

**D-Engrossed**  
**Senate Bill 550**

Ordered by the House June 25  
Including Senate Amendments dated May 30 and June 21 and House  
Amendments dated June 23 and June 25

Sponsored by COMMITTEE ON FINANCE AND REVENUE

**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.

Extends sunset on distribution of federal funds to school districts under Secure Rural Schools and Community Self-Determination Act of 2000.

*[Requires State School Fund grant of education service district to equal \$1 million or more when combined with local revenues of district.]*

*[Directs legislative interim committees to conduct study of adequacy of funding of small school districts and small education districts.]*

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to school finance; creating new provisions; amending sections 1 and 2, chapter 958, Oregon  
3 Laws 2001; and declaring an emergency.

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

5 **SECTION 1.** Section 1, chapter 958, Oregon Laws 2001, as amended by section 19, chapter 226,  
6 Oregon Laws 2003, is amended to read:

7 **Sec. 1.** (1) The purpose of this section is to ensure that school districts receive a percentage  
8 of amounts received by the state under the Secure Rural Schools and Community Self-Determination  
9 Act of 2000 (P.L. 106-393).

10 (2) The Oregon Department of Administrative Services shall distribute all sums received by the  
11 state pursuant to section 102(a)(2), (c)(1) and (d)(1)(A), P.L. 106-393, **or based on P.L. 106-393**, to  
12 counties in the same manner as are sums derived from forest reserve rentals, sales of timber and  
13 other sources from forest reserves under ORS 293.560. The department shall ensure that, of the total  
14 amount distributed to all counties in any fiscal year, the percentage distributed to each county in  
15 any fiscal year is the same as the county's percentage share of all payments received by the state  
16 during the eligibility period described in section 3(2), P.L. 106-393.

17 (3) A county that receives funds from the department pursuant to subsection (2) of this section  
18 as the county's share of federal funds distributed under P.L. 106-393 shall deposit 25 percent of those  
19 funds in the county school fund or shall deposit an amount as specified in ORS 294.060 (3) to (6).

20 (4) Pursuant to ORS 328.015, amounts in the county school fund shall be distributed to the  
21 school districts in the county based on the resident average daily membership of the school districts.

22 **SECTION 2.** Section 2, chapter 958, Oregon Laws 2001, is amended to read:

23 **Sec. 2.** Section 1 *[of this 2001 Act]*, **chapter 958, Oregon Laws 2001**, is repealed on July 1,  
24 **[2007] 2013.**

25 **SECTION 3. If this 2007 Act does not become effective until after July 1, 2007, the**

**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 amendments to section 2, chapter 958, Oregon Laws 2001, by section 2 of this 2007 Act revive  
2 section 1, chapter 958, Oregon Laws 2001. If this 2007 Act does not become effective until  
3 after July 1, 2007, this 2007 Act shall be operative retroactively to that date, and the opera-  
4 tion and effect of section 1, chapter 958, Oregon Laws 2001, shall continue unaffected from  
5 July 1, 2007, to the effective date of this 2007 Act and thereafter. Any otherwise lawful action  
6 taken or otherwise lawful obligation incurred under the authority of section 1, chapter 958,  
7 Oregon Laws 2001, after July 1, 2007, and before the effective date of this 2007 Act, is ratified  
8 and approved.

9 SECTION 4. This 2007 Act being necessary for the immediate preservation of the public  
10 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect  
11 on its passage.  
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