

B-Engrossed House Bill 2263

Ordered by the Senate June 11
Including House Amendments dated April 12 and Senate Amendments
dated June 11

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Superintendent of Public Instruction Susan Castillo for Department of Education)

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.

Abolishes Certificate of Initial Mastery and Certificate of Advanced Mastery.

Abolishes certain Oregon Educational Act for the 21st Century programs.

Requires local district continuous improvement plans to include specified elements.

Requires Superintendent of Public Instruction to assign rating to each school that identifies school as outstanding, satisfactory or in need of improvement. Requires school designated as in need of improvement to file school improvement plan with superintendent. Requires Department of Education to design and implement system of progressive interventions for schools and school districts that do not demonstrate improvement.

Modifies provisions relating to Oregon Report Card.

If school district establishes child development specialist program, specifies requirements for program.

Directs Department of Education to contract with nonprofit entity to administer nationally normed assessment to all students in grade 10 for purpose of predicting success of students on college entrance exams. Authorizes department, for each fiscal year, to expend for contract up to \$550,000 from State School Fund that would otherwise go to education service districts.

Requires Superintendent of Public Instruction to make recommendations to Legislative Assembly regarding facilities that serve as schools for students who are blind or deaf. Removes authority of superintendent to order changes in purpose or use of facilities.

Applies to 2008-2009 school year.

Declares emergency, effective [*July 1, 2007*] on passage.

A BILL FOR AN ACT

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Relating to education; creating new provisions; amending ORS 285A.075, 285A.090, 327.008, 327.023, 327.297, 327.506, 328.542, 329.007, 329.015, 329.025, 329.045, 329.075, 329.085, 329.095, 329.105, 329.115, 329.160, 329.165, 329.183, 329.190, 329.195, 329.200, 329.228, 329.255, 329.265, 329.415, 329.451, 329.485, 329.675, 329.704, 329.830, 329.860, 329.885, 332.114, 336.113, 338.115, 339.505, 341.009, 342.845, 346.010, 348.183 and 348.186 and section 3, chapter 827, Oregon Laws 2005; repealing ORS 329.035, 329.077, 329.215, 329.225, 329.237, 329.245, 329.405, 329.445, 329.447, 329.465, 329.467, 329.475, 329.537, 329.545, 329.555, 329.565, 329.570, 329.575, 329.585, 329.595, 329.600, 329.605, 329.685, 329.690, 329.695, 329.700, 329.709, 329.715, 329.735, 329.745, 329.855, 329.905, 329.915, 329.920, 329.925, 329.930, 329.950 and 329.975 and sections 7 and 27, chapter 660, Oregon Laws 1995; and declaring an emergency.

Whereas every student enrolled in public secondary school should have access to high-quality, rigorous academics with a particular focus on access to advanced placement (AP) and honors courses; and

Whereas all high school students should be ready for college and the workforce upon graduation; and

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 Whereas identifying as many students as possible for advanced placement and honors courses
2 would increase the number of students taking advanced placement and honors courses; and

3 Whereas it is important to ensure that minority and underrepresented students excel to their
4 fullest potential; and

5 Whereas not only access to college but also success in college and the workforce are important
6 for all students; now, therefore,

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

8 **SECTION 1.** ORS 329.007 is amended to read:

9 329.007. As used in this chapter, unless the context requires otherwise:

10 (1) "Academic content standards" [or "*academic standards*"] means expectations of student
11 knowledge and skills adopted by the State Board of Education under ORS 329.045.

12 (2) "Administrator" includes all persons whose duties require an administrative license.

13 (3) "Board" or "state board" means the State Board of Education.

14 (4) "Community learning center" means a school-based or school-linked program providing in-
15 formal meeting places and coordination for community activities, adult education, child care, infor-
16 mation and referral and other services as described in ORS 329.157. "Community learning center"
17 includes, but is not limited to, a community school program as defined in ORS 336.505, family re-
18 source centers as described in ORS 417.725, full service schools, lighted schools and 21st century
19 community learning centers.

20 (5) "Department" means the Department of Education.

21 [(6) "*District planning committee*" means a committee composed of teachers, administrators, school
22 board members and public members established for the purposes of ORS 329.537 to 329.605.]

23 [(7) (6) "English" includes, but is not limited to, reading and writing.

24 [(8) (7) "History, geography, economics and civics" includes, but is not limited to, Oregon
25 Studies.

26 [(9) (8) "Oregon Studies" means history, geography, economics and civics specific to the State
27 of Oregon. Oregon Studies instruction in Oregon government shall include municipal, county, tribal
28 and state government, as well as the electoral and legislative processes.

29 [(10) (9) "Parents" means parents or guardians of students who are covered by this chapter.

30 [(11) (10) "Public charter school" has the meaning given that term in ORS 338.005.

31 [(12) (11) "School district" means a school district as defined in ORS 332.002, [*an education
32 service district,*] a state-operated school or any legally constituted combination of such entities.

33 [(13) "*School Improvement and Professional Development program*" means a formal plan submitted
34 by a school district and approved by the Department of Education according to criteria specified in
35 ORS 329.675 to 329.745 and 329.790 to 329.820.]

36 [(14) (12) "Second languages" means any foreign language or American Sign Language.

37 [(15) (13) "Teacher" means any licensed employee of a school district who has direct responsi-
38 bility for instruction, coordination of educational programs or supervision of students and who is
39 compensated for such services from public funds. "Teacher" does not include a school nurse, as
40 defined in ORS 342.455, or a person whose duties require an administrative license.

41 [(16) (14) "The arts" includes, but is not limited to, literary arts, performing arts and visual
42 arts.

43 [(17) (15) "21st Century Schools Council" means a council established pursuant to ORS 329.704.

44 [(18) "*Work-related learning experiences*" means opportunities in which all students may participate
45 in high quality programs that provide industry related and subject matter related learning experiences

1 *that prepare students for further education, future employment and lifelong learning.]*

2 **SECTION 2.** ORS 329.015 is amended to read:

3 329.015. (1) The Legislative Assembly believes that education is a major civilizing influence on
4 the development of a humane, responsible and informed citizenry, able to adjust to and grow in a
5 rapidly changing world. Students must be encouraged to learn of their heritage and their place in
6 the global society. The Legislative Assembly concludes that these goals are not inconsistent with
7 the goals to be implemented under this chapter.

8 (2) The Legislative Assembly believes that the goals of kindergarten through grade 12 education
9 are:

10 (a) To [*demand academic excellence through a*] **equip students with the academic and career**
11 **skills and information necessary to pursue the future of their choice through a program of**
12 rigorous academic [*program that equips students with the information and skills necessary to pursue*
13 *the future of their choice*] **preparation and career readiness;**

14 (b) To provide an environment that motivates students to pursue serious scholarship and to have
15 experience in applying knowledge and skills and demonstrating achievement; [*and*]

16 (c) To provide students with [*lifelong academic skills that will prepare them for*] the **skills nec-**
17 **essary to pursue learning throughout their lives in an** ever-changing world[.]; **and**

18 **(d) To prepare students for successful transitions to the next phase of their educational**
19 **development.**

20 **SECTION 3.** ORS 329.025 is amended to read:

21 329.025. It is the intent of the Legislative Assembly to maintain a system of public elementary
22 and secondary schools that allows students, parents, teachers, administrators, school district boards
23 and the State Board of Education to be accountable for the development and improvement of the
24 public school system. The public school system shall have the following characteristics:

25 (1) Provides equal and open access and educational opportunities for all students in the state
26 regardless of their linguistic background, culture, race, gender, capability or geographic location;

27 (2) Assumes that all students can learn and establishes high, specific skill and knowledge ex-
28 pectations and recognizes individual differences at all instructional levels;

29 (3) Provides special education, compensatory education, linguistically and culturally appropriate
30 education and other specialized programs to all students who need those services;

31 (4) Provides students with a solid foundation in the skills of reading, writing, problem solving
32 and communication;

33 (5) Provides opportunities for students to learn, think, reason, retrieve information, use tech-
34 nology and work effectively alone and in groups;

35 (6) Provides for rigorous academic content standards and instruction in mathematics, science,
36 English, history, geography, economics, civics, physical education, health, the arts and second lan-
37 guages;

38 (7) Provides students an educational background to the end that they will function successfully
39 in a constitutional republic, a participatory democracy and a multicultural nation and world;

40 (8) Provides students with the knowledge and skills that will provide the opportunities to suc-
41 ceed in the world of work, as members of families and as citizens;

42 (9) Provides students with the knowledge[,] **and** skills [*and positive attitude*] that lead to an ac-
43 tive, healthy lifestyle;

44 (10) Provides students with the knowledge and skills to take responsibility for their decisions
45 and choices;

- 1 (11) Provides opportunities for students to learn through a variety of teaching strategies;
- 2 (12) Emphasizes involvement of parents and the community in the total education of students;
- 3 (13) Transports children safely to and from school;
- 4 (14) Ensures that the funds allocated to schools reflect the uncontrollable differences in costs
- 5 facing each district;
- 6 (15) Ensures that local schools have adequate control of how funds are spent to best meet the
- 7 needs of students in their communities; and
- 8 (16) Provides for a safe, educational environment.

9 **SECTION 4.** ORS 329.045 is amended to read:

10 329.045. (1) In order to achieve the goals contained in ORS 329.025 [*and 329.035*], the State
11 Board of Education shall regularly and periodically review and revise its Common Curriculum
12 Goals, **performance indicators and diploma requirements**. This includes Essential Learning
13 Skills and rigorous academic content standards in mathematics, science, English, history, geography,
14 economics, civics, physical education, health, the arts and second languages. School districts and
15 public charter schools shall maintain control over course content, format, materials and teaching
16 methods. [*The rigorous academic content standards shall reflect the knowledge and skills necessary for*
17 *achieving the Certificate of Initial Mastery, the Certificate of Initial Mastery subject area endorsements,*
18 *the Certificate of Advanced Mastery and diplomas pursuant to ORS 329.025 and as described in ORS*
19 *329.447.*] The regular review shall involve teachers and other educators, parents of students and
20 other citizens and shall provide ample opportunity for public comment.

21 (2) The State Board of Education shall continually review **and revise** all adopted academic
22 content standards [*and shall raise the standards for mathematics, science, English, history, geography,*
23 *economics, civics, physical education, health, the arts and second languages to the highest levels pos-*
24 *sible*] **necessary for students to successfully transition to the next phase of their education**.

25 (3) School districts and public charter schools shall offer students instruction in mathematics,
26 science, English, history, geography, economics, civics, physical education, health, the arts and sec-
27 ond languages that meets the academic content standards adopted by the State Board of Education
28 and meets the requirements adopted by the State Board of Education and the board of the school
29 district or public charter school.

30 **SECTION 5.** ORS 329.075 is amended to read:

31 329.075. (1) The State Board of Education shall adopt rules, in accordance with ORS 183.750 and
32 ORS chapter 183, as necessary for the statewide implementation of this chapter. The rules shall be
33 prepared in consultation with appropriate representatives from the educational and business and
34 labor communities.

35 (2) The Department of Education shall be responsible for [*coordinating research, planning and*
36 *public discussion so that activities necessary to the implementation of this chapter can be achieved*]
37 **implementing the provisions of this chapter**. Actions by the department to fulfill this responsi-
38 bility and to increase student achievement may include, but are not limited to:

39 **(a) Developing academic content standards;**

40 [(a)] **(b) Updating Common Curriculum Goals to meet rigorous academic content standards and**
41 **updating performance indicators and diploma requirements;**

42 [(b)] **(c) Developing criterion-referenced assessments including performance-based, content-based**
43 **and other assessment mechanisms to test knowledge and skills and whether students meet the**
44 **performance expectations as determined by the board; and**

45 [(c) *Establishing criteria for Certificates of Initial Mastery and Advanced Mastery;*]

1 (d) Establishing criteria for early childhood *[improvement]* **education** programs.;

2 *[(e) Amending the application process for school improvement grants;]*

3 *[(f) Researching and developing public school choice plans;]*

4 *[(g) Working with the Education and Workforce Policy Advisor and the Department of Community*
5 *Colleges and Workforce Development to develop no fewer than six broad career endorsement areas of*
6 *study; and]*

7 *[(h) Establishing criteria for learning options that may include alternative learning centers.]*

8 *[(3) The State Board of Education shall create, by rule, a process for school districts to initiate and*
9 *propose pilot programs. The rules shall include a process for waivers of rules and regulations and a*
10 *process for approval of the proposed pilot programs.]*

11 *[(4) (3) The department [of Education] shall make school districts and the public aware of public*
12 *school choice options available within our current public education framework.*

13 *[(5) The Department of Education shall:]*

14 *[(a) Evaluate pilot programs developed pursuant to ORS 329.690 using external evaluators to pro-*
15 *vide data that specify the educational effectiveness, implementation requirements and costs of the pro-*
16 *grams and to describe what training, funding and related factors are required to replicate pilot*
17 *programs that are shown to be effective;]*

18 *[(b) Present to the State Board of Education and the appropriate legislative committee an annual*
19 *evaluation of all pilot programs; and]*

20 *[(c) Include funding for the implementation and evaluation of pilot programs in the Department of*
21 *Education budget.]*

22 *[(6) As used in this section:]*

23 *[(a) "Criterion-referenced assessment" means testing of the knowledge or ability of a student with*
24 *respect to some standard.]*

25 *[(b) "Content-based assessment" means testing of the understanding of a student of a predetermined*
26 *body of knowledge.]*

27 *[(c) "Performance-based assessment" means testing of the ability of a student to use knowledge and*
28 *skills to create a complex or multifaceted product or complete a complex task.]*

29 **SECTION 6.** ORS 329.085 is amended to read:

30 329.085. (1) To facilitate the attainment and successful implementation of educational standards
31 under ORS 326.051 (1)(a)[,] **and** 329.025 *[and 329.035]*, the State Board of Education or its designee
32 shall assess the effectiveness of each public **school, public charter school and** school district. The
33 findings of the assessment shall be reported to the **school or** school district within six months.

34 (2) The board shall establish the standards, including standards of accessibility to educational
35 opportunities, upon which the assessment is based.

36 (3) On a periodic basis, the board shall review *[existing]* **school and school district** standards
37 and¹ *[after public hearings and consultation with local school officials, shall adopt by rule a revised*
38 *set of standards]* **credit and performance requirements. The board shall seek public input in**
39 **this process.**

40 **SECTION 7.** ORS 329.095 is amended to read:

41 329.095. (1) The *[State Board]* **Department** of Education shall require school districts and
42 schools to conduct self-evaluations and update their local district **continuous** improvement plans
43 on a biennial basis. The self-evaluation process shall involve the public in the setting of local goals.
44 The school districts shall ensure that representatives from the demographic groups of their school
45 population are invited to participate in the development of local district **continuous** improvement

1 plans to achieve the goals.

2 (2) As part of setting local goals, school districts *[are encouraged to]* **shall** undertake a commu-
3 nications process that involves parents, students, teachers, school employees and community repre-
4 sentatives to explain and discuss the local goals and their relationship to programs under this
5 chapter.

6 (3) At the request of the school district, department *[of Education]* staff shall provide ongoing
7 technical assistance in the development and implementation of the local district **continuous** im-
8 provement plan.

9 (4) The local district **continuous** improvement plan shall include:

10 (a) **A rigorous curriculum aligned with state standards;**

11 (b) **High-quality instructional programs;**

12 (c) **Short-term and long-term professional development plans;**

13 (d) **Programs and policies to achieve a safe educational environment;**

14 (e) **A plan for family and community engagement;**

15 (f) **Staff leadership development;**

16 (g) **High-quality data systems;**

17 (h) **Improvement planning that is data-driven;**

18 (i) **Education service plans for students who have or have not exceeded all of the aca-**
19 **ademic content standards;**

20 (j) **A review of demographics, student performance, staff characteristics and student ac-**
21 **cess to, and use of, educational opportunities; and**

22 (k) District efforts to achieve local efficiencies and efforts to make better use of resources.
23 *[Efficiencies may include, but are not limited to, use of magnet schools, energy programs, public and*
24 *private partnerships, staffing and other economies.]*

25 *[(5) All school districts shall, as part of their local district improvement plan, develop programs*
26 *and policies to achieve a safe, educational environment.]*

27 *[(6) Local district improvement plans shall include the district's and school's short-term and long-*
28 *term plans for staff development.]*

29 *[(7) Local district and school goals and district and school improvement plans shall be made*
30 *available to the public.]*

31 *[(8) The self-evaluations shall include a review of demographics, student performance, student ac-*
32 *cess to and utilization of educational opportunities and staff characteristics. However, failure to com-*
33 *plete the self-evaluation process shall not constitute grounds for withholding of state moneys.]*

34 **SECTION 8.** ORS 329.105 is amended to read:

35 329.105. (1) The Superintendent of Public Instruction shall collect data and produce annual
36 school district and school performance reports containing information on student performance, stu-
37 dent behavior and school characteristics. The purpose of the performance reports is to provide in-
38 formation to parents and to improve schools through greater parental involvement.

39 (2)(a) In consultation with representatives of parents, teachers, school district boards and school
40 administrators, the State Board of Education shall adopt, by rule, criteria for *[grading schools]*
41 **identifying outstanding schools, satisfactory schools and schools in need of improvement.**
42 Such criteria shall take into account student performance, improvement in student performance,
43 *[and]* the participation rate of students on the statewide assessments, **student attendance rates**
44 **and graduation rates.** The Superintendent of Public Instruction, based on the criteria adopted by
45 the State Board of Education, shall assign a *[grade]* **rating** to each school *[for student performance,*

1 *student behavior and school characteristics and also shall assign an overall grade to the school. The*
2 *grades shall include classifications for exceptional performance, strong performance, satisfactory per-*
3 *formance, low performance and unacceptable performance.] that identifies the school as outstand-*
4 **ing, satisfactory or in need of improvement.**

5 (b) The [grades] ratings received by a school shall be included in the school district and school
6 performance reports.

7 (c) If a school [*is within the low performance or unacceptable performance classification in any*
8 *category*] **is designated as in need of improvement**, the school shall file a school improvement plan
9 with the Superintendent of Public Instruction and with the school district board [*and the 21st Cen-*
10 *tury Schools Council for the school*].

11 **(d) The Department of Education shall work with stakeholders to design and implement**
12 **an accountability system of progressive interventions for and provide technical assistance**
13 **to schools and school districts that do not demonstrate improvement.**

14 (3) The Superintendent of Public Instruction shall include in the school performance reports data
15 for the following areas, for each school, that are available to the Department of Education from the
16 most recent school year:

17 (a) Enrollment in English as a second language courses under ORS 336.079;

18 (b) Attendance rates;

19 (c) School safety, such as expulsions involving weapons in the school;

20 [(d) *Students who met or exceeded standards leading to the Certificate of Initial Mastery;*]

21 **(d) Disaggregated data on students who met or exceeded the academic content standards**
22 **established by the board;**

23 (e) Dropout rates and the number of students who dropped out of school;

24 (f) Parent and community involvement such as volunteer hours;

25 [(g) *Classes taught by a teacher outside the teacher's area of certification; and*]

26 **(g) The percentage of classes taught by a teacher identified as highly qualified under**
27 **rules adopted by the United States Department of Education; and**

28 (h) School staff, identified by category.

29 (4) The Superintendent of Public Instruction shall include in the school district performance
30 reports data for the following areas, for each school district, that are available to the Department
31 of Education from the most recent school year:

32 (a) Resident students who attend a public school in another school district;

33 (b) Facilities used for distance learning;

34 (c) Election results of any bond levy proposed to the electors of the district;

35 (d) Expenditures;

36 (e) Level of support from the education service district;

37 (f) Administrators not assigned to a specific school;

38 (g) School district staff, identified by category; and

39 (h) Students who are eligible for special education.

40 (5) The Superintendent of Public Instruction shall notify the public and the media by January
41 30 of each year that school district and school performance reports are available at schools and
42 school districts and at the Department of Education website and offices. The superintendent shall
43 also include notice that copies of school **improvement plans** and district **continuous** improvement
44 plans can be obtained from school and school district offices. Each school district shall send a copy
45 of the school district and applicable school performance reports to each parent of a child enrolled

1 in a public school in the school district.

2 **SECTION 9.** ORS 329.115 is amended to read:

3 329.115. (1) Prior to [*September 30*] **December 1** of each year, the Superintendent of Public In-
4 struction shall issue an Oregon Report Card on the state of the public schools and progress toward
5 achieving the goals contained in ORS 329.025 [*and 329.035*]. **The purpose of the Oregon Report**
6 **Card is to monitor trends among school districts and Oregon’s progress toward achieving the**
7 **goals stated in this chapter and the Department of Education key performance measures**
8 **established by the Oregon Progress Board.**

9 **(2) The Oregon Report Card shall include information on the following:**

10 **(a) Student performance on Oregon state assessments and national assessments;**

11 **(b) Data required by the federal No Child Left Behind Act of 2001 (P.L. 107-110, 115 Stat.**
12 **1425);**

13 **(c) Public school funding, expenditures and employee salary information;**

14 **(d) Instructional hours;**

15 **(e) School staff information;**

16 **(f) District size, student demographics and student enrollment;**

17 **(g) Dropout rates;**

18 **(h) Alternative education programs;**

19 **(i) Public charter schools;**

20 **(j) Early childhood education and Oregon prekindergarten; and**

21 **(k) Programs for students with special needs.**

22 [*(2) The purpose of the Oregon Report Card is to monitor trends among school districts and*
23 *Oregon’s progress toward achieving the goals stated in this chapter. The report on the state of the*
24 *public schools shall be designed to:]*

25 [*(a) Allow educators and local citizens to determine and share successful and unsuccessful school*
26 *programs;]*

27 [*(b) Allow educators to sustain support for reforms demonstrated to be successful;]*

28 [*(c) Recognize schools for their progress and achievements; and]*

29 [*(d) Facilitate the use of educational resources and innovations in the most effective manner.]*

30 [(3) *The report shall contain, but need not be limited to:]*

31 [*(a) Demographic information on public school children in this state.]*

32 [*(b) Information pertaining to student achievement, including statewide assessment data, graduation*
33 *rates and dropout rates, including progress toward achieving the education benchmarks established by*
34 *the Oregon Progress Board, with arrangements by minority groupings where applicable.]*

35 [*(c) Information pertaining to special program offerings.]*

36 [*(d) Information pertaining to the characteristics of the school and school staff, including assign-*
37 *ment of teachers, experience of staff and the proportion of minorities and women represented on the*
38 *teaching and administrative staff.]*

39 [*(e) Budget information, including source and disposition of school district operating funds and*
40 *salary data.]*

41 [*(f) Examples of exemplary programs, proven practices, programs designed to reduce costs or other*
42 *innovations in education being developed by school districts in this state that show improved student*
43 *learning.]*

44 [*(g) Such other information as the superintendent obtains under ORS 329.105.]*

45 [(4) *In the second and subsequent years that the report is issued, the report shall include a com-*

1 *parison between the current and previous data and an analysis of trends in public education.]*

2 **SECTION 10.** ORS 329.160 is amended to read:

3 329.160. It is the policy of this state to implement programs for early childhood education, for
4 parenting education including instruction about prenatal care, for child-parent centers and for ex-
5 tended Oregon prekindergarten programs. [*By 1999, funding for programs shall be available for 50*
6 *percent of children eligible for Oregon prekindergarten programs, and, by 2004, full funding for pro-*
7 *grams shall be available for all eligible children.*] The Oregon prekindergarten program shall [*con-*
8 *tinue to*] be operated in coordination with the federal Head Start program in order to avoid
9 duplication of services and so as to ensure maximum use of resources. The state shall continue
10 funding Oregon prekindergarten programs with a goal to have full funding for all eligible children.

11 **SECTION 11.** ORS 329.165 is amended to read:

12 329.165. (1) In consultation with the advisory committee for the Oregon prekindergarten pro-
13 gram, the Department of Education [*and the Department of Community Colleges and Workforce De-*
14 *velopment*] shall develop a long-range plan for serving eligible children and their families and shall
15 report to each regular session of the Legislative Assembly on the funds necessary to implement the
16 long-range plan, including but not limited to regular programming costs, salary enhancements and
17 program improvement grants. The department shall determine the rate of increase in funding for
18 programs necessary each biennium to provide service to all children eligible for the prekindergarten
19 program [*by 2004*].

20 [*(2) The Department of Education and the Department of Community Colleges and Workforce De-*
21 *velopment shall include in their budget requests to the Governor funds sufficient to implement each*
22 *two-year phase of the long-range plan.*]

23 [(3)] (2) Each biennial report shall include but not be limited to estimates of the number of eli-
24 gible children and families to be served, projected cost of programs and evaluation of the programs.

25 **SECTION 12.** ORS 329.183 is amended to read:

26 329.183. (1) The Prekindergarten Program Trust Fund is established as a fund in the State
27 Treasury, separate and distinct from the General Fund. Interest earned by the trust fund shall be
28 credited to the trust fund. The primary purpose of the trust fund is to assist eligible children with
29 comprehensive services including educational, social, health and nutritional development to enhance
30 their chances for success in school and life. For this purpose, the trust fund is continuously appro-
31 priated [*for and shall be expended only for*] **to the Department of Education** for the Oregon
32 prekindergarten program described in ORS 329.170 to 329.200.

33 (2) The [*State Board of Education*] **department** may solicit and accept money in the form of
34 gifts, contributions and grants to be deposited in the trust fund. Except as provided in ORS 329.185,
35 the acceptance of federal grants for purposes of ORS 329.170 to 329.200 does not commit state funds
36 nor place an obligation upon the Legislative Assembly to continue the purposes for which the fed-
37 eral funds are made available.

38 (3) The trust fund may be listed, if otherwise qualified, on the Oregon income tax return for
39 checkoff pursuant to application made to the Oregon Charitable Checkoff Commission under ORS
40 305.690 to 305.753 by the [*State Board of Education*] **department**.

41 **SECTION 13.** ORS 329.190 is amended to read:

42 329.190. The Department of Education [*and the Department of Community Colleges and Workforce*
43 *Development*] shall establish an advisory committee composed of interested parents and represen-
44 tatives from the State Commission on Children and Families, health care profession, early childhood
45 education and development staff preparation programs, Oregon Head Start Association, school dis-

1 tricts, community colleges, Early Intervention Council, child care and other organizations [*as con-*
2 *sidered necessary by the Department of Education and the Department of Community Colleges and*
3 *Workforce Development to assist with the establishment of the Oregon prekindergarten program*]. **The**
4 **purpose of the advisory committee is to provide advice to the department on matters related**
5 **to the Oregon prekindergarten program.**

6 **SECTION 14.** ORS 329.195 is amended to read:

7 329.195. (1) The State Board of Education shall adopt rules for the establishment of the Oregon
8 prekindergarten program. Rules specifically shall require the Oregon prekindergarten program to
9 provide for parental involvement and performance standards at a level no less than that provided
10 under the federal Head Start program guidelines. Federal Head Start program guidelines shall be
11 considered as guidelines for the Oregon prekindergarten program.

12 (2) In developing rules for the Oregon prekindergarten program, the board shall consult with the
13 advisory committee **established under ORS 329.190** and shall consider such factors as coordination
14 with existing programs, the preparation necessary for instructors, qualifications of instructors,
15 training of staff, adequate space and equipment and special transportation needs.

16 (3) The Department of Education [*and the Department of Community Colleges and Workforce*
17 *Development*] shall review applications for the Oregon prekindergarten program received and desig-
18 nate those programs as eligible to commence operation by July 1 of each year. When approving
19 grant applications, to the extent practicable, the [*State*] board [*of Education*] shall distribute funds
20 regionally based on percentages of unmet needs as identified in the voluntary local early childhood
21 system plans that are part of the local coordinated comprehensive plans developed under ORS
22 417.775 for the county or region.

23 **SECTION 15.** ORS 329.200 is amended to read:

24 329.200. (1) The Superintendent of Public Instruction shall report to the Legislative Assembly
25 on the merits of continuing and expanding the Oregon prekindergarten program or instituting other
26 means of providing early childhood development assistance.

27 (2) The superintendent's report shall include specific recommendations on at least the following
28 issues:

29 (a) The relationship of the state-funded Oregon prekindergarten program with the common
30 school system;

31 (b) The types of children and their needs that the program should serve;

32 (c) The appropriate level of state support for implementing the program for all eligible children,
33 including related projects to prepare instructors and provide facilities, equipment and transporta-
34 tion;

35 (d) The state administrative structure necessary to implement the program; and

36 (e) Licensing or endorsement of early childhood teachers.

37 (3) The Department of Education[, *in consultation with the Department of Community Colleges and*
38 *Workforce Development,*] shall examine, monitor and assess the effectiveness of the Oregon
39 prekindergarten program. The superintendent shall make biennial reports to the Legislative Assem-
40 bly on the effectiveness of the program.

41 **SECTION 16.** ORS 329.228 is amended to read:

42 329.228. (1) The Early Childhood Education Trust Fund is established as a fund in the State
43 Treasury, separate and distinct from the General Fund. Interest earned by the trust fund shall be
44 credited to the trust fund. The primary purpose of the trust fund is to assist public school districts
45 in providing programs designed to improve educational services for children enrolled in kindergarten

1 through grade three. For this purpose, the trust fund is continuously appropriated to the Department
2 of Education for programs described in ORS [329.215 to] 329.235.

3 (2) The State Board of Education may solicit and accept money in the form of gifts, contribu-
4 tions and grants to be deposited in the trust fund. The acceptance of federal grants for purposes of
5 ORS [329.215 to] 329.235 does not commit state funds nor place an obligation upon the Legislative
6 Assembly to continue the purposes for which the federal funds are made available.

7 (3) The trust fund may be listed, if otherwise qualified, on the Oregon income tax return for
8 checkoff pursuant to application made to the Oregon Charitable Checkoff Commission under ORS
9 305.690 to 305.753 by the State Board of Education.

10 **SECTION 17.** ORS 329.255 is amended to read:

11 329.255. (1) The district school board of every school district operating any elementary schools
12 may [make the services of] **establish** a child development specialist **program** [available to the pupils
13 enrolled in the elementary schools and their families].

14 [(2) A child development specialist shall provide primary prevention services directly or in cooper-
15 ation with others in settings in addition to the school setting:]

16 [(a) To pupils enrolled in the elementary school, with priority given at the primary level, including
17 kindergarten, to assist them in developing positive attitudes toward themselves and others in relation
18 to life career roles and to ensure that appropriate assessment and screening procedures that recognize
19 academic and individual differences are provided for the early identification of talents and strengths
20 on which to base a positive learning experience for each child.]

21 [(b) To the professional staff of the elementary school to assist them in early identification of pupils
22 enrolled therein with learning or developmental problems.]

23 [(c) To parents of pupils enrolled in elementary schools to assist them in understanding their chil-
24 dren's unique aptitudes and needs and to aid in relating home, school and neighborhood experiences.]

25 [(d) To refer pupils enrolled in the elementary school and their families to appropriate state or local
26 agencies for additional assistance as needed.]

27 [(e) To coordinate resources available through the community and the school.]

28 [(3) The district school board of every school district operating any elementary schools may make
29 the services of a child development specialist, as described in subsection (2) of this section available to
30 children four years of age or younger and their families residing in its district. If such children need
31 assessment, the child development specialist shall ensure that appropriate assessment and screening
32 procedures that recognize academic and individual differences are provided for early identification of
33 barriers or needs that prevent successful transition to early education programs.]

34 **(2) If a district school board establishes a child development specialist program, the**
35 **school district must meet the following requirements:**

36 **(a) The school district shall submit a written plan describing the program to the De-**
37 **partment of Education and the program must be approved by the department.**

38 **(b) Upon approval of a program, a school district shall submit child development spe-**
39 **cialist candidate applications for department approval.**

40 **(c) The school district shall conduct an annual review of the program and submit an**
41 **updated plan to the department for reauthorization of the program.**

42 **(d) Each child development specialist employed by a school district shall complete an**
43 **annual evaluation of the specialist's child development plan to be included with the school**
44 **district's updated plan.**

45 **(3) The department shall review the plans annually.**

1 (4) School districts may provide the *[services authorized or required under this section]* **child**
2 **development specialist program** by contract with qualified state or local programs.

3 **SECTION 18.** ORS 329.265 is amended to read:

4 329.265. (1) Following the close of each fiscal quarter for which reimbursement is claimed, any
5 district *[making the services of]* **that establishes** a child development specialist *[available]* **program**
6 pursuant to ORS 329.255 *[in a state approved program]* shall file a verified claim with the Super-
7 intendent of Public Instruction for the reimbursement as designated in the notice of allotment for
8 the costs incurred by the district in providing the *[services of the]* child development specialist
9 **program.**

10 (2) If the Superintendent of Public Instruction approves the application for reimbursement, the
11 superintendent shall cause the district to be reimbursed in the amount claimed in accordance with
12 the state approved program provided in subsection (1) of this section. In no case shall the state re-
13 imbursement from funds available for the child development specialist program exceed 75 percent
14 of the approved annual cost of the program nor shall the state's expenditure exceed the amount
15 appropriated by the Legislative Assembly for this purpose.

16 **SECTION 19.** ORS 329.415 is amended to read:

17 329.415. (1) The Department of Education shall prepare operating guides for child development
18 programs and for teenage parent programs applicable to programs under ORS 329.395 to 329.425 that
19 are consistent with requirements imposed by the State Board of Education.

20 (2) The department *[of Education]* shall review applications for approval of child development
21 programs and teenage parent programs and may approve those programs after considering:

- 22 (a) The educational adequacy and type of programs.
- 23 (b) The number of students and children who are to be served by the program.
- 24 (c) The availability of trained personnel and facilities.
- 25 (d) The need for the programs in the applying district.

26 (3) In approving applications for child development programs, the department shall require that
27 the school district use its grant for child development curriculum and in the formulation and initi-
28 ation of on-site child development centers. Each center must be able to accommodate from 15 to 30
29 full-time equivalent spaces for children, distributed according to needs of the community.

30 (4) In approving applications for teenage parent programs, the department shall require that the
31 school district use the grant in connection with appropriate education for teenage parents leading
32 to graduation and in the formulation and development of appropriate on-site child care centers. Each
33 center must be able to accommodate from 15 to 30 full-time equivalent spaces for children, distrib-
34 uted according to the needs of the teenage student-parents.

35 *[(5) Results of the study required by ORS 329.405 shall be used as a basis for school district*
36 *planning.]*

37 **SECTION 20.** ORS 329.451 is amended to read:

38 329.451. (1) **At or before grade 12, a school district shall award a high school diploma to**
39 **a student who completes the requirements established by the State Board of Education, the**
40 **school district and this section.**

41 *[(1)]* (2) In order to receive a high school diploma from a school district, a student must *[meet]*
42 **satisfy** the requirements established by the *[State]* board *[of Education]* **and the school district** and,
43 while in grades 9 through 12, must complete:

- 44 (a) At least 24 *[credit hours]* **credits**, as defined by rule of the board;
- 45 (b) Three *[years]* **credits** of mathematics; and

1 (c) Four [*years*] **credits** of English.

2 [(2)] (3) Notwithstanding subsection [(1)] (2) of this section, a school district may award a di-
3 ploma to a student who does not [*meet*] **satisfy** the requirements of subsection [(1)(b) or (c)] (2)(b)
4 **or (c)** of this section if the student:

5 (a) Has met or exceeded the academic content standards for mathematics or English established
6 by the board, **as demonstrated on Oregon state assessments**; or

7 (b) Displays proficiency in mathematics or English at a level established by the board.

8 (4) **Notwithstanding subsections (1) and (2) of this section, a school district may award**
9 **an alternative credential to a student who does not satisfy the requirements of subsections**
10 **(1) and (2) of this section, if the student, with additional services and accommodations, does**
11 **not satisfy the requirements for a diploma specified under subsections (1) and (2) of this**
12 **section.**

13 **SECTION 21.** Section 3, chapter 827, Oregon Laws 2005, is amended to read:

14 **Sec. 3.** The requirements of [*section 1 of this 2005 Act*] **ORS 329.451 (2)** apply to students who
15 receive a high school diploma from a school district on or after July 1, 2009.

16 **SECTION 22.** ORS 329.485 is amended to read:

17 329.485. (1) **As used in this section:**

18 (a) **“Content-based assessment” means testing of the understanding of a student of a**
19 **predetermined body of knowledge.**

20 (b) **“Criterion-referenced assessment” means testing of the knowledge or ability of a**
21 **student with respect to some standard.**

22 (c) **“Performance-based assessment” means testing of the ability of a student to use**
23 **knowledge and skills to create a complex or multifaceted product or complete a complex**
24 **task.**

25 [(1)(a)] (2)(a) The Department of Education shall implement statewide a valid and reliable as-
26 sessment system for all students that meets technical adequacy standards. The assessment system
27 shall include criterion-referenced assessments including performance-based assessments, content-
28 based assessments, [*as those terms are defined in ORS 329.075,*] and other valid methods to measure
29 the academic content standards and to identify students who meet or exceed the standards [*for each*
30 *mastery level leading to the Certificate of Initial Mastery, Certificate of Initial Mastery subject area*
31 *endorsements and the Certificate of Advanced Mastery*].

32 (b) The department [*of Education*] shall develop the statewide assessment system in mathematics,
33 science, English, history, geography, economics and civics.

34 [(2)] (3) School districts and public charter schools shall implement the statewide assessment
35 system in mathematics, science and English. In addition, school districts and public charter schools
36 may implement the statewide assessment system in history, geography, economics and civics.

37 [(3)] (4) Each year the resident district shall be accountable for determining the student’s
38 progress toward achieving the academic content standards. Progress toward the academic content
39 standards shall be measured in a manner that clearly enables the student and parents to know
40 whether the student is making progress toward meeting or exceeding the academic content stan-
41 dards. In addition, the district shall adopt a grading system based on the local school district board
42 adopted course content of the district’s curriculum. The grading system shall clearly enable the
43 student and parents to know how well the student is achieving course requirements.

44 [(4)] (5) If a student has not met or has exceeded all of the academic content standards, the
45 school district shall make additional services or alternative educational or public school options

1 available to the student.

2 [(5)] (6) If the student to whom additional services or alternative educational options have been
3 made available does not meet or exceed the academic content standards within one year, the school
4 district, with the consent of the parents, shall make an appropriate placement, which may include
5 an alternative education program or the transfer of the student to another public school in the dis-
6 trict or to a public school in another district that agrees to accept the student. The district that
7 receives the student shall be entitled to payment. The payment shall consist of:

8 (a) An amount equal to the district expenses from its local revenues for each student in average
9 daily membership, payable by the resident district in the same year; and

10 (b) Any state and federal funds the attending district is entitled to receive payable as provided
11 in ORS 339.133 (2).

12 **SECTION 23. ORS 329.675 is added to and made a part of ORS 329.790 to 329.820.**

13 **SECTION 24.** ORS 329.675 is amended to read:

14 329.675. As used in ORS [329.675 to 329.745 and] 329.790 to 329.820:

15 (1) "Beginning administrator" means an administrator who:

16 (a) Is employed as an administrator by a school district; and

17 (b) Has been assigned for fewer than three successive school years as a licensed or acting ad-
18 ministrator in any public, private or state-operated school.

19 (2) "Beginning teacher" means a teacher who:

20 (a) Possesses a teaching license issued by the Teacher Standards and Practices Commission;

21 (b) Is employed at least half-time, primarily as a classroom teacher, by a school district; and

22 (c) Has taught fewer than three successive school years as a licensed probationary teacher in
23 any public, private or state-operated school.

24 (3) "Mentor" means a teacher or administrator who:

25 (a) Possesses a teaching, personnel service or administrative license issued by the Teacher
26 Standards and Practices Commission;

27 (b) Has successfully served for three or more years as a licensed teacher or administrator in
28 any public school;

29 (c) Has been selected and trained as described in ORS 329.815; and

30 (d) Has demonstrated mastery of the appropriate subject matter knowledge and teaching and
31 administrative skills.

32 (4) "Mentorship program" means a program provided by a mentor teacher or administrator to
33 a beginning teacher or administrator that includes, but is not limited to, direct classroom observa-
34 tion and consultation, assistance in instructional planning and preparation, support in implementa-
35 tion and delivery of classroom instruction, development of school leadership skills and other
36 assistance intended to assist the beginning teacher or administrator to become a confident and
37 competent professional educator who makes a positive impact on student learning.

38 **SECTION 25.** ORS 329.704 is amended to read:

39 329.704. (1) Nothing in this section shall interfere with the duties, responsibilities and rights of
40 duly elected school district boards. There shall be established at each school a 21st Century Schools
41 Council. The duties of a 21st Century Schools Council shall include but not be limited to:

42 (a) The development of plans to improve the professional growth of the school's staff;

43 (b) The improvement of the school's instructional program;

44 (c) The development and coordination of plans for the implementation of programs under this
45 chapter at the school; **and**

1 (d) The administration of grants-in-aid for the professional development of teachers and classified
2 district employees[; *and*].

3 [*e*] *Advising the school district board in the development of a plan for school safety and student*
4 *discipline under section 5, chapter 618, Oregon Laws 2001.*]

5 (2) A 21st Century Schools Council shall be composed of teachers, parents, classified employees
6 and principals or the principal's designee, as follows:

7 (a) Not more than half of the members shall be teachers;

8 (b) Not more than half of the members shall be parents of students attending that school;

9 (c) At least one member shall be a classified employee; and

10 (d) One member shall be the principal of the building or the principal's designee.

11 (3) In addition, other members may be as the school district shall designate, including but not
12 limited to local school committee members, business leaders, students and members of the commu-
13 nity at large.

14 (4) Members of a 21st Century Schools Council shall be selected as follows:

15 (a) Teachers shall be licensed teachers elected by licensed teachers at the school site;

16 (b) Classified employees shall be elected by classified employees at the school site;

17 (c) Parents shall be selected by parents of students attending the school; and

18 (d) Other representatives shall be selected by the council.

19 (5) If a school district board determines that a school site is unable to fulfill the requirements
20 of this section or if the needs of a school site require a different composition, the school district
21 board shall establish the 21st Century Schools Council in a manner that best meets the educational
22 needs of the district.

23 (6) All 21st Century Schools Council meetings shall be subject to the open meetings law pursu-
24 ant to ORS 192.610 to 192.690.

25 (7) A school district may establish a district site committee to assist in the administration of
26 grants or in the district-wide coordination of programs.

27 **SECTION 25a.** ORS 329.830 is amended to read:

28 329.830. (1) The State Board of Education shall establish a system of determining successful
29 schools and dispensing appropriate incentive rewards to those schools. The system shall be based
30 on a school being the measurement unit to determine success. School success shall be determined
31 by measuring a school's improvement over a specific assessment period. The successful schools
32 program shall be voluntary.

33 (2) A school may submit an application to the Department of Education for the successful
34 schools program. The application shall include a short statement from the school requesting con-
35 sideration for the successful schools program. The application shall also include a copy of the
36 [*school*] **district continuous** improvement plan implemented pursuant to ORS 329.095 **for the**
37 **school**.

38 (3) A school may not amend its application after the application is submitted without approval
39 by the state board. A school that has submitted an application may not submit a new application
40 until the assessment period has ended, unless the school withdraws the previous application.

41 (4) The department shall distribute incentive rewards to schools that are determined to be suc-
42 cessful schools. The board shall establish criteria for determining successful schools. The criteria
43 shall include, but not be limited to:

44 (a) The results from the statewide assessment system developed pursuant to ORS 329.485;

45 (b) The achievement of measurable academic goals from [*school*] **district continuous** improve-

1 ment plans; and

2 (c) Other criteria relating to improvement in student learning.

3 (5) The department shall base the amount of the reward to each successful school on the number
4 of teachers employed by the school. The minimum reward for each full-time teacher shall be \$1,000.
5 Part-time teachers shall receive a percentage of the reward based on the amount of time the part-
6 time teacher worked. Teachers hired during the assessment period shall receive a percentage of the
7 reward based on the length of time the teacher worked at the school during the assessment period.

8 (6) Each teacher shall individually decide how to use the reward. A reward shall be used by a
9 teacher for classroom enhancements or professional development. As used in this subsection,
10 "classroom enhancements" means items and activities that will improve student learning, including,
11 but not limited to, books, instructional materials, multimedia equipment and software, supplies and
12 field trips.

13 (7) The State Board of Education shall adopt any rules necessary to implement the successful
14 schools program.

15 **SECTION 26.** ORS 329.860 is amended to read:

16 329.860. [(1) *The Department of Education in consultation with the Department of Community*
17 *Colleges and Workforce Development and the Education and Workforce Policy Advisor shall develop*
18 *models for school districts of alternative learning options that may include Learning Centers designed*
19 *to assist students who have left school in meeting the academic content standards required for the*
20 *Certificate of Initial Mastery through the use of teaching strategies, technology and curricula that em-*
21 *phasize the latest research and best practice.]*

22 [(2) *The Learning Centers may also provide for the integration of existing local and community*
23 *programs that provide any part of the services needed to assist individuals in meeting the academic*
24 *content standards for the Certificate of Initial Mastery.]*

25 [(3) *The centers may promote means of identifying, coordinating and integrating existing resources*
26 *and may include:]*

27 [(a) *Child care services during school hours;]*

28 [(b) *After-school child care;]*

29 [(c) *Parental training;]*

30 [(d) *Parent and child education;]*

31 [(e) *English as a second language or bilingual services for limited proficiency students;]*

32 [(f) *Health services or referral to health services;]*

33 [(g) *Housing assistance;]*

34 [(h) *Employment counseling, training and placement;]*

35 [(i) *Summer and part-time job development;]*

36 [(j) *Drug and alcohol abuse counseling; and]*

37 [(k) *Family crisis and mental health counseling.]*

38 [(4)] Education service districts, school districts or schools, or any combination thereof, may
39 contact any eligible elementary or secondary school student and the student's family if the student
40 has ceased to attend school to encourage the student's enrollment in an education program that may
41 include alternative learning options. If the student or the family cannot be located, the name and
42 last-known address shall be reported to the school nearest the address. The school shall attempt to
43 determine if that student or family is being provided services by this state and shall seek to assist
44 the student or family in any appropriate manner.

45 **SECTION 27.** ORS 329.885 is amended to read:

1 329.885. (1) It is the policy of the State of Oregon to encourage educational institutions and
2 businesses to develop, in partnership, models for programs related to school-to-work transitions and
3 work experience internships *[directed by the Oregon Educational Act for the 21st Century as described*
4 *in ORS 329.005 to 329.165, 329.185, 329.445, 329.850 and 329.855]*.

5 (2) From funds available, the Department of Education may allocate to any education service
6 district, school district, individual secondary school or community college grants to develop pro-
7 grams such as those described in subsection (1) of this section.

8 (3) To receive a grant to operate a program described in subsection (1) of this section, a business
9 shall demonstrate to the satisfaction of the department that the program shall:

10 (a) Identify groups that have been traditionally underrepresented in the programs and
11 internships, particularly in health care, business and high technology employment positions.

12 (b) Encourage students who belong to groups identified in paragraph (a) of this subsection,
13 particularly students in secondary schools and community colleges, to apply for consideration and
14 acceptance into a model program described in subsection (1) of this section.

15 (c) Promote an awareness of career opportunities in the school-to-work transition and the work
16 experience internships among students sufficiently early in their educational careers to permit and
17 encourage students to apply for the model programs.

18 (d) Promote cooperation among businesses, school districts and community colleges in working
19 toward the goals of the Oregon Educational Act for the 21st Century.

20 (e) Develop academic skills, attitudes and self-confidence necessary to allow students to succeed
21 in the work environment, including attitudes of curiosity and perseverance and the feelings of posi-
22 tive self-worth that result from sustained effort.

23 (f) Provide a variety of experiences that reinforce the attitudes needed for success in the busi-
24 ness world.

25 (4) The department shall direct fund recipients to adopt rules establishing standards for ap-
26 proved programs under this section, including criteria for eligibility of organizations to receive
27 grants, and standards to determine the amount of grants.

28 (5) The department may seek and receive gifts, grants, endowments and other funds from public
29 or private sources as may be made from time to time, in trust or otherwise, for the use and benefit
30 of the purposes of the school-to-work transition and the work experience internship programs and
31 may expend the same or any income therefrom according to the terms of such gifts, grants,
32 endowments or other funds.

33 **SECTION 28.** ORS 285A.075 is amended to read:

34 285A.075. (1) The Economic and Community Development Department, through research, pro-
35 motion and coordination of activities in this state, shall foster the most desirable growth and ge-
36 ographical distribution of agriculture, industry and commerce in the state. The department shall
37 serve as a central coordinating agency and clearinghouse for activities and information concerning
38 the resources and economy of the state.

39 (2) The department shall have no regulatory power over the activities of private persons. Its
40 functions shall be solely advisory, coordinative and promotional.

41 (3) The department shall administer the state's participation in the federal Community Devel-
42 opment Block Grant funding program authorized by 42 U.S.C. 5301 et seq.

43 (4) In order to accomplish the purposes of ORS chapters 285A, 285B and 285C *[and ORS 329.905*
44 *to 329.975]*, the department may expend moneys duly budgeted to pay the travel and various other
45 expenses of industrial or commercial site location agents, film or video production location agents,

1 business journal writers, elected state officials or other state personnel whom the Director of the
2 Economic and Community Development Department determines may promote the purposes of this
3 subsection.

4 (5) In accordance with applicable provisions of ORS chapter 183, the department may adopt
5 rules necessary for the administration of laws that the department is charged with administering.

6 (6) ORS 276.428, 279A.120, 279A.140, 279A.155, 279A.275, 279B.025, 279B.235, 279B.270, 279B.280,
7 279C.370, 279C.500 to 279C.530, 279C.540, 279C.545, 279C.800 to 279C.870, 282.020, 282.050, 282.210,
8 282.220, 282.230, 283.140, 459A.475, 459A.490, 653.268 and 653.269 do not apply to the department's
9 operation of foreign trade offices outside the state.

10 (7) Notwithstanding ORS 279A.140, the department may enter into contracts for personal ser-
11 vices as necessary or appropriate to carry out the duties, functions and powers vested in the de-
12 partment by law.

13 (8)(a) The department may contract directly with the Oregon Downtown Development Associ-
14 ation, or its successor entity, to provide downtown development and redevelopment assistance and
15 similar services to municipalities in Oregon.

16 (b) The department may contract directly with Rural Development Initiatives, or its successor
17 entity, to provide training, technical assistance, planning assistance and other support and services
18 to municipalities in Oregon to build economic and community development capacity.

19 (c) Contracts entered into under this subsection are exempt from the requirements of ORS
20 279.835 to 279.855 and ORS chapters 279A, 279B and 279C.

21 (9) If the director determines that moneys are available, the department may transfer funds from
22 the Special Public Works Fund created under ORS 285B.455 or from the Water Fund established
23 under ORS 285B.563 to a state agency to provide financial assistance in the delivery of technical
24 assistance or other services to one or more water systems for evaluation of water quality or services
25 or for planning the improvement of water quality or services. The department may structure the fi-
26 nancial assistance under this subsection in the form of an interagency grant or loan or in any other
27 manner the director considers necessary or appropriate.

28 **SECTION 29.** ORS 285A.090 is amended to read:

29 285A.090. The Economic and Community Development Department shall:

30 (1) Implement programs consistent with policies of the Oregon Economic and Community De-
31 velopment Commission.

32 (2) Provide field representatives in the various geographical regions of the state. The field rep-
33 resentatives shall be in the unclassified service and shall receive such salary as may be set by the
34 Director of the Economic and Community Development Department, unless otherwise provided by
35 law. The field representatives shall:

36 (a) Serve as internal advocates and centralized contacts within state government for businesses
37 seeking to locate or expand in the region and shall guide the businesses through all required pro-
38 cesses with state regulatory agencies and local units of government to facilitate and expedite siting
39 or expansion of the businesses within the businesses' budgets and in an economically viable manner;

40 (b) Seek assistance and direction from the Governor or a designee of the Governor for resolving
41 issues that have delayed a project in order to ensure that governmental decisions and actions on
42 projects are made in a timely and reasonable manner;

43 (c) Work with local units of government and the private sector as they establish and carry out
44 economic and community development plans and programs under ORS 280.500;

45 (d) Establish links with and act as liaisons between businesses seeking to locate or expand in

1 the region and resources within the public and private institutions of higher education in Oregon
2 familiar with technological advancements and grant opportunities;

3 (e) Serve as liaisons between businesses seeking to locate or expand in the region and appro-
4 priate governmental, university, community college and industry representatives to assist and part-
5 ner with the businesses in their developmental efforts;

6 (f) Assemble regional rapid response teams that include regional departmental staff and repre-
7 sentatives of local governments in the region to work with businesses seeking to locate or expand
8 in the region by facilitating developmental procedures and eliminating obstacles to completion of
9 projects;

10 (g) Assign specific responsibilities for and monitor progress of rapid response team members
11 toward completion of tasks essential to the achievement of a successful outcome of a project for all
12 parties involved;

13 (h) Coordinate meetings between businesses seeking to locate or expand in the region and the
14 members of rapid response teams to establish and monitor the adherence to developmental timelines
15 and to ensure satisfaction with services provided;

16 (i) Deliver to local units of government and the private sector the assistance and services
17 available from the department, including publications, research and technical and financial assist-
18 ance programs; and

19 (j) Promote local awareness of department policy and department programs and services and of
20 assistance and economic incentives available from government at all levels.

21 (3) Process requests received by state agencies and interested parties for information pertaining
22 to industrial and commercial locations and relocations throughout the state.

23 (4) Consult and advise with, coordinate activities of, and give technical assistance and encour-
24 agement to, state and local organizations, including local development corporations, county, city,
25 and metropolitan-area committees, chambers of commerce, labor organizations and similar agencies
26 interested in obtaining new industrial plants or commercial enterprises.

27 (5) Act as the state's official liaison agency between persons interested in locating industrial
28 or business firms in the state, and state and local groups seeking new industry or business, main-
29 taining the confidential nature of the negotiations it conducts as requested by persons contemplating
30 location in the state.

31 (6) Coordinate state and federal economic and community development programs.

32 (7) Consult and advise with, coordinate activities of, and give technical assistance and encour-
33 agement to all parties including, but not limited to, port districts within the state working in the
34 field of international trade or interested in promoting their own trading activity.

35 (8) Provide advice and technical assistance to Oregon business and labor.

36 (9) Collect and disseminate information regarding the advantages of developing new business
37 and expanding existing business in the state.

38 (10) Aid local communities in planning for and obtaining new business to locate therein and
39 provide assistance in local applications for federal development grants.

40 (11) Work actively to recruit domestic and international business firms to those communities
41 that desire such recruitment.

42 (12) In carrying out its duties under ORS chapters 285A, 285B and 285C [*and ORS 329.905 to*
43 *329.975*], give priority to assisting small businesses in this state by encouraging the creation of new
44 businesses, the expansion of existing businesses and the retention of economically distressed busi-
45 nesses which are economically viable.

1 (13) Establish and operate foreign trade offices in those foreign countries in which the depart-
2 ment considers a foreign trade office necessary using department employees, contracts with public
3 or private persons or a combination of department employees and contractors. Department employ-
4 ees, including managers, who are assigned to work in a foreign trade office shall be in the unclas-
5 sified service, and the director shall set the salaries of those persons. Foreign trade offices shall
6 provide one or more of the following services:

7 (a) Work with the private sector to assist them in finding international markets for their goods
8 and services;

9 (b) Work with local units of government to assist them in locating foreign businesses within
10 their jurisdiction;

11 (c) Promote awareness in foreign countries of department policy, programs and services and of
12 assistance and economic incentives available from government at all levels; or

13 (d) Provide other assistance considered necessary by the director.

14 **SECTION 30.** ORS 327.023 is amended to read:

15 327.023. In addition to those moneys distributed through the State School Fund, the Department
16 of Education shall provide from state funds appropriated therefor, grants in aid or support for spe-
17 cial and compensatory education programs including:

18 (1) Special schools for children who are deaf or blind as defined in ORS 346.010.

19 (2) Medicaid match for administration efforts to secure Medicaid funds for services provided to
20 children with disabilities.

21 (3) Hospital programs for education services to children who are hospitalized for extended pe-
22 riods of time or who require hospitalization due to severe disability as described in ORS 343.261.

23 (4) Private agency programs for education services to children who are placed by the state in
24 long term care or treatment facilities as described in ORS 343.961.

25 (5) Regional services provided to children with low-incidence disabling conditions as described
26 in ORS 343.236.

27 (6) Early childhood special education provided to preschool children with disabilities from age
28 three until age of eligibility for kindergarten as described in ORS 339.185, 343.035, 343.041, 343.055,
29 343.065, 343.157 and 343.455 to 343.534.

30 (7) Early intervention services for preschool children from birth until age three as described in
31 ORS 339.185, 343.035, 343.041, 343.055, 343.065, 343.157 and 343.455 to 343.534.

32 (8) Evaluation services for children with disabilities to determine program eligibility and needs
33 as described in ORS 343.146.

34 (9) Education services to children residing at state hospitals.

35 (10) Disadvantaged children program under ORS 343.680.

36 (11) Early childhood education under ORS [~~329.215 to~~] **329.228 and** 329.235.

37 (12) Child development specialist **program** under ORS 329.255.

38 (13) Youth care centers under ORS 420.885.

39 (14) Staff development and mentoring.

40 (15) Professional technical education grants.

41 (16) Special science education programs.

42 (17) Talented and Gifted children program under ORS 343.391 to 343.413.

43 **SECTION 30a.** ORS 327.297 is amended to read:

44 327.297. (1) In addition to those moneys distributed through the State School Fund, the Depart-
45 ment of Education shall award grants to school districts, the Youth Corrections Education Program

1 and the Juvenile Detention Education Program for activities that relate to increases in student
2 achievement, including:

- 3 (a) Class size reduction;
- 4 (b) Increases in instructional time;
- 5 (c) Professional development;
- 6 (d) Remediation and alternative learning;
- 7 (e) Early childhood support;
- 8 (f) Services to at-risk youth;
- 9 (g) Additional instructional materials;
- 10 (h) Curriculum and instructional support;
- 11 (i) Services for English as a second language students; and
- 12 (j) Other activities approved by the State Board of Education that are shown to have a re-
13 lationship to increasing student achievement.

14 (2) Each school district, the Youth Corrections Education Program and the Juvenile Detention
15 Education Program may apply to the Department of Education for a grant. The department shall
16 review and approve applications based on criteria established by the State Board of Education. In
17 establishing the criteria, the State Board of Education shall consider the recommendations of the
18 Quality Education Commission established under Executive Order 99-16 and the recommendations
19 of the Quality Education Commission established under ORS 327.500. The applications shall include
20 the activities to be funded and the goals of the school district or program for increases in student
21 performance. The applications shall become part of the local district **continuous** improvement plan
22 described in ORS 329.095.

23 (3) The Department of Education shall evaluate the annual progress of each recipient of grant
24 funds under this section toward the performance targets established by the Quality Education
25 Commissions that have been funded by the Legislative Assembly. The evaluation shall become part
26 of the requirements of the department for assessing the effectiveness of the district under ORS
27 329.085, 329.095 and 329.105. The department shall ensure school district and program accountability
28 by providing appropriate assistance, intervening and establishing consequences in order to support
29 progress toward the performance targets.

30 (4) Each biennium the Department of Education shall report to the Legislative Assembly on the
31 grant program and the results of the grant program.

32 (5)(a) Notwithstanding ORS 338.155 (9), the Department of Education may not award a grant
33 under this section directly to a public charter school.

34 (b) A school district that receives a grant under this section may transfer a portion of the grant
35 to a public charter school based on the charter of the school or any other agreement between the
36 school district and the public charter school.

37 (c) A public charter school that receives grant funds under this subsection shall use those funds
38 for the activities specified in subsection (1) of this section.

39 (6)(a) The amount of each grant = the program's or school district's ADMw \times (the total
40 amount available for the grants in each distribution year \div the total statewide ADMw).

41 (b) As used in this subsection:

42 (A) "ADMw" means:

43 (i) For a school district, the extended weighted average daily membership as calculated under
44 ORS 327.013, 338.155 (1) and 338.165 (2);

45 (ii) For the Youth Corrections Education Program, the average daily membership as defined in

1 ORS 327.006 multiplied by 2.0; and

2 (iii) For the Juvenile Detention Education Program, the average daily membership as defined in
3 ORS 327.006 multiplied by 1.5.

4 (B) "Total statewide ADMw" means the total extended ADMw of all school districts plus the
5 ADMw of the Youth Corrections Education Program plus the ADMw of the Juvenile Detention Ed-
6 ucation Program.

7 (7) Each school district or program shall deposit the grant amounts it receives under this sec-
8 tion in a separate account, and shall apply amounts in that account to pay for activities described
9 in the district's or program's application.

10 (8) The State Board of Education may adopt any rules necessary for the administration of the
11 grant program.

12 **SECTION 31.** ORS 327.506 is amended to read:

13 327.506. (1) The quality goals for the state's system of kindergarten through grade 12 public
14 education include those established under ORS 329.007, 329.015, 329.025, [329.035,] 329.045[,] and
15 329.065[, 329.465 and 329.475].

16 (2) Each biennium the Quality Education Commission shall determine the amount of moneys
17 sufficient to ensure that the state's system of kindergarten through grade 12 public education meets
18 the quality goals.

19 (3) In determining the amount of moneys sufficient to meet the quality goals, the commission
20 shall identify best practices that lead to high student performance and the costs of implementing
21 those best practices in the state's kindergarten through grade 12 public schools. Those best prac-
22 tices shall be based on research, data, professional judgment and public values.

23 (4) Prior to August 1 of each even-numbered year, the commission shall issue a report to the
24 Governor and the Legislative Assembly that identifies:

25 (a) Current practices in the state's system of kindergarten through grade 12 public education,
26 the costs of continuing those practices and the expected student performance under those practices;
27 and

28 (b) The best practices for meeting the quality goals, the costs of implementing the best practices
29 and the expected student performance under the best practices.

30 (5) In addition, the commission shall provide in the report issued under subsection (4) of this
31 section at least two alternatives for meeting the quality goals. The alternatives may use different
32 approaches for meeting the quality goals or use a phased implementation of best practices for
33 meeting the quality goals.

34 **SECTION 32.** ORS 332.114 is amended to read:

35 332.114. (1) A person who meets the requirements under subsection (3) of this section may re-
36 quest a school district to issue the person a high school diploma if the person resides within the
37 boundaries of the school district or is a resident of this state and attended a high school of the
38 school district.

39 (2) A representative of a deceased person who meets the requirements under subsection (3) of
40 this section may request a school district to issue a high school diploma on behalf of the deceased
41 person if the deceased person resided within the boundaries of the school district at the time of
42 death or was a resident of this state at the time of death and attended a high school of the school
43 district.

44 (3) Notwithstanding the requirements for a high school diploma established under ORS 329.451
45 and by the State Board of Education and school districts [under ORS 329.447], a school district that

1 receives a request under subsection (1) or (2) of this section shall issue a high school diploma to a
2 person if the person:

3 (a) Attended a high school before serving in the Armed Forces of the United States;

4 (b) Did not graduate from a high school because the person was serving in the Armed Forces
5 of the United States;

6 (c) Was discharged or released under honorable conditions from the Armed Forces of the United
7 States;

8 (d) Served in the Armed Forces of the United States as described in subsection (4) of this sec-
9 tion; and

10 (e)(A) Has received a General Educational Development (GED) certificate;

11 (B) Has received a post-secondary degree from a community college, state institution of higher
12 education or other generally accredited institution of higher education; or

13 (C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB),
14 as established by the Oregon Military Department.

15 (4) The provisions of subsection (3) of this section apply to a person who:

16 (a) Served in the Armed Forces of the United States at any time during:

17 (A) World War I;

18 (B) World War II;

19 (C) The Korean Conflict; or

20 (D) The Vietnam War;

21 (b) Served in the Armed Forces of the United States and was physically present in:

22 (A) Operation Urgent Fury (Grenada);

23 (B) Operation Just Cause (Panama);

24 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

25 (D) Operation Restore Hope (Somalia);

26 (E) Operation Enduring Freedom (Afghanistan); or

27 (F) Operation Iraqi Freedom (Iraq); or

28 (c) Served in the Armed Forces of the United States in an area designated as a combat zone by
29 the President of the United States.

30 **SECTION 32a.** ORS 336.113 is amended to read:

31 336.113. (1) The Superintendent of Public Instruction shall direct the Department of Education
32 to increase efforts to:

33 (a) Evaluate the distribution of ethnic, racial and cultural backgrounds of the public school
34 students of Oregon and the use of demographic data by school districts for curricula and program
35 planning as reflected in [*school districts' consolidated*] **district continuous** improvement plans;

36 (b) Examine strategies to inform school district boards, school administrators, teachers, parents
37 of students and the public about multicultural and diversity laws and policies;

38 (c) Identify and review exemplary multicultural curricula for different grade levels based on the
39 needs of Oregon's public school students;

40 (d) Identify and review strategies to integrate a multicultural education program with other
41 education programs of school districts; and

42 (e) Evaluate how current laws on diversity and multicultural education are being implemented
43 and applied at the state and school district levels.

44 (2) The superintendent shall:

45 (a) Seek federal and other funds to develop and implement multicultural education;

1 (b) Seek federal and other funds to provide funding and technical support for school districts to
2 develop and implement multicultural curricula and educational programs; and

3 (c) Report to the State Board of Education on the funds available, the success in obtaining
4 funds, the plans to develop and implement multicultural education and the development of a system
5 for evaluation.

6 (3) The superintendent may appoint an advisory committee to accomplish the requirements of
7 this section. The superintendent and the advisory committee shall seek and incorporate input from
8 the business community, educators and minority representatives that reflect the demographics and
9 geographic regions of this state.

10 **SECTION 33.** ORS 338.115 is amended to read:

11 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
12 public schools do not apply to public charter schools. However, the following laws do apply to public
13 charter schools:

14 (a) Federal law;

15 (b) ORS 192.410 to 192.505 (public records law);

16 (c) ORS 192.610 to 192.690 (public meetings law);

17 (d) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

18 (e) ORS 181.534, 181.539, 326.603, 326.607 and 342.232 (criminal records checks);

19 (f) ORS 337.150 (textbooks);

20 (g) ORS 339.141, 339.147 and 339.155 (tuition and fees);

21 (h) ORS 659.850 and 659.855 (discrimination);

22 (i) ORS 30.260 to 30.300 (tort claims);

23 (j) Health and safety statutes and rules;

24 (k) Any statute or rule that is listed in the charter;

25 (L) The statewide assessment system developed by the Department of Education for mathemat-
26 ics, science and English under ORS 329.485 [(1)] (2);

27 (m) ORS 329.045 (academic content standards and instruction);

28 (n) Any statute or rule that establishes requirements for instructional time provided by a school
29 during each day or during a year;

30 (o) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

31 (p) ORS 339.370, 339.372 and 339.375 (reporting of child abuse); and

32 (q) This chapter.

33 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
34 that apply to school district boards, school districts and other public schools may apply to a public
35 charter school.

36 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
37 “public school” include public charter school as those terms are used in that statute or rule.

38 (4) A public charter school may not violate the Establishment Clause of the First Amendment
39 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
40 based.

41 (5) A public charter school shall maintain an active enrollment of at least 25 students.

42 (6) A public charter school may sue or be sued as a separate legal entity.

43 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
44 and employees of a sponsor acting in their official capacities are immune from civil liability with
45 respect to all activities related to a public charter school within the scope of their duties or em-

1 ployment.

2 (8) A public charter school may enter into contracts and may lease facilities and services from
3 a school district, education service district, state institution of higher education, other governmental
4 unit or any person or legal entity.

5 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
6 ability.

7 (10) A public charter school may receive and accept gifts, grants and donations from any source
8 for expenditure to carry out the lawful functions of the school.

9 (11) The school district in which the public charter school is located shall offer a high school
10 diploma[, *certificate, Certificate of Initial Mastery or Certificate of Advanced Mastery*] to any public
11 charter school student who meets the district's and state's standards for a high school diploma[,
12 *certificate, Certificate of Initial Mastery or Certificate of Advanced Mastery. If the school district offers*
13 *a Certificate of Initial Mastery subject area endorsement to students who attend school in the district,*
14 *then the school district shall offer the endorsement to any public charter school student who meets the*
15 *district's and state's standards for the endorsement*].

16 (12) A high school diploma[, *certificate, Certificate of Initial Mastery, Certificate of Initial Mastery*
17 *subject area endorsement or Certificate of Advanced Mastery*] issued by a public charter school grants
18 to the holder the same rights and privileges as a high school diploma[, *certificate, Certificate of Initial*
19 *Mastery, Certificate of Initial Mastery subject area endorsement or Certificate of Advanced Mastery*]
20 issued by a nonchartered public school.

21 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
22 sponsor as specified in the charter.

23 (14) A public charter school may receive services from an education service district in the same
24 manner as a nonchartered public school in the school district in which the public charter school is
25 located.

26 **NOTE:** Section 34 was deleted by amendment. Subsequent sections were not renumbered.

27 **SECTION 35.** ORS 339.505 is amended to read:

28 339.505. (1) For purposes of the student accounting system required by ORS 339.515, the follow-
29 ing definitions shall be used:

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

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

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

34 (C) Received one of the following:

35 (i) A high school diploma issued by a school district.

36 (ii) An adult high school diploma issued by an authorized community college.

37 (iii) [A *modified*] **An alternative** high school diploma based on the successful completion of an
38 individual education plan.

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

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

42 (B) Is not a high school graduate;

43 (C) Has not received a General Educational Development (GED) certificate; and

44 (D) Has withdrawn from school.

45 (c) "School dropout" does not include a student described by at least one of the following:

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

4 (B) A student who is deceased.

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

6 (D) A student who is being taught by a private teacher, parent or legal guardian pursuant to
7 ORS 339.030 (1)(c) or (d).

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

11 (F) A student who is temporarily residing in a shelter care program certified by the Oregon
12 Youth Authority or the Department of Human Services or in a juvenile detention facility.

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

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

16 (I) A student who has received a General Educational Development (GED) certificate.

17 (2) The State Board of Education shall prescribe by rule when an unexplained absence becomes
18 withdrawal, when a student is considered enrolled in school, acceptable alternative education pro-
19 grams under ORS 336.615 to 336.665 and the standards for excused absences for purposes of ORS
20 339.065 for family emergencies and health and medical problems.

21 **SECTION 36.** ORS 341.009 is amended to read:

22 341.009. The Legislative Assembly finds that:

23 (1) The community college is an educational institution which is intended to fill the institutional
24 gap in education by offering broad, comprehensive programs in academic as well as professional
25 technical subjects. It is primarily designed to provide associate or certificate degree programs for
26 some, serve a transitional purpose for others who will continue baccalaureate or other college work,
27 provide the ability to enter the workforce immediately and serve to determine future educational
28 needs for other students. It can provide means for continuation of academic education, professional
29 technical training or the attainment of entirely new skills as demands for old skills and old occu-
30 pations are supplanted by new technologies. It may also provide the means to coordinate courses
31 and programs with high schools [*to enhance the Certificate of Advanced Mastery and*] to accommodate
32 successful transition to college degree programs.

33 (2) Each community college should be so located as to be within commuting time of a substantial
34 majority of its students. As an economical method of providing education close to the student's
35 home, the community college should remain a commuting institution.

36 (3) The community college should establish its organizational patterns to maintain a unique
37 quality of flexibility and the ability to change to meet changing needs.

38 (4) The community college is a post-high-school institution under the general supervision of the
39 State Board of Education. It should not be a "starter" institution intended to evolve into a four-year
40 baccalaureate institution. It should be concerned with programs terminating before reaching the
41 baccalaureate degree.

42 (5) The community college should continue to be prohibited by law from becoming a
43 baccalaureate degree granting institution.

44 (6) Admission to the community college should be open to high school graduates or to non-high
45 school graduates who can profit from the instruction offered.

1 (7) There should be close cooperation between those directing the community college program
2 and those responsible for higher education, so that lower-division college transfer programs of the
3 community college will provide adequate preparation for entering baccalaureate degree granting
4 programs, and so that students will be able to transfer with a minimum of difficulty.

5 (8) The community college should offer as comprehensive a program as the needs and resources
6 of the area which it serves dictate. Cost to student and quality of instruction in established private
7 institutions should be among the factors in determining necessary duplication of effort.

8 (9) It should be the policy of the community college to open its facilities and make available its
9 resources to the high schools of its area on a sound contractual basis, for appropriate secondary
10 or transitional courses, either academic or professional technical, when it is within its ability to
11 provide facilities and it is determined that the high school cannot or does not offer them.

12 (10) Programs designed to meet the needs of the area served should be based on the actual ed-
13 ucational and service needs of the district. Specific professional technical courses should be related
14 not only to the employment opportunities of the area but of the state and nation as well. Such de-
15 termination should be made in consultation with representatives of labor, business, industry, agri-
16 culture and other interested groups.

17 (11) The State Board of Education should be responsible for coordinating the community college
18 program of the state and should have general supervisory responsibilities for that program. The
19 State Board of Education should prepare estimates and make the requests for legislative appropri-
20 ations for a reasonable and consistent basis of support and establish standards for the distribution
21 of that support.

22 (12) The initiative for the establishment of new community colleges should come from the lo-
23 calities to be served, as a response to demonstrated educational needs of an area. However, these
24 localities must not only be willing to assume the responsibility for the institutions but must be able
25 to provide resources needed for an adequate educational and service program.

26 (13) The governing board of the community college should be charged with the policy-making
27 function. With respect to educational programming, the governing board should in cooperation with
28 the State Board of Education:

- 29 (a) Identify educational needs of the district; and
30 (b) Bring together the resources necessary to meet the needs.

31 (14) The state should maintain a policy of substantial state participation in community college
32 building costs and the maintenance of an adequate level of state support for operation. However,
33 no state funds should be appropriated for buildings such as dormitories or athletic facilities for
34 spectator sports. The district should provide a substantial portion of the funds for capital improve-
35 ment as well as for operation of a community college.

36 (15) State appropriations for community colleges shall be made separately from those for other
37 segments of education.

38 (16) The formula for the distribution of funds for operating costs should reflect the heavier op-
39 erating costs and capital outlay for certain professional technical courses. Federal funds received
40 for professional technical training, adult basic education, workforce development or other federal
41 initiatives should be used for those purposes only and be distributed separately from funds appro-
42 priated by the state and should be exempted from the computations of the present distribution for-
43 mula for operating costs.

44 (17) The cost of education to the individual should be sufficiently low to permit students of
45 low-income families to attend. This is particularly true of tuition costs. However, students should

1 pay an amount sufficient to provide an incentive to profit from the instructional program offered.

2 (18) Any eligible Oregon resident should have the right to attend a community college even
3 though not residing in a district operating one, subject to the right of the governing board to limit
4 the size of classes and to give preference to students residing in the district. Local school districts
5 and education service districts should have the authority to negotiate the terms and conditions with
6 the governing boards for the enrollment of students residing in such areas.

7 **SECTION 37.** ORS 342.845 is amended to read:

8 342.845. (1) A contract teacher shall not be subjected to the requirement of annual appointment
9 nor shall the teacher be dismissed or employed on a part-time basis without the consent of the
10 teacher except as provided in ORS 342.805 to 342.937.

11 (2) Notwithstanding subsection (1) of this section, a part-time contract teacher attains contract
12 status at not less than half-time but less than full-time and may be assigned within those limits by
13 the school district. The assignment of a contract part-time teacher is not subject to the procedures
14 specified in ORS 342.805 to 342.930. A contract part-time teacher who accepts a full-time assignment
15 shall be considered a contract teacher for purposes of the assignment.

16 (3) No teacher shall be deprived of employment status solely because the duties of employment
17 have been assumed or acquired by another school district or education service district in a state
18 reorganization of a regional special education program. Where such reorganization occurs, a teacher
19 shall be transferred to the employment of the school district or education service district which
20 assumed or acquired program responsibilities. The teacher shall be allowed to transfer accrued sick
21 leave and experience status to the new district. However, the district to which the programs are
22 transferred is obligated to hire displaced employees only to the extent that such would complement
23 a cost effective staffing plan in the reorganized program.

24 (4)(a) As used in this subsection:

25 (A) "Juvenile detention education program" means the Juvenile Detention Education Program,
26 as defined in ORS 326.695.

27 (B) "School district" [*has the meaning given that term in ORS 329.007*] **means a school district**
28 **as defined in ORS 332.002, an education service district, a state-operated school or any legally**
29 **constituted combination of such entities.**

30 (b) No teacher shall be deprived of employment status solely because the duties of employment
31 have been assumed or acquired by another school district or education service district pursuant to
32 a transfer of juvenile detention education program responsibilities to another school district or ed-
33 ucation service district. Where such reorganization occurs, a teacher shall be transferred to the
34 employment of the school district or education service district that assumed or acquired program
35 responsibilities. The teacher shall be allowed to transfer accrued sick leave, seniority and status as
36 a contract teacher. However, the district to which the program is transferred is obligated to hire
37 displaced teachers only to the extent that such would complement a cost-effective staffing plan in
38 the reorganized program.

39 (5)(a) An administrator shall serve a probationary period that does not exceed three years, un-
40 less the administrator and the school district mutually agree to a shorter time period. Following a
41 probationary period, an administrator shall be employed by a school district pursuant to a three-year
42 employment contract. An administrator may be dismissed or have a reduction in pay during the term
43 of a contract for any reason set forth for dismissal of a teacher in ORS 342.865, or pursuant to ORS
44 342.934 (5). If an administrator is dismissed or has a reduction in pay during the term of the con-
45 tract, the administrator may appeal to the Fair Dismissal Appeals Board in the same manner as

1 provided for the appeal of a dismissal or a nonextension of a contract teacher. An administrator
2 may not appeal the nonextension of a contract to the Fair Dismissal Appeals Board.

3 (b) The administrator may be assigned and reassigned at will during the term of the contract.

4 (c) The district school board may elect not to extend the administrator's contract for any cause
5 the school board in good faith considers sufficient. Prior to March 15 of the second year of the ad-
6 ministrator's contract, the school board shall take one of the following actions:

7 (A) Issue a new three-year contract effective July 1 following the March 15 of the second year
8 of the administrator's contract;

9 (B) Provide, in writing, notice that the contract will not be renewed or extended; or

10 (C) Extend the existing contract for a period of not more than one year.

11 (6) If an administrator receives notice of contract nonextension prior to the expiration of the
12 administrator's contract, the administrator shall have the right to fill any vacant teaching position
13 in the district for which the contract administrator is licensed and competent as defined in ORS
14 342.934, provided the administrator has three years' teaching experience in Oregon that has been
15 successful, in the judgment of the district superintendent.

16 **SECTION 38.** ORS 348.183 is amended to read:

17 348.183. [(1)] The Legislative Assembly recognizes:

18 [(a)] (1) That an investment in educational opportunities for all Oregonians is an investment in
19 a strong and stable economy and greater personal opportunities;

20 [(b)] (2) That the single largest barrier to attending an institution of higher education is lack
21 of finances;

22 [(c)] (3) The broad and diverse range of quality post-secondary educational services provided by
23 Oregon's institutions of higher education, including Oregon's community colleges, state institutions
24 and independent not-for-profit institutions of higher education; and

25 [(d)] (4) The positive effects on Oregon's citizens, families and economy of encouraging talented
26 and hardworking students to stay in Oregon to pursue a post-secondary education.

27 [(2) *It is the intent of the Legislative Assembly to:*]

28 [(a) *Empower students who have achieved a Certificate of Initial Mastery with the ability to attend*
29 *an Oregon institution of higher education; and]*

30 [(b) *Reward all Oregon students who have achieved a Certificate of Initial Mastery or a compara-*
31 *ble level of academic merit in Oregon schools with the opportunity and the necessary funding to attend*
32 *an Oregon institution of higher education.*]

33 **SECTION 39.** ORS 348.186 is amended to read:

34 348.186. (1) In addition to any other form of student financial aid authorized by law, the Oregon
35 Student Assistance Commission shall award, to the extent funds are made available, an Oregon
36 Achievement Grant to any qualified student who:

37 (a) Commences at least half-time study toward a degree at the eligible post-secondary institution
38 within three years of high school graduation; and

39 (b) [*Has received a Certificate of Initial Mastery or,*] While a resident of Oregon, has scored at
40 or above a level on a nationally recognized college admissions test as determined by the Oregon
41 Student Assistance Commission.

42 (2) Any qualified student receiving an Oregon Achievement Grant under subsection (1) of this
43 section must use the grant for the purpose of study in an eligible program, as defined by rule of the
44 Oregon Student Assistance Commission, at an eligible post-secondary institution.

45 (3) The Oregon Student Assistance Commission may not award an Oregon Achievement Grant

1 to a qualified student who is enrolled in a course of study required for and leading to a degree in
2 theology, divinity or religious education.

3 (4) Each Oregon Achievement Grant shall be renewed yearly provided that the recipient has
4 maintained satisfactory progress toward a first associate or baccalaureate degree as determined by
5 the Oregon Student Assistance Commission.

6 (5) Notwithstanding subsection (4) of this section, no Oregon Achievement Grant shall be re-
7 newed after a qualified student has reached the number of credit hours required to graduate with
8 a baccalaureate degree at the institution the student is attending.

9 **SECTION 40.** (1) **ORS 329.035, 329.077, 329.215, 329.225, 329.237, 329.245, 329.405, 329.445,**
10 **329.447, 329.465, 329.467, 329.475, 329.537, 329.545, 329.555, 329.565, 329.570, 329.575, 329.585,**
11 **329.595, 329.600, 329.605, 329.685, 329.690, 329.695, 329.700, 329.709, 329.715, 329.735, 329.745,**
12 **329.855, 329.905, 329.915, 329.920, 329.925, 329.930, 329.950 and 329.975 are repealed.**

13 (2) **Section 7, chapter 660, Oregon Laws 1995, is repealed.**

14 (3) **Section 27, chapter 660, Oregon Laws 1995, as amended by section 2, chapter 353,**
15 **Oregon Laws 1997, and section 16, chapter 303, Oregon Laws 2003, is repealed.**

16 **SECTION 41.** The amendments to **ORS 285A.075, 285A.090, 327.023, 327.297, 327.506,**
17 **329.007, 329.015, 329.025, 329.045, 329.075, 329.085, 329.095, 329.105, 329.115, 329.160, 329.165,**
18 **329.183, 329.190, 329.195, 329.200, 329.228, 329.255, 329.265, 329.415, 329.451, 329.485, 329.675,**
19 **329.704, 329.830, 329.860, 329.885, 332.114, 336.113, 338.115, 339.505, 341.009, 342.845, 348.183 and**
20 **348.186 and section 3, chapter 827, Oregon Laws 2005, by sections 1 to 22 and 24 to 39 of this**
21 **2007 Act and the repeal of ORS 329.035, 329.077, 329.215, 329.225, 329.237, 329.245, 329.405,**
22 **329.445, 329.447, 329.465, 329.467, 329.475, 329.537, 329.545, 329.555, 329.565, 329.570, 329.575,**
23 **329.585, 329.595, 329.600, 329.605, 329.685, 329.690, 329.695, 329.700, 329.709, 329.715, 329.735,**
24 **329.745, 329.855, 329.905, 329.915, 329.920, 329.925, 329.930, 329.950 and 329.975 and sections 7 and**
25 **27, chapter 660, Oregon Laws 1995, by section 40 of this 2007 Act first apply to the 2008-2009**
26 **school year.**

27 **SECTION 42.** (1) **The Department of Education shall contract with a nonprofit entity to**
28 **administer a nationally normed assessment, in collaboration with the department, to all**
29 **students in grade 10 who are enrolled in a public school. The purpose of the assessment is**
30 **to predict the success of students on, and provide practice for students taking, college en-**
31 **trance exams.**

32 (2) **The department shall base the selection of the contractor under subsection (1) of this**
33 **section on all of the following criteria:**

34 (a) **The contractor must be able to provide to the department statewide data containing**
35 **the results of the assessment;**

36 (b) **The contractor shall provide an assessment that:**

37 (A) **Identifies students with high potential to excel in advanced placement (AP) or other**
38 **honors courses based on a research-based correlation of scores on the grade 10 assessment**
39 **to advanced placement examinations;**

40 (B) **Examines students in mathematics, reading and writing; and**

41 (C) **Provides results that can be used by Oregon's higher education institutions to recruit**
42 **students to attend college;**

43 (c) **The contractor must be able to supply schools with an item-by-item analysis of stu-**
44 **dent performance on the assessment; and**

45 (d) **The contractor must be able to make available to each student taking the assessment**

1 **a free career assessment and online exploration of colleges and career opportunities.**

2 **(3) Notwithstanding subsection (1) of this section, the department may allow the con-**
3 **tractor to waive the tests for specific groups of students.**

4 **SECTION 43. The Department of Education shall enter into a contract under section 42**
5 **of this 2007 Act to first provide an assessment during the 2008-2009 school year.**

6 **SECTION 44.** ORS 327.008, as amended by section 6a, chapter 803, Oregon Laws 2005, is
7 amended to read:

8 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist
9 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education
10 Stability Fund. The State School Fund is continuously appropriated to the Department of Education
11 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,
12 327.355, 327.357, 327.360, 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961.

13 (2) There shall be apportioned from the State School Fund to each school district a State School
14 Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant
15 and a transportation grant and a high cost disabilities grant minus local revenue, computed as pro-
16 vided in ORS 327.013.

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

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

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

23 (6) A school district may not use the portion of the State School Fund grant that is attributable
24 to the facility grant for capital construction costs.

25 (7) The total amount of the State School Fund that is distributed as facility grants may not ex-
26 ceed \$25 million in any biennium. If the total amount to be distributed as facility grants exceeds this
27 limitation, the Department of Education shall prorate the amount of funds available for facility
28 grants among those school districts that qualified for a facility grant.

29 (8) Each fiscal year, the Department of Education shall transfer the amount of \$12 million from
30 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

31 (9) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from
32 the State School Fund to the Small School District Supplement Fund established in ORS 327.360.

33 **(10) Each fiscal year, the Department of Education may expend up to \$550,000 from the**
34 **State School Fund for the contract described in section 42 of this 2007 Act. The amount**
35 **distributed to education service districts from the State School Fund under this section and**
36 **ORS 327.019 shall be reduced by the amount expended by the department under this sub-**
37 **section.**

38 **SECTION 45. The amendments to ORS 327.008 by section 44 of this 2007 Act apply to**
39 **State School Fund distributions commencing with the 2007-2008 distribution.**

40 **SECTION 46.** ORS 328.542 is amended to read:

41 328.542. Subject to the Local Budget Law (ORS 294.305 to 294.565) and to sections 11 and 11b,
42 Article XI, Oregon Constitution, each school district board shall prepare annually **or biennially** the
43 budget of the school district and shall certify ad valorem property taxes to the assessor as provided
44 by law.

45 **SECTION 47.** ORS 346.010 is amended to read:

1 346.010. (1) Pursuant to rules of the State Board of Education, the Superintendent of Public In-
2 struction shall provide free training and education services [*for deaf or blind children, or children*
3 *who are both deaf and blind,*] in facilities located in Marion County **for children who are blind or**
4 **deaf.**

5 (2) The Superintendent of Public Instruction shall [*indicate*] **make recommendations to the**
6 **Legislative Assembly about** which facilities shall serve as the school for the deaf and **which fa-**
7 **cilities shall serve as** the school for the blind. [*The superintendent may order a change in all or part*
8 *in the purpose and use of facilities available under this section whenever the superintendent determines*
9 *that a change in purpose and use will better enable the state to meet its responsibilities for the educa-*
10 *tion and training of deaf or blind children, or children who are both deaf and blind.*] **The recom-**
11 **mendations may include recommendations about:**

12 (a) **The location of the schools;**

13 (b) **The sale or transfer of property that serves as the school for the blind or the school**
14 **for the deaf; and**

15 (c) **Other matters relating to the school for the blind or the school for the deaf.**

16 (3) The facilities shall be operated primarily for the provision of education and training services
17 for children [*with sensory disabilities*] **who are blind or deaf** who cannot be efficiently served [*under*
18 *the provisions of ORS chapter 343*] **in other schools or programs.**

19 **SECTION 48. This 2007 Act being necessary for the immediate preservation of the public**
20 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
21 **on its passage.**

22 _____