

REVENUE: Revenue statement issued
FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed
Vote: 5 - 0 - 0
Yeas: Bonamici, Kruse, Metsger, Morse, Hass
Nays: 0
Exc.: 0
Prepared By: Dana Richardson, Administrator
Meeting Dates: 3/9

WHAT THE MEASURE DOES: Clarifies distribution and expenditure of certain amounts of local revenues received by component school districts of education service districts. Includes 2008-2009 school year distribution of certain amounts of local revenues. Declares emergency; effective July 1, 2009.

ISSUES DISCUSSED:

- Conflict between statutes
- Windfall to component school districts
- Impact on State School Fund
- Avoidance of litigation

EFFECT OF COMMITTEE AMENDMENT: Includes 2008-09 school year distribution of certain amounts of local revenues.

BACKGROUND: This measure seeks to resolve a conflict in statute, specifically ORS 327.019 and ORS 334.177, regarding education service districts' excess revenue. The Department of Education has indicated that enactment of the measure will prevent the possibility that school districts that receive more local revenue than they are paid through the state funding formula will have to pay back funds distributed from the State School Fund.