

# Enrolled Senate Bill 211

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CHAPTER .....

AN ACT

Relating to school finance; creating new provisions; amending ORS 327.008; and declaring an emergency.

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

**SECTION 1.** ORS 327.008, as amended by section 6a, chapter 803, Oregon Laws 2005, is amended to read:

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

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

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

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

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

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

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

(8) Each fiscal year, the Department of Education shall transfer the amount of [~~\$12~~] **\$18** million from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

**SECTION 2.** The amendments to ORS 327.008 by section 1 of this 2007 Act apply to State School Fund distributions commencing with the 2007-2008 distribution.

**SECTION 3.** This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect July 1, 2007.

**Passed by Senate March 20, 2007**

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Secretary of Senate

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President of Senate

**Passed by House June 8, 2007**

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Speaker of House

**Received by Governor:**

.....M,....., 2007

**Approved:**

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Governor

**Filed in Office of Secretary of State:**

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Secretary of State