[iii) *Direct the expenditure of grant moneys.]*  
17 “[4) *Each grant recipient must conduct a performance review every four years, as required by*  
18 *standards adopted by the board by rule.]*  
19 “[5)(a)] **(3)** Based on a review of the information received under subsection (1) of this section,  
20 the department may require a grant recipient to conduct a financial audit on a specific funding area  
21 or multiple funding areas.  
22 “[b) *The department may establish a procedure for conducting performance audits on a random*  
23 *basis or based on just cause as allowed under rules adopted by the board.]*  
24 “**SECTION 16.** ORS 327.208 is amended to read:  
25 “327.208. (1) The Department of Education shall make available technical assistance to eligible  
26 applicants, as defined in ORS 327.185, and to recipients of a grant from the Student Investment Ac-  
27 count. The technical assistance shall include the provision of assistance with:  
28 “(a) Strategic planning for the use of grant moneys;  
29 “(b) Developing an application for a grant from the Student Investment Account; **and**  
30 “[c) *Identifying and implementing best practices for meeting performance growth targets; and]*  
31 “[d)] **(c)** Identifying and implementing promising practices related to a grant agreement.  
32 “(2) When providing technical assistance, the department shall:  
33 “(a) Apply a process adopted by the department to strategically develop equitable policies and  
34 programs; and  
35 “(b) Ensure that technical assistance is based on the eligible applicant’s or grant recipient’s  
36 specific needs and demographics.  
37 “(3) For the purpose of providing technical assistance under this section, the department may  
38 enter into contracts with entities the department determines are qualified to provide the technical  
39 assistance.  
40 “**SECTION 17.** ORS 327.254, as amended by section 25, chapter 95, Oregon Laws 2024, is  
41 amended to read:  
42 “327.254. (1) The Department of Education shall use moneys in the Statewide Education Initi-  
43 atives Account to provide funding for statewide education initiatives, including:  
44 “(a) Funding the High School Graduation and College and Career Readiness Act at the levels  
45 prescribed by ORS 327.856;

1 “(b) Expanding school breakfast and lunch programs;  
2 “(c) Operating youth reengagement programs or providing youth reengagement services;  
3 “(d) Establishing and maintaining the Statewide School Safety and Prevention System under  
4 ORS 339.341;  
5 “(e) Developing and providing statewide equity initiatives, including any statewide education  
6 plan developed and implemented by the department;  
7 “(f) Providing summer learning programs at schools that are considered high poverty under Title  
8 I of the federal Elementary and Secondary Education Act of 1965;  
9 “(g) Funding early warning systems to assist students in graduating from high school, as de-  
10 scribed in ORS 327.367;  
11 “(h) Developing and implementing professional development programs and training programs,  
12 including programs that increase educator diversity and retain diverse educators;  
13 “(i) Planning for increased transparency and accountability in the public education system of  
14 this state;  
15 “(j) Providing additional funding to school districts participating in the intensive **coaching**  
16 program under ORS 327.222;  
17 “(k) Providing technical assistance, including costs incurred for:  
18 “(A) The coaching [program] **and support** described in [ORS 327.214] **section 5 of this 2025**  
19 **Act**; and  
20 “(B) The intensive **coaching** program described in ORS 327.222, including costs for student  
21 success teams;  
22 “(L) Funding public charter schools, as described in ORS 327.362;  
23 “(m) Funding the Early Literacy Success School Grant program, as provided by ORS 327.833;  
24 “(n) Funding the Early Literacy Success Community Grant program, as established by ORS  
25 327.843;  
26 “(o) Funding any additional amounts for approved recovery schools, as provided by rules of the  
27 State Board of Education adopted under ORS 327.029;  
28 “(p) Funding education service districts, as described in subsection (2) of this section;  
29 “(q) Funding the Youth Corrections Education Program and the Juvenile Detention Education  
30 Program through the Juvenile Justice Education Fund established under section 22, chapter 95,  
31 Oregon Laws 2024, when necessary as provided by section 23, chapter 95, Oregon Laws 2024; and  
32 “(r) Funding costs incurred by the department in implementing this section and ORS 327.175 to  
33 327.235 and 327.274.  
34 “(2)(a) The amount of a distribution to an education service district under this section shall be  
35 made as provided by paragraph (b) of this subsection after calculating the following for each edu-  
36 cation service district:  
37 “(A) One percent of the total amount available for distribution to education service districts in  
38 each biennium.  
39 “(B) The education service district’s  $ADMw \times$  (the total amount available for distribution to  
40 education service districts in each biennium  $\div$  the total ADMw of all education service districts  
41 that receive a distribution).  
42 “(b) The amount of the distribution to an education service district shall be the greater of the  
43 amounts calculated under paragraph (a) of this subsection, except that, for distributions made as  
44 provided by paragraph (a)(B) of this subsection, the total amount available for distribution to edu-  
45 cation service districts shall be the amount remaining after any distributions required under para-

graph (a)(A) of this subsection have been made.

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

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

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

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

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

“(C) Provide for coordination with the department in administering and providing technical assistance to recipients of moneys under ORS 327.195 that are located within the education service district, including coordinating any coaching *[programs]* **and support** established under *[ORS 327.214]* **section 5 of this 2025 Act**; and

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

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

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

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

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

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

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

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

“(3) The State Board of Education shall adopt rules necessary for the distribution of moneys under this section.

“**SECTION 18.** ORS 327.362 is amended to read:

“327.362. (1) As used in this section:

“(a) ‘ADMw’ means weighted average daily membership, as calculated under ORS 327.013.

“(b) ‘Eligible public charter school’ means a public charter school that is not a virtual public charter school, as defined in ORS 338.005, and that has a student population of which at least 65 percent of the total student population is composed of students from the following combined student groups:

“(A) Racial or ethnic groups that have historically experienced academic disparities, as described in *[ORS 327.180 (2)(b)(B)]* **section 2 (11)(b) of this 2025 Act**; and

“(B) Students with disabilities, as described in *[ORS 327.180 (2)(b)(C)]* **section 2 (11)(c) of this 2025 Act**.

“(2) In addition to those moneys distributed through the State School Fund, the Department of



1 Education shall award grants under this section to eligible public charter schools from the State-  
2 wide Education Initiatives Account.

3 “(3) The amount of a grant awarded to an eligible public charter school under this section =  
4 the public charter school’s ADMw  $\times$  the difference between:

5 “(a) The amount of the General Purpose Grant per ADMw for the school district that has  
6 contractually established payment for the provision of educational services to the public charter  
7 school’s students under ORS 338.155 (2) or (3); and

8 “(b) The amount of the General Purpose Grant per ADMw that the public charter school re-  
9 ceives under a contract for the provision of educational services to the public charter school’s stu-  
10 dents under ORS 338.155 (2) or (3).

11 “(4) The purpose of grants distributed under this section shall be to increase academic  
12 achievement, including reducing academic disparities, for:

13 “(a) Students from racial or ethnic groups that have historically experienced academic dispari-  
14 ties, as determined under rules adopted by the State Board of Education; and

15 “(b) Students with disabilities.

16 “(5) Any eligible public charter school may apply for and receive a grant as provided by this  
17 section. A grant application must:

18 “(a) Describe how grant moneys will be used to advance the purpose described in subsection (4)  
19 of this section.

20 “(b) Specify the supports that will be:

21 “(A) Provided to students with a disability; or

22 “(B) Used to enhance special education and related services that are provided by a school dis-  
23 trict under ORS 338.165 to the students of the public charter school.

24 “(c) Identify any applicable longitudinal performance growth targets for the public charter  
25 school that have been established:

26 “(A) Under contract between the public charter school and the sponsor of the public charter  
27 school; or

28 “(B) By the public charter school or the school district in which the public charter school is  
29 located for purposes of grants from the Student Investment Account, as provided by ORS 327.190.

30 “(d) Be submitted based on the timelines and forms prescribed by the department.

31 “(6)(a) If the department determines that a grant application complies with the requirements  
32 prescribed under this section, the department shall enter into a grant agreement with the eligible  
33 public charter school.

34 “(b) A grant agreement must include longitudinal performance growth targets for the public  
35 charter school. If the grant application identified longitudinal performance growth targets, those  
36 targets shall be included in the grant agreement. If the grant application did not identify longitudi-  
37 nal performance growth targets, the public charter school shall collaborate with the department to  
38 develop longitudinal performance growth targets. Longitudinal performance growth targets must:

39 “(A) Be based on data available for longitudinal analysis; and

40 “(B) Use the following applicable metrics:

41 “(i) Third-grade reading proficiency rates, as defined in [ORS 327.190] **section 2 of this 2025**  
42 **Act;**

43 “(ii) Regular attendance rates, as defined in [ORS 327.190] **section 2 of this 2025 Act;** and

44 “(iii) Any other metrics identified by the department in collaboration with the public charter  
45 school.

1 “(7) After the department and the public charter school have entered into a grant agreement,  
2 the department shall award a grant to the public charter school in the amount calculated under  
3 subsection (3) of this section. A grant recipient shall deposit grant moneys received under this sec-  
4 tion into a separate account and shall apply the amounts in that account as provided by the grant  
5 agreement.

6 “(8)(a) Each year, each grant recipient must submit to the department a description of:

7 “(A) How grant moneys received under this section were used to advance the purpose described  
8 in subsection (4) of this section and to meet performance growth targets in the grant agreement; and

9 “(B) Progress made by the grant recipient toward meeting the performance growth targets in  
10 the grant agreement.

11 “(b) A grant recipient shall provide the information required under this subsection based on the  
12 timelines and forms prescribed by the department. To the greatest extent practicable, the depart-  
13 ment shall accept the information described in this subsection in the manner that it is made avail-  
14 able by a public charter school to the sponsor of the public charter school.

15 “(9) To the greatest extent practicable, any requirements prescribed by the department or the  
16 board under this section in relation to an application, a grant agreement or the submission of in-  
17 formation under subsection (8) of this section shall reduce any redundancies between a grant  
18 awarded under this section and a grant awarded from the Student Investment Account. Reduction  
19 in redundancies includes accepting for the purposes of grants awarded under this section any ap-  
20 plicable forms or information submitted by the public charter school to the department or a school  
21 district for the purposes of a grant awarded from the Student Investment Account.

22 “(10) A public charter school and a school district may not consider moneys received by the  
23 public charter school under this section when establishing payment for the provision of educational  
24 services to the public charter school’s students under ORS 338.155 (2) or (3).

25 “(11) Prior to February 1 of each year, the department shall submit to the appropriate interim  
26 legislative committees a report related to the grants awarded under this section. The report must  
27 describe:

28 “(a) The public charter schools that applied for the grants and the public charter schools that  
29 received the grants;

30 “(b) The longitudinal performance growth targets included in grant agreements, as provided by  
31 subsection (6)(b) of this section; and

32 “(c) Progress made toward meeting longitudinal performance growth targets, as reported under  
33 subsection (8)(a) of this section.

34 “(12) The State Board of Education shall adopt any rules necessary for the distribution of grants  
35 under this section.

36 “**SECTION 19.** ORS 329.095 is amended to read:

37 “329.095. (1)(a) The Department of Education shall require school districts and schools to con-  
38 duct self-evaluations and to periodically update their local district continuous improvement plans.  
39 Except as provided by paragraph (b)(C) of this subsection, the department may not require school  
40 districts or schools to conduct self-evaluations or to update their local district continuous improve-  
41 ment plans more frequently than biennially.

42 “(b) The department may require a school district to:

43 “(A) File, periodically, or at the department’s request, its local district continuous improvement  
44 plan with the department;

45 “(B) Notify the department of any substantial changes, as defined by rule of the State Board of

1 Education, to the school district; or

2 “(C) Update its local district continuous improvement plan when there has been a substantial  
3 change, as defined by rule of the board, to the school district.

4 “(c) The self-evaluation process conducted as provided by this subsection shall involve the public  
5 in the setting of local goals. The school districts shall ensure that representatives from the demo-  
6 graphic groups of their school population are invited to participate in the development of local dis-  
7 trict continuous improvement plans to achieve the goals.

8 “(2) As part of setting local goals, school districts shall undertake a communications process  
9 that involves parents, students, teachers, school employees, the educational equity advisory com-  
10 mittee and community representatives to explain and discuss the local goals and their relationship  
11 to programs under this chapter.

12 “(3) At the request of the school district, department staff shall provide ongoing technical as-  
13 sistance in the development and implementation of the local district continuous improvement plan.

14 “(4) The local district continuous improvement plan shall include:

15 “(a) Goals to implement the following:

16 “(A) A rigorous curriculum aligned with state standards;

17 “(B) High-quality instructional programs;

18 “(C) Short-term and long-term professional development plans;

19 “(D) Programs and policies that achieve a safe educational environment;

20 “(E) A plan for family and community engagement;

21 “(F) Staff leadership development;

22 “(G) High-quality data systems;

23 “(H) Improvement planning that is data-driven;

24 “(I) Education service plans for students who have or have not exceeded all of the academic  
25 content standards; and

26 “(J) A strong school library program;

27 “(b) A review of demographics, student performance, staff characteristics and student access to,  
28 and use of, educational opportunities;

29 “(c) A description of district efforts to achieve local efficiencies and efforts to make better use  
30 of resources; and

31 “(d) A needs assessment, which shall:

32 “(A) Be conducted in a manner that is inclusive of school employees, students from student  
33 groups identified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act** and parents of those stu-  
34 dents.

35 “(B) Address the following priorities:

36 “(i) Reducing academic disparities for students from student groups identified in [ORS 327.180  
37 (2)(b)] **section 2 (11) of this 2025 Act**;

38 “(ii) Meeting students’ mental or behavioral health needs;

39 “(iii) Providing equitable access to academic courses across the school district or public charter  
40 school, with specific emphasis on access by students from student groups identified in [ORS 327.180  
41 (2)(b)] **section 2 (11) of this 2025 Act**;

42 “(iv) Allowing teachers and staff to have sufficient time to:

43 “(I) Collaborate with other teachers and staff;

44 “(II) Review data on students’ grades, absences and discipline, based on school and on grade  
45 level or course; and

1 “(III) Develop strategies to ensure that at-risk students stay on track to graduate; and  
2 “(v) Possible partnerships with other organizations, federally recognized Indian tribes, school  
3 districts, education service districts, regional achievement collaboratives, post-secondary institutions  
4 of education, education partners or nonprofit programs and community-based programs that have  
5 demonstrated achievement of positive outcomes in work with students from student groups identified  
6 in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act.**

7 “**SECTION 20.** ORS 336.680, as amended by section 45, chapter 95, Oregon Laws 2024, is  
8 amended to read:

9 “336.680. (1) As used in this section, ‘approved recovery school’ means a school that is under  
10 an agreement with the Department of Education to provide students enrolled in the school with a  
11 holistic approach to:

12 “(a) Educational services for grades 9 through 12; and

13 “(b) Health care services related to recovery from substance use disorders.

14 “(2) The department shall provide or cause to be provided appropriate education for students  
15 enrolled in an approved recovery school. For the purpose of paying the costs of providing education  
16 to students enrolled in an approved recovery school, the Superintendent of Public Instruction shall  
17 make the following:

18 “(a) Payments from amounts available from the State School Fund under ORS 327.029.

19 “(b) Payments from the Statewide Education Initiatives Account, as provided by rule adopted  
20 by the State Board of Education in collaboration with the advisory committee convened under ORS  
21 336.685. The rules adopted as provided by this paragraph may include a minimum amount, a maxi-  
22 mum amount or both for approved recovery schools.

23 “(3) The Superintendent of Public Instruction may contract with a school district, an education  
24 service district or a public charter school to provide or cause to be provided appropriate education  
25 to students enrolled in an approved recovery school. Unless otherwise specified, any educational  
26 services provided under a contract entered into under this subsection shall be paid as described in  
27 this section and not by any other state moneys distributed based on average daily membership that  
28 are available to the school district, education service district or public charter school for the pur-  
29 pose of providing educational services.

30 “(4) The State Board of Education shall adopt by rule the standards for a recovery school to  
31 become and operate as an approved recovery school. The standards must provide that:

32 “(a) The recovery school must align, to the extent identified by the board, with standards for  
33 accreditation established by a nonprofit accrediting organization composed of representatives of re-  
34 covery schools and individuals who support the growth of recovery schools. The standards must in-  
35 clude requirements that:

36 “(A) The recovery school, in compliance with timelines established by the department, be ac-  
37 credited by a nonprofit accrediting organization that establishes standards for recovery schools.  
38 Nothing in this subparagraph requires the recovery school to be accredited at the time the super-  
39 intendent first enters into a contract with the recovery school.

40 “(B) Student enrollment in the recovery school is voluntary. No school district or state or local  
41 agency may compel or otherwise require a student to enroll in a recovery school. Students enrolled  
42 in an approved recovery school may not be counted in determining the number of pupils in average  
43 daily membership for purposes of ORS 334.175 (5).

44 “(C) All students who reside in this state and who meet the eligibility criteria established under  
45 subsection (8) of this section may enroll in an approved recovery school if space is available. If

1 space is not available, the approved recovery school may prioritize for enrollment student groups  
2 identified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act.**

3 “(D) The school district, education service district or public charter school with which the de-  
4 partment has entered into a contract for a recovery school must agree to award high school diplo-  
5 mas, modified diplomas, extended diplomas and alternative certificates as provided by ORS 329.451  
6 and 339.877. An entity that awards high school diplomas as provided by this subparagraph:

7 “(i) May not impose requirements for a high school diploma that are in addition to the require-  
8 ments prescribed by ORS 329.451 (2)(a) or by rule of the State Board of Education; and

9 “(ii) Must accept any credits previously earned by students in another school or educational  
10 program in this state and apply those credits toward the requirements prescribed by ORS 329.451  
11 (2)(a) or by rule of the State Board of Education.

12 “(E) Except as provided by subparagraphs (F) and (G) of this paragraph, the recovery school  
13 must satisfy the same laws that apply to public charter schools under ORS 338.115.

14 “(F) All administrators and teachers at the recovery school must be licensed by the Teacher  
15 Standards and Practices Commission.

16 “(G) An approved recovery school is not required to comply with the enrollment requirements  
17 prescribed by ORS 338.115 (1)(bb) or (5).

18 “(H) An approved recovery school must comply with the requirements of the uniform budget and  
19 accounting system adopted by rule of the State Board of Education under ORS 327.511.

20 “(b) Recovery schools will be approved, to the greatest extent practicable, in a manner that:

21 “(A) Represents a geographic distribution across this state; and

22 “(B) Takes into consideration the needs for services by the community in which the recovery  
23 school would be located.

24 “(5) Any school that provides the services of a recovery school may enter into a contract with  
25 the superintendent to become an approved recovery school, including schools already providing the  
26 services of a recovery school and schools that are proposing to provide the services of a recovery  
27 school.

28 “(6) An approved recovery school may enter into agreements with other entities, including  
29 community-based organizations and federally recognized tribes of this state, for the purposes of  
30 providing educational and health care services to students enrolled in the approved recovery school.

31 “(7)(a) The department shall be responsible for:

32 “(A) Identifying, locating and evaluating students enrolled in an approved recovery school who  
33 may be in need of special education and related services; and

34 “(B) Ensuring that eligible students receive special education and related services.

35 “(b) For the purpose of this subsection, the department may enter into a contract with a school  
36 district or an education service district.

37 “(8) The department shall establish eligibility criteria for students to enroll in an approved re-  
38covery school, based on input from the advisory committee convened under ORS 336.685 and based  
39on research from a nonprofit organization composed of representatives of recovery schools and in-  
40dividuals who support the growth of recovery schools and other relevant organizations.

41 “(9) For the purposes of administering this section:

42 “(a) The State Board of Education shall adopt any necessary rules.

43 “(b) The department shall collaborate with the Oregon Health Authority, the Youth Develop-  
44ment Division, the Alcohol and Drug Policy Commission, the Oregon Youth Authority, the Depart-  
45ment of Human Services and local public health and mental health authorities or providers and shall

1 coordinate, to the greatest extent practicable, funding of services provided in relation to approved  
2 recovery schools.

3 “(10) Each biennium, the Department of Education shall prepare a report on the progress, suc-  
4 cesses and challenges of approved recovery schools and submit that report to:

5 “(a) The interim committees of the Legislative Assembly related to education; and

6 “(b) The advisory committee convened under ORS 336.685.

7 “**SECTION 21.** Section 2, chapter 6, Oregon Laws 2024, is amended to read:

8 “**Sec. 2.** (1) The Department of Education shall establish and administer the Summer Learning  
9 Grant program.

10 “(2) Under the grant program, the department shall award grants for summer learning programs  
11 that are provided to incoming kindergarten students through outgoing grade 12 students. A summer  
12 learning program is eligible for a grant if the program meets all three of the following requirements:

13 “(a) The program provides academic enrichment by:

14 “(A) Using a variety of learning strategies that align with academic content standards adopted  
15 under ORS 329.045 and focused on mathematics, science, language arts or personal financial educa-  
16 tion and that, when appropriate, assist with credit recovery; and

17 “(B) As appropriate, assisting with school readiness and providing transition supports prior to  
18 kindergarten, prior to middle school, through the middle and high school grades or after high school  
19 graduation.

20 “(b) The program provides youth development by using a broad array of well-rounded  
21 enrichment opportunities that:

22 “(A) Include hands-on, inquiry-based and project-based learning, which may include access to the  
23 arts; and

24 “(B) Support students’ mental, emotional and social well-being.

25 “(c) The program provides equitable access, outreach and engagement by:

26 “(A) Using culturally and linguistically responsive approaches to student academic success and  
27 well-being; and

28 “(B) Engaging families as partners in students’ academic success.

29 “(3) In addition to the requirements prescribed by subsection (2) of this section, a summer  
30 learning program must be provided for a minimum of 80 total hours for each session of the program.  
31 Calculations made under this subsection may include hours provided by an entity with which a  
32 partnership has been entered, as described in subsection (4)(c) of this section.

33 “(4)(a) Any school district, education service district or public charter school, or any combina-  
34 tion thereof, may apply to receive a grant under this section for a summer learning program.

35 “(b) The department shall award a grant to an applicant based on whether the applicant meets  
36 the requirements for the grant. An application for a grant must include:

37 “(A) A description of the summer learning program and how the program satisfies the require-  
38 ments described in subsections (2) and (3) of this section.

39 “(B) Documentation that the applicant has a plan for summer learning, which may include:

40 “(i) A plan developed under ORS 327.185 to receive a grant from the Student Investment Ac-  
41 count;

42 “(ii) An early literacy success plan developed under ORS 327.831 to receive a grant under the  
43 Early Literacy Success School Grant program;

44 “(iii) A plan developed under ORS 327.883 to receive a grant under the High School Graduation  
45 and College and Career Readiness Act; or

1 “(iv) A plan developed as required to receive federal funding, as identified by the State Board  
2 of Education by rule.

3 “(C) A description of how the grant will be used with other funding sources available to the  
4 applicant.

5 “(c)(A) An applicant for a grant may enter into a partnership with one or more entities to pro-  
6 vide a summer learning program that is funded by a grant under this section.

7 “(B) Entities with which an applicant may enter into a partnership include a school district, an  
8 education service district, a federally recognized Indian tribe in this state, a community-based or-  
9 ganization, a unit of local government as defined in ORS 190.003 or a local service district as defined  
10 in ORS 174.116.

11 “(C) If an applicant applies for a grant based on a plan that includes a partnership with an en-  
12 tity identified in subparagraph (B) of this paragraph, the applicant must provide with the application  
13 a written letter of support from the entity. The letter must include a description of services to be  
14 provided by the entity and the budget of the entity for the provision of those services.

15 “(5)(a) The department shall award grants under this section based on a formula established by  
16 the State Board of Education by rule.

17 “(b) When awarding grants, the department shall:

18 “(A) Prioritize funding for summer learning programs that serve student groups that have his-  
19 torically experienced academic disparities, as [*described in ORS 327.180 (2)(b)*] **identified in section**  
20 **2 (11) of this 2025 Act.**

21 “(B) Encourage and support partnerships with entities identified in subsection (4)(c)(B) of this  
22 section to provide expanded learning opportunities during nonschool hours.

23 “(c) The department shall establish the process and timelines for awarding a grant under this  
24 section. The process must be communicated on the department’s website and be easily accessible  
25 by applicants.

26 “(6)(a) Grants awarded under this section may be used for all expenses related to:

27 “(A) Providing personnel and staffing for a summer learning program, including professional  
28 development.

29 “(B) Providing summer learning, including curriculum, technology and other supplies.

30 “(C) Contracting with third parties to provide a summer learning program.

31 “(D) Providing incentives and removing barriers to student participation in a summer learning  
32 program.

33 “(E) Providing facilities that will support and accommodate a summer learning program.

34 “(F) Providing student transportation for a summer learning program.

35 “(G) Providing nutritious snacks and meals to participants of a summer learning program.

36 “(H) Engaging family members in summer learning program activities.

37 “(b) As provided by rule of the State Board of Education, a recipient of a grant received under  
38 this section may use a percentage of the grant moneys for administrative expenses. The rules shall:

39 “(A) Provide for the use of grant moneys for the administrative expenses of both the applicant  
40 and any entities with which the applicant has entered into a partnership to provide a summer  
41 learning program; and

42 “(B) Limit the percentage of grant moneys that may be used for administrative expenses, as al-  
43 lowed under subparagraph (A) of this paragraph, to no more than a total of 10 percent of the grant  
44 amount.

45 “(7) In administering the grant program, the department shall minimize administrative barriers

1 for grant recipients while retaining accountability for resources allocated and spent. Recipients of  
2 a grant must provide to the department a report that includes:

3 “(a) The number and demographics of students served by the summer learning program;

4 “(b) Activities of the summer learning program;

5 “(c) Information regarding staffing levels of the summer learning program and training provided  
6 to staff of the summer learning program;

7 “(d) A description of how activities of the summer learning program supported the requirements  
8 described in subsection (2) of this section; and

9 “(e) A report on three or more of the following outcome areas:

10 “(A) Perception surveys of the summer learning program, as provided by students, staff and  
11 families;

12 “(B) Qualitative data and stories of impact for the summer learning program;

13 “(C) Credits earned by participants of the summer learning program, if applicable;

14 “(D) Participation of the summer learning program provider in site visits, interviews or focus  
15 groups; or

16 “(E) Summer learning program evaluations by a third party.

17 “(8) The State Board of Education may adopt any rules necessary for the administration of this  
18 section.

19 “**SECTION 22.** ORS 327.016 is amended to read:

20 “327.016. (1) The Department of Education shall prepare an annual report that:

21 “(a) Identifies the total amounts that are:

22 “(A) Allocated to each school district from the State School Fund for students eligible for and  
23 enrolled in an English language learner program as provided by ORS 327.013 (1)(c)(A)(ii);

24 “(B) Expended from the amounts identified in subparagraph (A) of this paragraph for students  
25 in average daily membership who are eligible for and enrolled in an English language learner pro-  
26 gram; and

27 “(C) Expended as described in subparagraph (B) of this paragraph by category of expenditure,  
28 as identified and defined by the State Board of Education by rule.

29 “(b) Summarizes the progress for each school district on meeting objectives and the needs of  
30 students eligible for and enrolled in an English language learner program, **including progress of**  
31 **English language learners toward meeting performance growth targets developed as provided**  
32 **by section 3 of this 2025 Act.**

33 “(c) Provides information on the demographics of students in English language learner programs  
34 in each school district, including:

35 “(A) The average number of years students have been enrolled in an English language learner  
36 program;

37 “(B) The average number of years the students have attended their current schools;

38 “(C) The percentage of students who also receive special education and related services; and

39 “(D) Any other information identified by the department.

40 “(2) The report prepared under subsection (1) of this section must:

41 “(a) Be made available on the department’s website by June 30 of each year;

42 “(b) Be provided to each school district board by September 1 of each year and made available  
43 at the school district’s main office and on the school district’s website; and

44 “(c) Cover the school year ending June 30 of the prior year.

45 “(3) Prior to January 1 of each odd-numbered year, the department shall submit to the interim



1 legislative committees on education a summary of the two most recent reports prepared under sub-  
2 section (1) of this section.

3 **“SECTION 23. ORS 327.214 is repealed.**

4  
5 **“INTERIM ASSESSMENTS**

6  
7 **“SECTION 24.** ORS 329.485 is amended to read:

8 **“329.485. (1) As used in this section:**

9 **“(a) ‘Content-based assessment’ means testing of the understanding of a student of a predeter-**  
10 **mined body of knowledge.**

11 **“(b) ‘Criterion-referenced assessment’ means testing of the knowledge or ability of a student with**  
12 **respect to some standard.**

13 **“(c) ‘Performance-based assessment’ means testing of the ability of a student to use knowledge**  
14 **and skills to create a complex or multifaceted product or complete a complex task.**

15 **“(2)(a) The Department of Education shall implement statewide a valid and reliable assessment**  
16 **system for all students that meets technical adequacy standards. The assessment system shall in-**  
17 **clude criterion-referenced assessments including performance-based assessments, content-based as-**  
18 **essments, and other valid methods to measure the academic content standards and to identify**  
19 **students who meet or exceed the standards.**

20 **“(b) The department shall develop the statewide assessment system in mathematics, science,**  
21 **language arts, history, geography, economics and civics.**

22 **“(3) In addition to the assessment system implemented under subsection (2) of this section, the**  
23 **department may make available to school districts and public charter schools an assessment system**  
24 **that uses criterion-referenced assessments, including performance-based assessments and content-**  
25 **based assessments to:**

26 **“(a) Measure a student’s progress toward mastery of the knowledge and skills of the student’s**  
27 **current grade level or course content level;**

28 **“(b) Determine the student’s level of mastery, which shall be determined regardless of the actual**  
29 **grade level of the student and may be determined by adapting the assessment during the assessment**  
30 **process as a result of the performance of the student;**

31 **“(c) Track and provide reports on the progress of a student based on the information provided**  
32 **under paragraphs (a) and (b) of this subsection; and**

33 **“(d) Provide predictions of anticipated student progress that are based on the information pro-**  
34 **vided under this subsection and not on the current grade level of the student.**

35 **“(4)(a) School districts and public charter schools shall implement the statewide assessment**  
36 **system in mathematics, science and language arts. In addition, school districts and public charter**  
37 **schools may implement the statewide assessment system in history, geography, economics and civics.**

38 **“(b) School districts and public charter schools may choose to implement the assessment system**  
39 **described in subsection (3) of this section.**

40 **“(5)(a) School districts and public charter schools shall administer interim assessments**  
41 **in mathematics and language arts to measure student academic growth during the school**  
42 **year.**

43 **“(b) To comply with the provisions of this subsection, school districts and public charter**  
44 **schools must:**

45 **“(A) Select interim assessments that measure student performance growth from the list**

1 of interim assessments adopted by the State Board of Education;

2 “(B) At least three times each school year, administer interim assessments selected un-  
3 der subparagraph (A) of this paragraph in mathematics and language arts; and

4 “(C) For interim assessments in mathematics and language arts administered as provided  
5 by subparagraph (B) of this paragraph to students in any grade from kindergarten through  
6 grade eight, review the data collected from the interim assessments:

7 “(i) At least three times each school year, for the administrators of each of the schools  
8 of the school district and for the administrators of each public charter school; and

9 “(ii) At least three times each school year during a public meeting, for the superinten-  
10 dent of the school district, the school district board and, if applicable, the governing body  
11 of the public charter school.

12 “(c) For the purpose of this subsection, the State Board of Education shall adopt a list  
13 of no more than four approved interim assessments.

14 “[5)(a)] (6)(a) Each year the resident school district shall be accountable for determining the  
15 student’s progress toward achieving the academic content standards. Progress toward the academic  
16 content standards:

17 “(A) Shall clearly show the student and parents whether the student is making progress toward  
18 meeting or exceeding the academic content standards at the student’s current grade level or course  
19 content level;

20 “(B) Shall be based on the student’s progress toward mastery of a continuum of academic  
21 knowledge and skills; and

22 “(C) May be based on the student’s progress in a continuum of knowledge and skills that are  
23 not academic and that may include student behaviors that are defined by the school district.

24 “(b) School districts shall determine the method and format for showing student progress toward  
25 achieving the academic content standards. Communications on student progress shall include a  
26 reasonable number, as determined by the school district, of academic knowledge and skills in a  
27 content area to enable parents and students to understand a student’s progress toward meeting or  
28 exceeding the academic content standards. No more than three indicators of academic knowledge  
29 and skills per content area reporting category shall be required as provided by this section. A  
30 school district may use more than three indicators of academic knowledge and skills per content  
31 area reporting category if the school district implements a proficiency education system as provided  
32 by ORS 329.119.

33 “[6)] (7) In addition to the requirements described in subsection [(5)] (6) of this section, the  
34 school district shall adopt and implement a reporting system based on the school district board  
35 adopted course content of the school district’s curriculum. The reporting system:

36 “(a) Shall clearly show the student and parents whether the student is achieving course re-  
37 quirements at the student’s current grade level or course content level;

38 “(b) Shall be based on the student’s progress toward mastery of a continuum of academic  
39 knowledge and skills; and

40 “(c) May be based on the student’s progress in a continuum of knowledge and skills that are  
41 not academic and that may include student behaviors that are defined by the school district.

42 “[7)] (8) If a student has not met or has exceeded all of the academic content standards, the  
43 school district shall make additional services or alternative educational or public school options  
44 available to the student.

45 “[8)] (9) If the student to whom additional services or alternative educational options have been

1 made available does not meet or exceed the academic content standards within one year, the school  
2 district, with the consent of the parents, shall make an appropriate placement, which may include  
3 an alternative education program or the transfer of the student to another public school in the  
4 school district or to a public school in another school district that agrees to accept the student. The  
5 school district that receives the student shall be entitled to payment. The payment shall consist of:

6 “(a) An amount equal to the school district’s expenses from its local revenues for each student  
7 in average daily membership, payable by the resident school district in the same year; and

8 “(b) Any state and federal funds the attending school district is entitled to receive payable as  
9 provided in ORS 339.133 (2)(b).

10 **“SECTION 25. (1) The amendments to ORS 329.485 by section 24 of this 2025 Act become**  
11 **operative on July 1, 2026.**

12 **“(2) Notwithstanding the operative date set forth in subsection (1) of this section, the**  
13 **State Board of Education shall adopt a list of approved interim assessments to measure**  
14 **student performance growth no later than January 31, 2026.**

15 **“(3) The amendments to ORS 329.485 by section 24 of this 2025 Act first apply to the**  
16 **2026-2027 school year.**

## 17 18 “CURRICULA STANDARDS

19  
20 **“SECTION 26.** ORS 327.837 is amended to read:

21 **“327.837. (1)** Based on the reports submitted under ORS 327.835, the Department of Education  
22 shall monitor a school district’s or a public charter school’s progress toward achieving the goals  
23 established in the early literacy success plan, as described in ORS 327.831 (3).

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

26 **“(3)** When the department intervenes, as provided by subsection (2) of this section, the depart-  
27 ment:

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

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

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

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

39 **“(4)** An intervention and corrective action plan shall continue until the school district or public  
40 charter school makes sufficient and sustained progress toward achieving the goals established in the  
41 early literacy success plan. The department shall determine when sufficient and sustained progress  
42 has been achieved.

43 **“(5)** If a school district or public charter school continues to fail to make progress toward  
44 achieving the goals established in the early literacy success plan, the department may take addi-  
45 tional action, including not allowing for the distribution to the school district or public charter

1 school of any additional moneys under ORS 327.833.

2 **“SECTION 27. ORS 337.065 is repealed.**

3  
4 **“REDUCTION OF REDUNDANCIES**

5  
6 **“SECTION 28. (1) The Department of Education shall study the reporting requirements**  
7 **imposed on school districts, as defined in section 2 of this 2025 Act.**

8 **“(2) As part of the study conducted under this section, the department shall identify:**

9 **“(a) Requirements for school districts to report to the department;**

10 **“(b) State reporting requirements that can be decreased in frequency, eliminated or**  
11 **consolidated;**

12 **“(c) State reporting requirements that can be aligned with federal reporting require-**  
13 **ments, including any necessary changes to state programs to align with federal programs;**  
14 **and**

15 **“(d) Statutory changes that would provide for the alignment of grants, programs, plan-**  
16 **ning, reporting and monitoring processes.**

17 **“(3) The department shall submit a report on the study conducted under this section in**  
18 **the manner provided by ORS 192.245, and may include recommendations for legislation, to**  
19 **the interim committees of the Legislative Assembly related to education no later than De-**  
20 **cember 15, 2026.**

21  
22 **“DISTRICT STANDARDS**

23  
24 **“SECTION 29. (1) The Department of Education shall contract with a public or private**  
25 **entity to review the administrative rule requirements that must be met for a school district**  
26 **to be considered standard under ORS 327.103 or an education service district to be considered**  
27 **standard under ORS 334.217.**

28 **“(2) When conducting the review under subsection (1) of this section, the entity shall**  
29 **identify:**

30 **“(a) Standards that best support student outcomes and that should be prioritized by the**  
31 **department and districts.**

32 **“(b) Standards that make less significant contributions to the support of student out-**  
33 **comes and can be removed.**

34 **“(c) Effective methods for enforcing whether a district is standard.**

35 **“(d) A process for a person who resides in the district, or a parent or guardian of a**  
36 **student who attends school in the district, to submit a complaint about noncompliance with**  
37 **a standard, including timelines for investigating and resolving the complaint. The process**  
38 **may require the person, parent or guardian to first attempt to resolve the complaint with**  
39 **the district when the complaint involves specified types of standards.**

40 **“(3) The department shall submit a report on the review required under this section in**  
41 **the manner provided by ORS 192.245, and may include recommendations for legislation, to**  
42 **the interim committees of the Legislative Assembly related to education no later than De-**  
43 **cember 15, 2026.**

44 **“SECTION 30. Section 29 of this 2025 Act is repealed on January 2, 2027.**

45 **“SECTION 31. ORS 326.051 is amended to read:**

1 “326.051. Subject to ORS 417.300 and 417.305:

2 “(1) In addition to such other duties as are prescribed by law and pursuant to the requirement  
3 of ORS chapter 183, the State Board of Education shall:

4 “(a) Establish **and enforce** state standards for public kindergartens and public elementary and  
5 secondary schools consistent with the policies stated in ORS 326.011, **including providing a pro-**  
6 **cess for a person who resides in the district, or a parent or guardian of a student who at-**  
7 **tends school in the district, to file a complaint about noncompliance with a standard.**

8 “(b) Adopt rules for the general governance of public kindergartens and public elementary and  
9 secondary schools.

10 “(c) Prescribe required or minimum courses of study.

11 “(d) Adopt rules for public kindergartens and public elementary and secondary schools consist-  
12 ent with the policy stated in ORS 342.437.

13 “(e) Adopt rules regarding school and interscholastic activities.

14 “(f) Adopt rules that provide that no public elementary or secondary school shall discriminate  
15 in determining participation in interscholastic activities. As used in this paragraph, ‘discrimination’  
16 has the meaning given that term in ORS 659.850.

17 “(g) Adopt rules that will eliminate the use and purchase of elemental mercury, mercury com-  
18 pounds and mercury-added instructional materials by public elementary and secondary schools.

19 “(2) The State Board of Education may:

20 “(a) Consistent with the laws of this state, accept money or property not otherwise provided for  
21 under paragraph (b) of this subsection, which is donated for the use or benefit of the public  
22 kindergartens and public elementary and secondary schools and use such money or property for the  
23 purpose for which it was donated. Until it is used, the board shall deposit any money received under  
24 this paragraph in a special fund with the State Treasurer as provided in ORS 293.265 to 293.275.

25 “(b) Apply for federal funds, accept and enter into any contracts or agreements on behalf of the  
26 state for the receipt of funds from the federal government or its agencies and disburse or expend  
27 the federal funds as provided by ORS 327.128. This paragraph applies to federal funds to be used for:

28 “(A) Educational purposes, including but not limited to any funds available for the school lunch  
29 program;

30 “(B) Career and technical education programs in public elementary and secondary schools; and

31 “(C) Any grants available to the state or its political subdivisions for general federal aid for  
32 public kindergartens, public elementary schools and public secondary schools and their auxiliary  
33 services, improvement of teacher preparation, teacher salaries, construction of school buildings, ad-  
34 ministration of the Department of Education and any other educational activities under the juris-  
35 diction of the State Board of Education.

36 “(c) Adopt rules to administer the United States Department of Agriculture’s National School  
37 Lunch Program and School Breakfast Program for public and private prekindergarten through grade  
38 12 schools and residential child care facilities.

39 “**SECTION 32.** ORS 334.217 is amended to read:

40 “334.217. (1) The State Board of Education by rule shall establish **and enforce** standards to  
41 determine the adequacy of services and facilities provided by the education service districts. In es-  
42 tablishing such standards, the state board shall:

43 “(a) Consider the most economic method of providing services and facilities, the quality of the  
44 services and facilities according to the best educational standards, and the needs of the students[.];  
45 **and**

1       **“(b) Provide a process for a person who resides in the district, or a parent or guardian**  
2 **of a student who attends school in the district, to file a complaint about noncompliance with**  
3 **a standard.**

4       “(2) When the Superintendent of Public Instruction determines pursuant to rule that an educa-  
5 tion service district is nonstandard, the district designated nonstandard shall file a plan to meet  
6 standards over a specified period of time. The Superintendent of Public Instruction may accept, re-  
7 ject or modify the plan and order the nonstandard district to comply with the plan as approved by  
8 the superintendent. Once a plan is approved, the district shall be conditionally standard until all  
9 deficiencies are corrected. If a district corrects all deficiencies, the district shall be designated as  
10 standard. The district shall have 180 days from the date the plan is accepted to make all corrections.  
11 After that time, the Superintendent of Public Instruction may impose sanctions on the district if the  
12 district has not made the necessary corrections.

13       “(3) The state board shall establish by rule appropriate sanctions for noncompliance. The sanc-  
14 tions may include:

15       “(a) Mandatory merger of the nonstandard education service district with a contiguous educa-  
16 tion service district that is standard;

17       “(b) The sanctions described in ORS 342.173, if applicable;

18       “(c) The withholding of funds from the State School Fund;

19       “(d) The removal of the superintendent of the education service district;

20       “(e) The temporary governance of the education service district by the state board; or

21       “(f) Dissolution of the education service district.

22       **“SECTION 33. (1) The amendments to ORS 326.051 and 334.217 by sections 31 and 32 of**  
23 **this 2025 Act become operative on December 31, 2026.**

24       **“(2) When adopting rules for the purposes of determining how to enforce standards and**  
25 **of providing a complaint process for a person who resides in the district, or a parent or**  
26 **guardian of a student who attends school in the district, to file a complaint about noncom-**  
27 **pliance with a standard, including the timelines for the investigation and resolution of a**  
28 **complaint, the State Board of Education shall take into consideration the review conducted**  
29 **as provided by section 29 of this 2025 Act.**

## 30 31                                   **“DEPARTMENT OF EDUCATION REPORT** 32

33       **“SECTION 34. No later than December 15, 2025, the Department of Education shall sub-**  
34 **mit a report in the manner provided by ORS 192.245 to the interim committees of the Leg-**  
35 **islative Assembly related to education. The report must provide a summary of:**

36       **“(1) The administrative and organizational changes made to the department between**  
37 **January 1, 2025, and December 1, 2025, to:**

38       **“(a) Improve grant consolidation, reporting, data collection and public transparency be-**  
39 **fore the 2026-2027 school year;**

40       **“(b) Improve and align internal operations across programs and offices in the department**  
41 **before the 2026-2027 school year; and**

42       **“(c) Organize state and regional efforts to elevate best practices and responsive support**  
43 **for school districts before the 2026-2027 school year.**

44       **“(2) The status on the implementation of the provisions of this 2025 Act.**

45       **“SECTION 35. Section 34 of this 2025 Act is repealed on January 2, 2026.**

**“MISCELLANEOUS**

**“SECTION 36. The unit captions used in this 2025 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2025 Act.**

**“SECTION 37. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.”.**

---