

REVENUE: Revenue statement issued

FISCAL: May have fiscal impact, statement not yet issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Elections, Ethics, and Rules and then the Joint Committee on Ways and Means by prior reference
Vote:	9 - 0 - 0
Yeas:	Clem, Dallum, Greenlick, Komp, Krummel, Lim, Roblan, Whisnant, Buckley
Nays:	0
Exc.:	0
Prepared By:	Derrick Olsen, Administrator
Meeting Dates:	4/18, 4/20, 4/27

WHAT THE MEASURE DOES: Directs Legislative Assembly to appropriate to public education programs, funds and agencies amount that is not less than 61 percent of projected revenues in General Fund beginning with 2007-2009 biennium. Requires that subsequent biennial appropriations for each program, fund or agency be not less than 110 percent of amount appropriated for prior biennium. Sets a floor for the State School Fund of no less than 80 percent of Quality Education Commission determination of funds needed and sets a ceiling of 100 percent of Quality Education Commission determination of funds needed. Directs Legislative Assembly to distribute amount above 10 percent growth to Education Opportunity and Innovation Fund and Education Stability Fund. Establishes Education Opportunity and Innovation Fund. Establishes Post-Secondary Academic and Workforce Investment Account within Education Opportunity and Innovation Fund. Continuously appropriates moneys in account for distribution for higher education purposes. Directs Joint Boards of Education to adopt rules for grants awarded from accounts. Directs Oregon Department of Administrative Services to prepare computations and estimates of revenue received and projected revenue. Directs the Joint Boards of Education to recommend performance measures on accountability and quality, directs the Governor to include these in the budget report, and direct the Legislature to review the measures. Declares emergency, effective July 1, 2007.

ISSUES DISCUSSED:

- Need for stable funding for public education
- Difficulty of budget projection with variance in state education funding
- Support for increasing level of state funding for education; capital construction funding not included in 61%
- Ramp-up to full funding of Quality Education Model (QEM)
- No Child Left Behind goals as compared to QEM goals
- Opt-out clause in the event of an economic downturn
- Setting education funding floor in statute vs. constitution; Ballot Measure 1 in 2000 and legal action
- General fund revenue vs. general fund resources

EFFECT OF COMMITTEE AMENDMENT: The amendment replaces the entire text of HB 2214.

BACKGROUND: HB 2214 was pre-session filed at the request of the Governor and according to the Governor's Office is designed to have stable and adequate public education funding from PK-20.