

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 441

STATUS: A-Engrossed

SUBJECT: Exempting school districts and the Department of Education from certain reporting and other requirements

GOVERNMENT UNIT AFFECTED: Department of Education, local education agencies (school districts)

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DATE: April 30, 2009

2009-2011

2011-2013

EXPENDITURES:

See analysis

EFFECTIVE DATE: July 1, 2009

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: Senate Bill 441 exempts school districts from several requirements during the 2009-11 biennium. Specifically, the measure provides that school districts are relieved from the requirements to: (a) provide information used by the Department of Education (ODE) in conducting evaluations on the use of School Improvement Funds; (b) provide information used by ODE to issue school district and school performance reports; (c) make alternative placements available to students who don't meet academic standards; (d) collect data and report on physical education provided to students; (e) provide alcohol and drug abuse prevention programs; (f) purchase instructional materials for the time periods prescribed by ODE; (g) provide information used by ODE for the Expanded Options Program; (h) provide a minimum salary for substitute teachers and pay substitute teachers for less than one-half day; (i) identify talented and gifted students and provide them with education programs and services; (j) provide a minimum amount of instructional time each day or a minimum number of instructional days each school year; (k) provide guidance and counseling programs; (l) provide media programs; (m) comply with class size restrictions imposed by ODE; (n) participate in surveys conducted by ODE with respect to readiness of children to enter kindergarten; and (o) comply with state standards under certain circumstances. ODE is also exempted from several requirements during the 2009-11 biennium.

There is an indeterminate fiscal impact to ODE and to school districts as a result of the exemption from requirements for the 2009-11 biennium. The measure exempts ODE from the requirement to issue school district and school performance reports and exempts school districts from the requirement to provide information used for the reports. Under federal law the districts are required to file the reports; however the majority of states (as is currently practiced in Oregon) create the reports for the districts and the districts are responsible for the dissemination. ODE currently takes the lead in developing the reports as portions of the reports require comparisons to the rest of the state and data that is available on the state level, but not the district level. If ODE did not create the reports, the districts would incur the costs to do it. However, ODE anticipates that this change won't result in any measurable reduction in the workload of its staff as the department is required to collect and report certain elements as part of the No Child Left Behind (NCLB) Act.

The measure also makes a change to the way a school district provides parents information about the district and school performance reports, however this may not meet the requirements of NCLB. Currently, each school district is required to send a copy of the school district and school performance reports to each parent of a child enrolled at a public school. The measure changes this process to provide that a school district must only notify parents that the performance reports are available on the ODE website and will send the reports only if requested by the parents. Section 1111 (Title 1) states that local educational agencies (LEAs) are required to prepare and disseminate an annual LEA report card and provides for the required elements of that performance report. There are no specific requirements within federal law for all school districts and schools to mail these reports to parents. However, the failure to provide a school district or school performance report for some schools would be a finding of non-compliance with federal law. Under federal law, Title 1 schools that don't meet adequate yearly progress would still need to fulfill federal legal requirements to provide written notice and could not disseminate the reports on the ODE website. The requirement to issue the written reports is not a requirement for every school and would vary on a school-by-school basis. If school districts that are required by federal law to submit written reports do not comply, the consequence may be a loss of some or all funding for several different NCLB programs. The school districts that can move to a less costly form of report dissemination will incur an indeterminate amount of savings, which again will vary by district.

The measure exempts ODE from the requirement to conduct evaluations related to funds received from the School Improvement Fund and exempts school districts from the requirement to provide the information used by ODE for these evaluations. The measure also requires school districts to submit a local district continuous improvement plan (CIP) *only* when a new local goal or changes to an existing local goal occur. Currently, school districts are required to submit CIPs every two years and they use them to assist in planning, goal setting, continuous progress checking, and revision processes. ODE uses the CIPs to monitor school district improvement strategies and reviews them against a set of quality criteria. Currently, as part of the CIP, school districts submit a plan of accountability for how they use their federal funds. ODE anticipates that not requiring school districts to update and submit their CIPs could put ODE out of compliance with NCLB and could also jeopardize how school districts spend federal stimulus money that they are getting from Title 1 and the Individuals with Disabilities Education Act (IDEA).

In addition to the exemption from the reporting requirements addresses above, school districts wouldn't be required to report how many minutes of physical education they teach or measure whether kindergartners enter school ready to learn. The staff time that school districts devote to fulfilling reporting requirements varies by district; Corvallis School District reports that it devotes 0.30 FTE while Scio School District reports that it devotes 0.50 FTE to school reporting requirements. School districts anticipate some savings will be incurred as a result of an exemption from some of the reporting requirements; however they could not quantify the savings.

Under the measure school districts would not be required to provide guidance and counseling programs, provide services to gifted students, provide anti-substance abuse lessons, or demonstrate compliance with state standards under certain circumstances. The staff time that districts devote to these services varies as the student populations vary. School districts contacted by the Legislative Fiscal Office (LFO) report that this measure serves to establish flexibility at the local level for school districts to respond to the budget environment that they will be facing during the 2009-11 biennium. These districts report that they will save staff time and resources that they can redirect to other education priorities. Although this measure allows school districts more flexibility, it may not change the way some school districts operate. Some school districts may choose to continue offering services that this measure exempts them from.

Some of the requirement exemptions associated with this bill aren't expected to result in any measurable savings for school districts. It is not anticipated that school districts will incur savings as a result of the exemption of school districts from providing a minimum amount of instruction each day and each year. Currently, there is no requirement in Oregon that a school district must have a minimum number of instructional days; the existing requirements in Oregon address how long the calendar of the school year is and a minimum number of instructional hours by grade level (for example grades 9-12 need 990 hours of instructional time throughout the course of the year). The provision of the bill would suspend Oregon's minimum number of instructional hours by grade level requirement; however the Superintendent already has the authority to allow districts to be out of compliance with the minimal instructional hour's provision for up to two school years. Another provision that may not result in savings for school districts is the exemption from providing guidance and counseling programs. If a school didn't offer guidance and counseling programs and a student's Individual Education Plan (IEP) were to require these services, a school district could potentially be required to contract for these services. School districts are also exempted from any restrictions on the size of classes imposed by the State Board of Education. Currently, there are no laws or rules around class size. ODE reports that this is a local issue for school districts to allocate resources to decide how large their classes should be.

Finally, the measure specifies that school districts are not required to purchase instructional materials for the time periods prescribed by the State Board of Education. This provision may result in materials publishers not participating in the state selection process which could lead to a decrease in the fees paid to ODE by publishers. It is not known how this exemption will align with the instructional material needs of the districts and affect their buying patterns.