

House Bill 2533

Sponsored by Representative HUFFMAN; Representatives BENTZ, CAMERON, ESQUIVEL, FREEMAN, GARRARD, GILMAN, KRIEGER, MAURER, OLSON, THATCHER, THOMPSON, WEIDNER, WHISNANT

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 Department of Education to award grants to remote and necessary school districts. Establishes Remote and Necessary School District Fund. Continuously appropriates moneys in fund to department for grants.

Sunset June 30, 2011.

Appropriates moneys from General Fund to department for grants.

Declares emergency, effective July 1, 2009.

A BILL FOR AN ACT

1
2 Relating to school finance; appropriating money; and declaring an emergency.

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

4 **SECTION 1. The Remote and Necessary School District Fund is established in the State**
5 **Treasury, separate and distinct from the General Fund. Moneys in the Remote and Neces-**
6 **sary School District Fund are continuously appropriated to the Department of Education to**
7 **award grants as provided under section 2 of this 2009 Act.**

8 **SECTION 2. (1) As used in this section, "remote and necessary school district" means a**
9 **school district that offers kindergarten through grade 12 and has:**

10 (a) **An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal**
11 **year of less than 110; and**

12 (b) **A school that is located, by the nearest traveled road, more than 20 miles from the**
13 **nearest school or from a city with a population of more than 5,000.**

14 (2) **Each fiscal year, the Department of Education shall award grants to remote and**
15 **necessary school districts that qualify for a grant based on the need level of the district. The**
16 **department shall determine the need level of a remote and necessary school district by con-**
17 **sidering the information submitted under subsection (3) of this section.**

18 (3) **To qualify for a grant under this section, a remote and necessary school district must**
19 **submit to the department:**

20 (a) **The budget of the district for the fiscal year for which the grant is requested; and**

21 (b) **A plan for using the requested grant moneys.**

22 (4)(a) **A grant awarded under this section may not exceed the lesser of:**

23 (A) **\$200,000;**

24 (B) **The difference between the general fund operating costs of the remote and necessary**
25 **school district and the total of the grants received by the district from the State School**
26 **Fund; or**

27 (C) **An amount equal to the remote and necessary school district's percentage of the**
28 **Remote and Necessary School District Fund.**

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 **(b) For the purpose of this subsection, a remote and necessary school district's percent-**
2 **age of the Remote and Necessary School District Fund is equal to the total amount available**
3 **in the fund each fiscal year for grants divided by the number of remote and necessary school**
4 **districts that qualified for a grant in that fiscal year.**

5 **(5) The State Board of Education may adopt rules to implement this section.**

6 **SECTION 3. Sections 1 and 2 of this 2009 Act are repealed on June 30, 2011.**

7 **SECTION 4. Any moneys remaining in the Remote and Necessary School District Fund**
8 **on June 30, 2011, shall be transferred to the General Fund.**

9 **SECTION 5. There are appropriated to the Department of Education, out of the General**
10 **Fund, for the Remote and Necessary School District Fund, the following amounts:**

11 **(1) For the fiscal year beginning July 1, 2009, the amount of \$2.2 million.**

12 **(2) For the fiscal year beginning July 1, 2010, the amount of \$2.2 million.**

13 **SECTION 6. This 2009 Act being necessary for the immediate preservation of the public**
14 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
15 **July 1, 2009.**