

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	10 - 0 - 0
<b>Yeas:</b>	Dembrow, Harker, Huffman, Komp, Maurer, Roblan, Sprenger, Thatcher, VanOrman, Gelser
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Dana Richardson, Administrator
<b>Meeting Dates:</b>	2/15, 2/19

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**WHAT THE MEASURE DOES:** Extends sunset on pilot education service districts (ESDs) to June 30, 2013. Provides for staggering of terms for directors. Stipulates that employees employed by an ESD that is reorganized become employees of the new ESD and that such employees retain seniority, accumulated sick leave, and vacation leave from previous ESD. Specifies that obligations of ESD that is reorganized become obligations of the new ESD. Declares emergency; effective upon passage.

**ISSUES DISCUSSED:**

- Option of extending sunset rather than making change permanent
- Governance structure of pilot ESDs
- Role of ESD board and board directors
- Impact if measure is not passed
- Cost savings of appointing versus electing directors
- Need for broader discussion on ESDs

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the measure.

**BACKGROUND:** House Bill 3184 (2005) established a pilot program for a revised governance structure for three existing education service districts (ESDs). High Desert ESD, Willamette ESD, and Northwest Regional ESD were selected to pilot the governance reform portion of the new law. The reform entailed modifying each district's board membership to include five directors elected by the boards of the component school districts and representing geographic zones, as well as appointment of four additional directors by the five elected directors. The election of board directors for the "pilot ESDs," as they came to be known, was modified to stagger the completion of terms of board directors by Senate Bill 755 (2007). The pilot ESD structure was scheduled to sunset June 30, 2010.