

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 3141-B

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Galizio
Carrier – Senate: Sen. Devlin**

Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed

Vote: 18 – 1 – 3

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Nathanson, Nolan, Shields

– Nays:

– Exc: Morgan

Senate – Yeas: Bates, Brown, Courtney, Devlin, Johnson, Morse, Nelson, Schrader, Verger, Westlund

– Nays: Whitsett

– Exc: Gordly, Winters

Prepared By: Jim Carbone, Department of Administrative Services

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: 6/23/07

Agency

Office of the Governor
Department of Education

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Biennium

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Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Capital Construction and Bonding Subcommittee

Summary of Revenue Changes

The source of funding for this bill is the State School Fund.

Summary of Subcommittee Action

Provisions of this bill authorize the Oregon Department of Education (ODE) to expend funds from the State School Fund for a variety of education related purposes, as follows:

- **Youth Corrections Education:** A task force, commissioned as a result of a budget note in 2005 Senate Bill 5543, recommended that funding for services to certain youth incarcerated in Oregon Youth Authority facilities should not be supported directly out of the State School Fund. Language in this bill, House Bill 3141-A, resolves the issues identified by the task force. It will allow these students, youth who have received their high school diploma or who are 21 years of age or older, to continue to receive educational services. It does this by directing the ODE to spend up to \$5,205,456 from the State School Fund for these students.
- **Oregon Virtual School District Fund:** ODE is directed to transfer \$1,800,598 from the State School Fund to the Oregon Virtual School District (OVSD) Fund. The OVSD was developed to provide a sustainable framework for K-12 virtual learning systems. The Legislature has mandated that the OVSD provide resources that enhance student education options for all school districts and students.

House Bill 5019-A already provides Other Funds limitation for the ODE to expend these funds.

- **Physical Education data:** ODE is directed to collect data from school districts on physical education – the current amount of time devoted to this discipline, the capacity of the schools to provide certain enhanced standard amounts of physical education and the additional facilities that would be required to provide the enhanced amount of physical education. This data will be reported to the Legislative Assembly. The agency is authorized to spend up to \$140,000 from the State School Fund to collect this data.
- **Physical Education grants:** ODE is authorized to spend up to \$860,000 from the State School Fund to award grants to school districts and public charter schools for the purpose of meeting physical education requirements that are described in the bill and that will become mandatory in the 2017-18 school year.
- **Auditing District Business Practices:** ODE is authorized to spend up to \$800,000 from the State School Fund to establish a system for auditing the business practices of school districts and educational service districts. It will contract with the Secretary of State to conduct these audits for districts that request them.

- Talented and Gifted Program: ODE is authorized to spend up to \$350,000 from the State School Fund for the Talented and Gifted program.
- Quality Education Commission: ODE is authorized to spend up to \$150,000 from the State School Fund to provide staff support to the Quality Education Commission.
- Education System Design Team: The Education System Design Team is created. The purpose of this team is to design a new legislative process for review of and decision-making regarding state agency budgets relating to prekindergarten through higher education. The Office of the Governor will provide staff support to the design team. In addition, the Office may also contract for support. ODE is directed to transfer \$200,000 from the State School Fund to the Office of the Governor for this purpose.
- Speech language pathology: Creates educational grants for students registered to become speech language pathologists/assistants. It also creates stipends for speech language pathologists/assistants for ongoing training. ODE may spend up to \$150,000 from the State School Fund to administer the program.

This bill also resolves a technical issue in Senate Bill 462, a bill that has already been adopted by the Legislature. Senate Bill 462 requires the Superintendent of Public Instruction to issue a fact-finding report on the division of the South Umpqua School District No. 19 into two districts. The cost of the study is to be reimbursed, with the South Umpqua School District and the Canyonville School Committee each paying half. It has been determined by the Attorney General that the Canyonville School Committee cannot be directed to pay these costs. Therefore, an amendment in this bill, House Bill 3141, allows the Department to accept contributions of moneys and assistance from any public or private source. It is understood that the Canyonville School Committee will contribute its 50 percent share. The Department will not conduct the fact-finding until sufficient funds have been received.