

# Senate Bill 609

Sponsored by Senator NELSON, Representative G SMITH; Senator FERRIOLI, Representative DALLUM

## 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 **as introduced**.

Directs three education service districts to form Frontier Education Outpost through intergovernmental agreement. Specifies duties of outpost and method of determining administrative office of outpost. Requires each member district of outpost to provide minimum funding amount for administration of outpost.

Specifies minimum amount of general purpose grant from State School Fund for member districts.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to education service districts; creating new provisions; amending ORS 327.019 and 334.177;  
3 and declaring an emergency.

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

5 **SECTION 1. Sections 2 and 3 of this 2007 Act are added to and made a part of ORS**  
6 **chapter 334.**

7 **SECTION 2. (1) The North Central Education Service District, the Wallowa County Edu-**  
8 **cation Service District and the Grant County Education Service District shall enter into an**  
9 **intergovernmental agreement to form the Frontier Education Outpost and shall constitute**  
10 **the member districts of the outpost.**

11 **(2) At least once every five years, the education service district boards of the member**  
12 **districts shall vote to determine the location of the administrative office of the outpost. The**  
13 **administrative office of the outpost shall be in a location agreed to by two or more of the**  
14 **boards.**

15 **(3) The outpost shall:**

16 **(a) Provide a single point of contact with the member districts and a single source of**  
17 **aggregated database information for the purpose of facilitating communications efficiency**  
18 **and effectiveness between state agencies and the member districts;**

19 **(b) Ensure that all member districts are compliant with this chapter and other state and**  
20 **federal laws;**

21 **(c) Coordinate services among the member districts;**

22 **(d) Provide sufficient capacity to meet or exceed any reasonable requirements of any**  
23 **public body, as defined in ORS 174.109;**

24 **(e) Provide sufficient capacity to be eligible for grants and contracts with the Depart-**  
25 **ment of Education;**

26 **(f) Notwithstanding ORS 334.690, be the boundary board for any proposal that involves**  
27 **only the member districts; and**

28 **(g) Other services agreed to by the member districts.**

**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       **SECTION 3.** (1) The education service districts listed in section 2 of this 2007 Act shall  
 2 enter into the intergovernmental agreement required by section 2 of this 2007 Act prior to  
 3 July 1, 2007.

4       (2) Notwithstanding section 2 (2) of this 2007 Act, the Wallowa County Education Service  
 5 District shall be responsible for the first administrative office of the Frontier Education  
 6 Outpost.

7       **SECTION 4.** ORS 334.177 is amended to read:

8       334.177. (1) An education service district board shall expend at least 90 percent of all amounts  
 9 received from the State School Fund and at least 90 percent of all amounts considered to be local  
 10 revenues of an education service district, as defined in ORS 327.019, on services or programs that  
 11 have been approved by the component school districts of the education service district through the  
 12 resolution process described in ORS 334.175.

13       (2) An education service district board of a district that is a member district of the  
 14 Frontier Education Outpost under section 2 of this 2007 Act shall expend no less than \$10,000  
 15 per fiscal year on the operation of the outpost. Moneys expended under this subsection shall  
 16 be included in the calculation of the minimum funding amount required by subsection (1) of  
 17 this section.

18       **SECTION 5.** The amendments to ORS 334.177 by section 4 of this 2007 Act apply to fiscal  
 19 years beginning on or after July 1, 2007.

20       **SECTION 6.** ORS 327.019 is amended to read:

21       327.019. (1) As used in this section:

22       (a) "Education service district extended ADMw" means the sum of the extended ADMw of the  
 23 component school districts of the education service district as computed under ORS 327.013.

24       (b) "Local revenues of an education service district" means the total of the following:

25       (A) The amount of revenue offset against local property taxes as determined by the Department  
 26 of Revenue under ORS 311.175 (3)(a)(A);

27       (B) The amount of property taxes actually received by the district including penalties and in-  
 28 terest on taxes;

29       (C) The amount of revenue received by the district from state-managed forestlands under ORS  
 30 530.115 (1)(b) and (c); and

31       (D) Any positive amount obtained by subtracting the operating property taxes actually imposed  
 32 by the district based on the rate certified pursuant to ORS 310.060 from the amount that would have  
 33 been imposed by the district if the district had certified the maximum rate of operating property  
 34 taxes allowed by law.

35       (2) Each fiscal year, the Superintendent of Public Instruction shall calculate a State School Fund  
 36 grant for each education service district as provided in this section.

37       (3)(a) Each fiscal year, the superintendent shall calculate the total amount appropriated or al-  
 38 located to the State School Fund and available for distribution to school districts, education service  
 39 districts and programs + total amount of local revenues of all school districts, computed as provided  
 40 in ORS 327.013, + total amount of local revenues of all education service districts. The super-  
 41 intendent may not include in the calculation under this paragraph amounts recovered by the De-  
 42 partment of Education from the State School Fund under ORS 343.243.

43       (b) The superintendent shall multiply the amount calculated under paragraph (a) of this sub-  
 44 section by 95.25 percent.

45       (c) Based on the amount calculated under paragraph (b) of this subsection, the superintendent

1 shall calculate a funding percentage to distribute as nearly as practicable under ORS 327.006 to  
 2 327.133, 327.348, 327.355, 327.357 and 327.360 the total amount calculated under paragraph (b) of this  
 3 subsection as school district general purpose grants, facility grants, high cost disabilities grants and  
 4 transportation grants to school districts.

5 (d) Based on the funding percentage calculated under paragraph (c) of this subsection, the su-  
 6 perintendent shall calculate the general purpose grant, facility grant, transportation grant and high  
 7 cost disabilities grant amounts for each school district.

8 (4) The general services grant for an education service district shall equal the higher of:

9 (a) Total amount calculated under subsection (3)(d) of this section for the component school  
 10 districts of the education service district  $\times (4.75 \div 95.25)$ ; or

11 (b) \$950,000, **or \$1 million if the education service district is a member district of the**  
 12 **Frontier Education Outpost under section 2 of this 2007 Act.**

13 (5) Subject to subsection (6) of this section, the State School Fund grant for an education service  
 14 district = general services grant – local revenues of the education service district.

15 (6)(a) After completing the calculations under subsections (2) to (5) of this section, the Super-  
 16 intendent of Public Instruction shall apportion from the State School Fund to each education service  
 17 district an amount = (funding percentage  $\times$  general services grant) – local revenues of the educa-  
 18 tion service district.

19 (b) The funding percentage used in paragraph (a) of this subsection shall be calculated by the  
 20 superintendent to distribute as nearly as practicable the total amount available for distribution to  
 21 education service districts from the State School Fund for each fiscal year.

22 (7) Notwithstanding subsections (5) and (6) of this section, the State School Fund grant of an  
 23 education service district may not be less than zero.

24 (8) An education service district shall distribute to its component school districts any amount  
 25 of local revenues of the education service district that is greater than the general services grant.  
 26 The amount that each component school district receives under this subsection shall be prorated  
 27 based on the district extended ADMw of each school district.

28 **SECTION 7. The amendments to ORS 327.019 by section 6 of this 2007 Act apply to State**  
 29 **School Fund distributions commencing with the 2007-2008 distribution.**

30 **SECTION 8. This 2007 Act being necessary for the immediate preservation of the public**  
 31 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**  
 32 **on its passage.**

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