

Senate Bill 891

Sponsored by Senator THATCHER; Senator WEBER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Creates a program that transfers money to a student to pay for qualified school expenses. (Flesch Readability Score: 61.8).

Establishes the Oregon Empowerment Scholarship Program for the purpose of providing options in education to students of this state. Restricts the percentage of students from each school district who may enroll in the program for the first 10 years.

Establishes the Department of Education Empowerment Account. Continuously appropriates moneys to the Department of Education for payment of the department's expenses under the program.

Establishes the Treasurer Empowerment Account. Continuously appropriates moneys to the State Treasurer for payment of the treasurer's expenses under the program.

Establishes the Oregon Empowerment Scholarship Account within the State School Fund. Continuously appropriates moneys to the Department of Education for the purpose of making transfers under the program.

A BILL FOR AN ACT

1
2 Relating to the Oregon Empowerment Scholarship Program; creating new provisions; and amending
3 ORS 327.008, 339.030 and 339.505.

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

5 **SECTION 1. Sections 2 to 7 of this 2025 Act may be cited as the Education Equity**
6 **Emergency Act.**

7 **SECTION 2. As used in sections 2 to 7 of this 2025 Act:**

8 (1) "Enrolled student" means a student who is a resident of this state and who is enrolled
9 in the Oregon Empowerment Scholarship Program.

10 (2) "Parent" means a resident of this state who is a parent or legal guardian of a student
11 who is seeking to enroll, or is already enrolled, in the Oregon Empowerment Scholarship
12 Program.

13 (3) "Post-secondary institution of education" means:

14 (a) A community college operated under ORS chapter 341;

15 (b) A public university listed in ORS 352.002 or the Oregon Health and Science University;

16 or

17 (c) A generally accredited, private post-secondary institution of education located in
18 Oregon.

19 (4) "Qualified expenses" means the following expenses of an enrolled student:

20 (a) Tuition, fees, textbooks and other required course materials at a private school that
21 provides a course of study usually taught in kindergarten through grade 12 in the public
22 schools;

23 (b) Tuition for instruction provided by a private teacher, as described in ORS 339.030
24 (1)(d), including the costs for any course materials;

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) The costs for any course materials incurred by a parent for providing instruction as
 2 described in ORS 339.030 (1)(e);

3 (d) Tuition for instruction provided at a public school or fees for extracurricular activ-
 4 ities at a public school that are provided to students at the public school free of charge;

5 (e) Related services, as defined in ORS 343.035;

6 (f) Educational therapies or educational services provided by a licensed or accredited
 7 practitioner or provider;

8 (g) Tutoring services provided by a person licensed by the Teacher Standards and Prac-
 9 tices Commission or a person licensed or accredited by any state, regional or national ac-
 10 creditation organization;

11 (h) Tuition, fees, textbooks or required course materials for a private online learning
 12 program;

13 (i) Tuition, fees, textbooks or required course materials at a post-secondary institution
 14 of education;

15 (j) Fees for a nationally normed assessment, an advanced placement examination or any
 16 other assessment or examination related to admission at, or receipt of credit through, a
 17 post-secondary institution of education;

18 (k) Contributions to an account in the Oregon 529 Savings Network; and

19 (L) Fees for management of an individual account established under the Oregon
 20 Empowerment Scholarship Program.

21 (5) "Statewide average distribution" means an amount determined by the Department of
 22 Education each school year that equals the average per student distribution of the State
 23 School Fund as general purpose grants for all school districts in this state, as adjusted by
 24 any weights described in ORS 327.013 (1)(c)(A).

25 **SECTION 3.** (1) The Oregon Empowerment Scholarship Program is established for the
 26 purpose of providing options in education to the students of this state.

27 (2)(a) A parent may enroll or reenroll a student in the program by submitting an appli-
 28 cation to the Department of Education on the form required by the department by April 1
 29 of each year. The student must be a resident of this state who has not completed high school
 30 and who meets the qualifications of paragraph (b) or (c) of this subsection.

31 (b) In the case of a parent seeking enrollment for a student, the student must have at-
 32 tended a public school in this state during the previous school year for at least 100 instruc-
 33 tional days and must be:

34 (A) A child with a disability, as defined in ORS 343.035;

35 (B) A child who needs additional educational services, as identified by a school district;

36 (C) A ward of a juvenile court or the Department of Human Services; or

37 (D) Eligible to receive free or reduced price lunches under the United States Department
 38 of Agriculture's current Income Eligibility Guidelines.

39 (c) In the case of a parent seeking reenrollment for a student, the student must have
 40 participated in the program during the previous school year. Any changes in the qualifica-
 41 tions described in paragraph (b) of this subsection do not affect the student's eligibility to
 42 reenroll in subsequent school years.

43 (d) Enrollment in the program is valid for one school year only and a parent must
 44 reenroll the student in the program for each subsequent school year.

45 (3) The Department of Education shall enroll or reenroll the student in the program

1 upon:

2 (a) Finding that the student meets the qualifications described in subsection (2) of this
3 section; and

4 (b) Receiving acknowledgment from the parent that the parent accepts the terms of
5 participation in the program, including:

6 (A) Restrictions on the use of moneys received under the program for qualified expenses
7 only; and

8 (B) The requirement that the student:

9 (i) Receive at least an education in language arts, mathematics, social studies and sci-
10 ence; and

11 (ii) Comply with the requirements specified in ORS 339.035 (3) to (5).

12 (4) An enrolled student may not be required to attend public full-time schools, as pro-
13 vided by ORS 339.030, but may receive part-time instruction at a public school and must pay
14 tuition for that instruction.

15 (5)(a) Upon enrolling or reenrolling a student in the program, the department shall notify
16 the State Treasurer of the enrollment or reenrollment.

17 (b) The State Treasurer shall ensure that an account is established for each enrolled
18 student as described in section 4 of this 2025 Act. The State Treasurer shall notify the de-
19 partment after the State Treasurer:

20 (A) Verifies that an account already was established for the enrolled student if the en-
21 rolled student has participated in the program in a previous school year; or

22 (B) Establishes an account for an enrolled student who does not already have an estab-
23 lished account.

24 (c) Upon receiving a notice as provided by paragraph (b) of this subsection, the depart-
25 ment shall, for each student enrolled:

26 (A) Transfer to an account established for the student under section 4 of this 2025 Act
27 an amount that equals 90 percent of the statewide average distribution.

28 (B) Transfer to the school district in which the student is a resident an amount that
29 equals five percent of the statewide average distribution.

30 (C) Transfer to the Department of Education Empowerment Account established by sec-
31 tion 5 of this 2025 Act an amount that equals four percent of the statewide average distrib-
32 ution.

33 (D) Transfer to the Treasurer Empowerment Account established by section 6 of this
34 2025 Act an amount that equals one percent of the statewide average distribution.

35 (6) A school or any other provider of services purchased pursuant to the program may
36 not share with or refund or rebate to the parent or enrolled student in any manner any
37 moneys received through the program.

38 (7) The State Board of Education may adopt any rules necessary for the implementation
39 of this section.

40 **SECTION 4.** (1) For each enrolled student in the Oregon Empowerment Scholarship
41 Program, the State Treasurer shall ensure that an individual account is established. The
42 parent of the enrolled student has the right to withdraw funds from the account only for the
43 benefit of the enrolled student and only for qualified expenses.

44 (2) Separate records and reports are required for each account established as provided
45 by this section. The State Treasurer shall ensure that, no less frequently than annually, a

1 report on the account is made available to the parent.

2 (3) The State Treasurer may contract with a financial institution to manage accounts
3 established as provided by this section with the supervision of the State Treasurer.

4 (4) Moneys in an account established as provided by this section:

5 (a) May not be assigned, pledged or otherwise used to secure or obtain a loan or other
6 advancement.

7 (b) Are exempt from garnishment and may not be subject to execution, attachment or
8 any other process or to the operation of any bankruptcy or insolvency law.

9 (c) Are not considered income for state tax purposes.

10 (5) For the purpose of ensuring that moneys in an individual account are used only for
11 qualified expenses, the Department of Education shall:

12 (a) Ensure that an annual audit is made of each account; and

13 (b) Establish a toll-free telephone line that is available to members of the public to
14 anonymously report any fraudulent use of moneys from an account.

15 (6) A parent, an enrolled student or a provider of services purchased pursuant to the
16 program may be disqualified from program participation if the person is found to have com-
17 mitted an intentional program violation consisting of any misrepresentation or other act that
18 materially violates a law or rule governing the program. The department may remove any
19 parent or enrolled student from eligibility for participating in the program and shall notify
20 the State Treasurer. A parent may appeal the department's decision pursuant to the con-
21 tested case process described in ORS chapter 183.

22 (7) Individual account information, including names, addresses, telephone numbers and
23 other personal identification information, is confidential and must be maintained as confi-
24 dential unless the person who provides the information, or is the subject of the information,
25 expressly agrees in writing that the information may be disclosed.

26 (8) An enrolled student's account shall be closed and any remaining funds shall be de-
27 posited in the State School Fund upon the later of:

28 (a) The enrolled student's graduation from a post-secondary institution of education;

29 (b) A period of six consecutive years after the student has enrolled in a post-secondary
30 institution of education;

31 (c) A period of four consecutive years after high school completion in which the student
32 has not enrolled in a post-secondary institution of education; or

33 (d) A period of four consecutive years after the student no longer meets the qualifica-
34 tions described in section 3 (2) of this 2025 Act and has not enrolled in a post-secondary in-
35 stitution of education.

36 **SECTION 5.** (1) The Department of Education Empowerment Account is established in
37 the State Treasury, separate and distinct from the General Fund. Interest earned by the
38 account shall be credited to the account. All moneys credited to the account are contin-
39 uously appropriated to the Department of Education for the payment of expenses of the de-
40 partment under sections 2 to 7 of this 2025 Act.

41 (2) The Department of Education Empowerment Account consists of:

42 (a) Moneys transferred as provided by section 3 (5)(c)(C) of this 2025 Act;

43 (b) Moneys appropriated to the account by the Legislative Assembly; and

44 (c) Any other moneys from state or federal sources.

45 **SECTION 6.** (1) The Treasurer Empowerment Account is established in the State Treas-

1 ury, separate and distinct from the General Fund. Interest earned by the account shall be
 2 credited to the account. All moneys credited to the account are continuously appropriated
 3 to the State Treasurer for the payment of expenses of the State Treasurer under sections 2
 4 to 7 of this 2025 Act.

5 (2) The Treasurer Empowerment Account consists of:

6 (a) Moneys transferred as provided by section 3 (5)(c)(D) of this 2025 Act;

7 (b) Moneys appropriated to the account by the Legislative Assembly; and

8 (c) Any other moneys from state or federal sources.

9 **SECTION 7.** (1) As used in this section, “participating school” means a private school
 10 that provides instruction to an enrolled student in a course of study usually taught in
 11 kindergarten through grade 12 in the public schools.

12 (2) Nothing in sections 2 to 7 of this 2025 Act:

13 (a) Permits a state or federal government agency to exercise control or supervision over
 14 any participating school, private teacher, parent or legal guardian.

15 (b) Makes a participating school, private teacher, parent or legal guardian an agent of
 16 the state or federal government.

17 (c)(A) Requires a participating school to change the creed with which the school is affil-
 18 iated, or to change its practices, admission policy or curriculum, in order to accept enrolled
 19 students who pay tuition or fees as provided by sections 2 to 7 of this 2025 Act.

20 (B) Requires a private teacher to change the teacher’s creed, practices or curriculum in
 21 order to accept enrolled students who pay tuition or fees as provided by sections 2 to 7 of
 22 this 2025 Act.

23 (C) Requires a parent or legal guardian to change the parent’s or guardian’s creed,
 24 practices or curriculum.

25 (3) In any legal proceeding challenging the application of sections 2 to 7 of this 2025 Act
 26 to a participating school, private teacher, parent or legal guardian, the state bears the bur-
 27 den of establishing that the law or rule is necessary and does not impose any undue burden
 28 on a participating school, private teacher, parent or legal guardian.

29 **SECTION 8.** Section 9 of this 2025 Act is added to and made a part of ORS chapter 327.

30 **SECTION 9.** (1) The Oregon Empowerment Scholarship Account is established within the
 31 State School Fund.

32 (2) The account shall consist of any moneys transferred as provided by ORS 327.008 and
 33 any other state or federal moneys available for the purposes of the Oregon Empowerment
 34 Scholarship Program.

35 (3) Moneys in the account are continuously appropriated to the Department of Education
 36 for the purpose of making transfers under section 3 (5)(c) of this 2025 Act.

37 (4) If the amount available in the account is not adequate to meet costs, the Department
 38 of Education shall submit a revised budget to the Legislative Assembly or, if the Legislative
 39 Assembly is not in session, to the Emergency Board.

40 **SECTION 10.** ORS 327.008 is amended to read:

41 327.008. (1)(a) There is established a State School Fund in the General Fund.

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

45 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,

1 moneys transferred from the Fund for Student Success, moneys transferred from the Education Sta-
2 bility Fund and the Oregon Marijuana Account and moneys received as provided in paragraph (b)
3 of this subsection.

4 (d) The State School Fund is continuously appropriated to the Department of Education for the
5 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 327.356 to
6 327.359, 336.575, 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961 **and sections 2 to 7 of this**
7 **2025 Act.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (c) For each biennium, the amounts identified in this subsection shall be adjusted by the same
2 percentage by which the instructions furnished to state agencies by the Governor under ORS 291.204
3 direct the state agencies to adjust their agency budget requests for special payments under ORS
4 291.216 (6)(a)(C).

5 (12) Each biennium, the Department of Education shall transfer \$12.5 million from the State
6 School Fund to the Statewide English Language Learner Program Account established under ORS
7 327.344.

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

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

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

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

23 (17) Each biennium, the Department of Education shall transfer an amount not to exceed
24 \$5,595,000 for the purpose of making tampons and sanitary pads available as provided by ORS
25 326.545.

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

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

33 **(20) Each fiscal year, the Department of Education shall transfer to the Oregon**
34 **Empowerment Scholarship Account established in section 9 of this 2025 Act the amount**
35 **necessary to make the transfers required by section 3 (5)(c) of this 2025 Act.**

36 **SECTION 11. (1) The amendments to ORS 327.008 by section 10 of this 2025 Act become**
37 **operative July 1, 2026.**

38 **(2) The amendments to ORS 327.008 by section 10 of this 2025 Act apply to State School**
39 **Fund distributions commencing with the 2026-2027 school year distributions.**

40 **SECTION 12.** ORS 339.030 is amended to read:

41 339.030. (1) In the following cases, children may not be required to attend public full-time
42 schools:

43 (a) Children being taught in a private or parochial school in the courses of study usually taught
44 in kindergarten through grade 12 in the public schools and in attendance for a period equivalent to
45 that required of children attending public schools in the 1994-1995 school year.

1 (b) Children proving to the satisfaction of the district school board that they have acquired
 2 equivalent knowledge to that acquired in the courses of study taught in kindergarten through grade
 3 12 in the public schools.

4 (c) Children who have received a high school diploma or a modified diploma.

5 (d) Children being taught for a period equivalent to that required of children attending public
 6 schools by a private teacher the courses of study usually taught in kindergarten through grade 12
 7 in the public school.

8 (e) Children being educated in the children's home by a parent or legal guardian.

9 **(f) Children who are considered to be taught by a parent or legal guardian because of**
 10 **participation in the Oregon Empowerment Scholarship Program.**

11 [(f)] (g) Children whose sixth birthday occurred on or before September 1 immediately preceding
 12 the beginning of the current school year if the parent or legal guardian of the child notified in
 13 writing the school district of which the child is a resident that the parent or legal guardian will
 14 delay enrolling the child in a public full-time school for only one school year for the purpose of
 15 better meeting the child's needs for cognitive, social or physical development, as determined by the
 16 parent or legal guardian.

17 [(g)] (h) Children who are present in the United States on a nonimmigrant visa and who are
 18 attending a private, accredited English language learner program in preparation for attending a
 19 private high school or college.

20 [(h)] (i) Children excluded from attendance as provided by law.

21 (2) The State Board of Education and the Higher Education Coordinating Commission by rule
 22 shall establish procedures whereby, on a semiannual basis, an exemption from compulsory attend-
 23 ance may be granted to the parent or legal guardian of any child 16 or 17 years of age who is
 24 lawfully employed full-time or who is lawfully employed part-time and enrolled in school, a commu-
 25 nity college or an alternative education program as defined in ORS 336.615. An exemption also may
 26 be granted to any child who is an emancipated minor or who has initiated the procedure for
 27 emancipation under ORS 419B.550 to 419B.558.

28 **SECTION 13.** ORS 339.505 is amended to read:

29 339.505. (1) For purposes of the student accounting system required by ORS 339.515, the follow-
 30 ing definitions shall be used:

31 (a) "Graduate" means an individual who has:

32 (A) Not reached 21 years of age or whose 21st birthday occurs during the current school year;

33 (B) Met all state requirements and local requirements for attendance, competence and units of
 34 credit for high school; and

35 (C) Received one of the following:

36 (i) A high school diploma issued by a school district or a public charter school.

37 (ii) A high school diploma issued by an authorized community college.

38 (iii) A modified diploma issued by a school district or a public charter school.

39 (iv) An extended diploma issued by a school district or a public charter school.

40 (b) "School dropout" means an individual who:

41 (A) Has enrolled for the current school year, or was enrolled in the previous school year and
 42 did not attend during the current school year;

43 (B) Is not a high school graduate;

44 (C) Has not received a certificate for passing an approved high school equivalency test such as
 45 the General Educational Development (GED) test; and

1 (D) Has withdrawn from school.

2 (c) “School dropout” does not include a student described by at least one of the following:

3 (A) A student who has transferred to another educational system or institution that leads to
4 graduation and the school district has received a written request for the transfer of the student’s
5 records or transcripts.

6 (B) A student who is deceased.

7 (C) A student who is participating in home instruction paid for by the district.

8 (D) A student who is being taught by a private teacher, parent or legal guardian pursuant to
9 ORS 339.030 (1)(d), [or] (e) or (f).

10 (E) A student who is participating in a Department of Education approved public or private
11 education program, an alternative education program as defined in ORS 336.615 or a hospital edu-
12 cation program, or is residing in a Department of Human Services or an Oregon Health Authority
13 facility.

14 (F) A student who is temporarily residing in a shelter care program certified by the Oregon
15 Youth Authority or in a juvenile detention facility.

16 (G) A student who is enrolled in a foreign exchange program.

17 (H) A student who is temporarily absent from school because of suspension, a family emergency,
18 or severe health or medical problems that prohibit the student from attending school.

19 (I) A student who has received a certificate for passing an approved high school equivalency test
20 such as the General Educational Development (GED) test.

21 (2) The State Board of Education shall prescribe by rule when an unexplained absence becomes
22 withdrawal, when a student is considered enrolled in school, acceptable alternative education pro-
23 grams under ORS 336.615 to 336.665 and the standards for excused absences for purposes of ORS
24 339.065 for family emergencies and health and medical problems.

25 **SECTION 14. (1) Notwithstanding section 3 of this 2025 Act, the Department of Education**
26 **may not enroll in the Oregon Empowerment Scholarship Program more than 0.5 percent of**
27 **the students who reside in a school district unless the school district provides written con-**
28 **sent for the department to enroll a greater percentage.**

29 **(2) Notwithstanding section 3 of this 2025 Act, if the number of applications from stu-**
30 **dents who reside in the school district exceeds the limit designated under subsection (1) of**
31 **this section, and the school district has not provided written consent as described in sub-**
32 **section (1) of this section, the department shall select students for enrollment through an**
33 **equitable lottery selection process. The department shall give priority to students who en-**
34 **rolled in the Oregon Empowerment Scholarship Program the previous school year and to**
35 **siblings of students who enrolled in the program the previous school year.**

36 **(3) The department shall provide timely notice to students who are not allowed to enroll**
37 **in the program because of the limit designated under subsection (1) of this section. The no-**
38 **tice must provide an explanation from the school district about why the school district chose**
39 **not to give consent for the department to enroll a greater percentage of students as allowed**
40 **under subsection (1) of this section.**

41 **SECTION 15. (1) Section 14 of this 2025 Act is repealed on July 1, 2036.**

42 **(2) Section 14 of this 2025 Act applies only to applications submitted for any school year**
43 **from the 2026-2027 school year through the 2036-2037 school year.**

44 **SECTION 16. (1) A person commits scholarship savings account fraud if the person**
45 **knowingly obtains, by means of a false statement or representation, by impersonation or by**

- 1 **other fraudulent device, any of the following:**
- 2 **(a) Assistance or service in violation of sections 2 to 7 of this 2025 Act;**
- 3 **(b) Assistance or service that is greater than that allowed under sections 2 to 7 of this**
- 4 **2025 Act; or**
- 5 **(c) Assistance or service that is not a qualified expense as defined in section 2 of this 2025**
- 6 **Act.**
- 7 **(2) Any action that is considered an act of scholarship savings account fraud under this**
- 8 **section is an act of theft by deception under ORS 164.085 and is punishable as an act of theft**
- 9 **by deception.**
- 10 _____