

**A-Engrossed
Senate Bill 64**

Ordered by the Senate March 13
Including Senate Amendments dated March 13

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Superintendent of Public Instruction Susan Castillo for Department of Education)

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.

Clarifies distribution and expenditure of certain amounts of local revenues received by component school districts of education service districts.

Declares emergency, effective July 1, 2009.

A BILL FOR AN ACT

1
2 Relating to school finance; creating new provisions; amending ORS 334.177; and declaring an emer-
3 gency.

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

5 **SECTION 1.** ORS 334.177 is amended to read:

6 **334.177. (1) As used in this section, "local revenues of an education service district" has**
7 **the meaning given that term in ORS 327.019 but does not include any local revenues distrib-**
8 **uted to component school districts under ORS 327.019 (8).**

9 *[(1)]* **(2)** An education service district board shall expend at least 90 percent of all amounts re-
10 ceived from the State School Fund and at least 90 percent of all amounts considered to be local
11 revenues of an education service district^[, as defined in ORS 327.019,] on services or programs that
12 have been approved by the component school districts of the education service district through the
13 resolution process described in ORS 334.175.

14 *[(2)]* **(3)** An education service district board shall expend 100 percent of all amounts received
15 from the School Improvement Fund on services or programs that have been approved by the com-
16 ponent school districts of the education service district through the resolution process described in
17 ORS 334.175.

18 **SECTION 2.** Section 3 of this 2009 Act is added to and made a part of ORS 327.006 to
19 **327.133.**

20 **SECTION 3.** Notwithstanding ORS 327.013 (10)(j), for the 2003-2004, 2004-2005, 2005-2006,
21 **2006-2007, 2007-2008 and 2008-2009 fiscal years, local revenues of a school district under ORS**
22 **327.013 (10) do not include amounts distributed to the school district in the prior fiscal year**
23 **under ORS 327.019 (8) or section 4 (3), chapter 695, Oregon Laws 2001.**

24 **SECTION 4.** Any distribution or expenditure of any local revenues described in ORS
25 **327.019 (8) by an education service district that was made before the effective date of this**
26 **2009 Act and that was considered to be valid under ORS 327.019 (8) or 334.177 (1) before 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 **effective date of this 2009 Act is validated and approved.**

2 **SECTION 5. This 2009 Act being necessary for the immediate preservation of the public**
3 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
4 **July 1, 2009.**

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