

A-Engrossed
Senate Bill 988

Ordered by the Senate February 12
Including Senate Amendments dated February 12

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 Senate Interim Committee on Education and General Government)

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.

[Creates Task Force on School Reform. Directs task force to study reform of kindergarten through grade 12 public education and make recommendations for reform.]

Specifies that foreign exchange students who reside in Oregon in dormitory operated by school district are residents of school district in which dormitory is located. Applies to 2009-2010 and 2010-2011 school years. Sunsets on July 1, 2011.

Adds school districts to public agencies that may finance treatment works.

Adds Oregon prekindergarten program providers to pilot project that assists certain programs in adopting and implementing health literacy program.

Authorizes school districts and education service districts to enter into funds diversion agreement with Department of Education for purpose of making debt service payments on qualified revenue bonds. Sunsets June 30, 2029.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to education; creating new provisions; amending ORS 339.133 and 468.423 and section 1,
3 chapter 573, Oregon Laws 2009; and declaring an emergency.

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

5 **SECTION 1.** ORS 339.133 is amended to read:

6 339.133. (1) Except as provided in subsection (3), (4), (5), [*or*] (7) **or** (8) of this section, children
7 between the ages of 4 and 18 shall be considered resident for school purposes in the school district
8 in which their parents, their guardians or persons in parental relationship to them reside.

9 (2) Nonemancipated individuals between the ages of 4 and 18 living outside the geographic area
10 of the school district for such reasons as attending college, military service, hospital confinement
11 or employment away from home shall be considered resident in the district in which their parents,
12 their guardians or persons in parental relationship to them reside.

13 (3) Individuals considered legally emancipated from their parents shall be considered resident
14 in the district in which they actually reside, irrespective of the residence of their parents, their
15 guardians or persons in parental relationship.

16 (4) Children placed by public or private agencies who are living in licensed, certified or ap-
17 proved substitute care programs shall be considered resident in the school district in which they
18 reside because of placement by a public or private agency.

19 (5)(a) Notwithstanding subsection (4) of this section, when a juvenile court determines that it is
20 in a child's best interest to continue to attend the school that the child attended prior to placement
21 by a public agency, the child:

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 (A) Shall be considered resident for school purposes in the school district in which the child
2 resided prior to the placement; and

3 (B) May continue to attend the school the child attended prior to the placement through the
4 highest grade level of the school.

5 (b) The public agency that has placed the child shall be responsible for providing the child with
6 transportation to and from school when the need for transportation is due to the placement by the
7 public agency.

8 (c) Paragraph (b) of this subsection applies only to a public agency for which funds have been
9 designated for the specific purpose of providing a child with transportation to and from school under
10 this subsection.

11 (6) Persons living temporarily in a school district for the primary purpose of attending a district
12 school may not be considered resident in the district in which they are living temporarily, but shall
13 be considered resident in the district in which they, their parents, their guardians or persons in
14 parental relationship to them maintain residency.

15 (7) Except as provided in ORS 327.006 (7) and 335.090, persons whose legal residence is not
16 within the district but who attend school in the district with the written consent of the affected
17 district school boards shall be considered to be residents in the district in which the persons attend
18 school for purposes of the receipt by that district of State School Fund moneys for those persons.

19 **(8)(a) Children who are foreign exchange students and who are residing in Oregon in a
20 dormitory operated by a school district are considered residents of the school district in
21 which the dormitory is located.**

22 **(b) For the purpose of this subsection, a child may not be considered to be a foreign ex-
23 change student for more than one school year.**

24 **(c) As used in this subsection, "foreign exchange student" means a student who attends
25 school in Oregon under a cultural exchange program and whose parent, guardian or person
26 in parental relationship resides in another country.**

27 [(8)] (9) For the purposes of this section:

28 (a) "Person in parental relationship" means an adult who has physical custody of a child or re-
29 sides in the same household as the child, interacts with the child daily, provides the child with food,
30 clothing, shelter and incidental necessities and provides the child with necessary care, education
31 and discipline. "Person in parental relationship" does not mean a person with a power of attorney
32 or other written delegation of parental responsibilities if the person does not have other evidence
33 of a parental relationship.

34 (b) "Substitute care program" means family foster care, family group home care, parole foster
35 care, family shelter care, adolescent shelter care and professional group care.

36 **SECTION 2. (1) The amendments to ORS 339.133 by section 1 of this 2010 Act apply to the
37 2009-2010 and 2010-2011 school years.**

38 **(2) Notwithstanding ORS 327.095 (1), the Department of Education shall adjust the dis-
39 tributions to school districts made during the fiscal year beginning July 1, 2009, to distribute
40 any additional funds that may be available to a school district as the result of the amend-
41 ments to ORS 339.133 by section 1 of this 2010 Act.**

42 **SECTION 3.** ORS 339.133, as amended by section 1 of this 2010 Act, is amended to read:

43 339.133. (1) Except as provided in subsection (3), (4), (5)[,] **or** (7) [or (8)] of this section, children
44 between the ages of 4 and 18 shall be considered resident for school purposes in the school district
45 in which their parents, their guardians or persons in parental relationship to them reside.

1 (2) Nonemancipated individuals between the ages of 4 and 18 living outside the geographic area
2 of the school district for such reasons as attending college, military service, hospital confinement
3 or employment away from home shall be considered resident in the district in which their parents,
4 their guardians or persons in parental relationship to them reside.

5 (3) Individuals considered legally emancipated from their parents shall be considered resident
6 in the district in which they actually reside, irrespective of the residence of their parents, their
7 guardians or persons in parental relationship.

8 (4) Children placed by public or private agencies who are living in licensed, certified or ap-
9 proved substitute care programs shall be considered resident in the school district in which they
10 reside because of placement by a public or private agency.

11 (5)(a) Notwithstanding subsection (4) of this section, when a juvenile court determines that it is
12 in a child's best interest to continue to attend the school that the child attended prior to placement
13 by a public agency, the child:

14 (A) Shall be considered resident for school purposes in the school district in which the child
15 resided prior to the placement; and

16 (B) May continue to attend the school the child attended prior to the placement through the
17 highest grade level of the school.

18 (b) The public agency that has placed the child shall be responsible for providing the child with
19 transportation to and from school when the need for transportation is due to the placement by the
20 public agency.

21 (c) Paragraph (b) of this subsection applies only to a public agency for which funds have been
22 designated for the specific purpose of providing a child with transportation to and from school under
23 this subsection.

24 (6) Persons living temporarily in a school district for the primary purpose of attending a district
25 school may not be considered resident in the district in which they are living temporarily, but shall
26 be considered resident in the district in which they, their parents, their guardians or persons in
27 parental relationship to them maintain residency.

28 (7) Except as provided in ORS 327.006 (7) and 335.090, persons whose legal residence is not
29 within the district but who attend school in the district with the written consent of the affected
30 district school boards shall be considered to be residents in the district in which the persons attend
31 school for purposes of the receipt by that district of State School Fund moneys for those persons.

32 [(8)(a) *Children who are foreign exchange students and who are residing in Oregon in a dormitory
33 operated by a school district are considered residents of the school district in which the dormitory is
34 located.*]

35 [(b) *For the purpose of this subsection, a child may not be considered to be a foreign exchange
36 student for more than one school year.*]

37 [(c) *As used in this subsection, "foreign exchange student" means a student who attends school in
38 Oregon under a cultural exchange program and whose parent, guardian or person in parental re-
39 lationship resides in another country.*]

40 [(9)] (8) For the purposes of this section:

41 (a) "Person in parental relationship" means an adult who has physical custody of a child or re-
42 sides in the same household as the child, interacts with the child daily, provides the child with food,
43 clothing, shelter and incidental necessities and provides the child with necessary care, education
44 and discipline. "Person in parental relationship" does not mean a person with a power of attorney
45 or other written delegation of parental responsibilities if the person does not have other evidence

1 of a parental relationship.

2 (b) "Substitute care program" means family foster care, family group home care, parole foster
3 care, family shelter care, adolescent shelter care and professional group care.

4 **SECTION 4. The amendments to ORS 339.133 by section 3 of this 2010 Act become oper-**
5 **ative on July 1, 2011.**

6 **SECTION 5.** ORS 468.423 is amended to read:

7 468.423. As used in ORS 468.423 to 468.440:

8 (1) "Fund" means the Water Pollution Control Revolving Fund established under ORS 468.427.

9 (2) "Public agency" means:

10 (a) A state agency, incorporated city, county, sanitary authority, federally recognized Indian
11 tribal government, **school district**, county service district, sanitary district, metropolitan service
12 district or other special district authorized or required to construct water pollution control facili-
13 ties; or

14 (b) An intergovernmental entity created by units of local government under ORS 190.003 to
15 190.130.

16 (3) "Treatment works" means:

17 (a) The devices and systems used in the storage, treatment, recycling and reclamation of mu-
18 nicipal sewage or industrial wastes of a liquid nature, necessary to recycle or reuse water at the
19 most economical cost over the estimated life of the works. "Treatment works" includes:

20 (A) Intercepting sewers, outfall sewers, sewage collection systems, pumping power and other
21 equipment, and any appurtenance, extension, improvement, remodeling, addition or alteration to the
22 equipment;

23 (B) Elements essential to provide a reliable recycled water supply including standby treatment
24 units and clear well facilities; and

25 (C) Any other acquisitions that will be an integral part of the treatment process or used for
26 ultimate disposal of residues resulting from such treatment, including but not limited to land used
27 to store treated waste water in land treatment systems prior to land application.

28 (b) Any other method or system for preventing, abating, reducing, storing, treating, separating
29 or disposing of municipal waste, storm water runoff, industrial waste or waste in combined storm
30 water and sanitary sewer systems.

31 (c) Any other facility that the Environmental Quality Commission determines a public agency
32 must construct or replace in order to abate or prevent surface or ground water pollution.

33 **SECTION 6.** Section 1, chapter 573, Oregon Laws 2009, is amended to read:

34 **Sec. 1.** (1) The Department of Education may establish a pilot project for the purpose of as-
35 sisting **Oregon prekindergarten program providers** and federal Head Start program providers
36 located in Oregon with adopting and implementing a health literacy program that empowers con-
37 sumers of health care to better communicate with health care professionals and to more effectively
38 seek appropriate levels of care.

39 (2) The department may select **one or more Oregon prekindergarten program providers and**
40 one or more federal Head Start program providers in Oregon to participate in the pilot project es-
41 tablished under this section. The department may establish an application process for the purpose
42 of the selection.

43 (3) The department may provide assistance to **Oregon prekindergarten program providers**
44 **and** federal Head Start program providers as allowed by this section by:

45 (a) Seeking contributions of funds and assistance from the United States Government and its

1 agencies or from any other source, public or private; and

2 (b) Facilitating communication among the participating **Oregon prekindergarten program**
3 **providers and** federal Head Start program providers regarding the adoption and implementation of
4 a health literacy program.

5 (4) For purposes of this section, the department may accept contributions of funds and assistance
6 from the United States Government and its agencies or from any other source, public or private, and
7 agree to conditions placed on the funds that are not inconsistent with the purposes of this section.

8 (5) The department may use funds received under this section for the costs of administering this
9 section. All remaining funds received by the department under this section shall be paid into the
10 Department of Education Account established in ORS 326.115 to the credit of the pilot project es-
11 tablished under this section.

12 **SECTION 7. Section 8 of this 2010 Act is added to and made a part of ORS chapter 328.**

13 **SECTION 8. (1) As used in this section, “qualified revenue bonds” means revenue bonds,**
14 **as defined in ORS 287A.001, that:**

15 (a) **Are sold during calendar year 2010;**

16 (b) **Meet the definition of “qualified school construction bonds,” as defined in section 1521**
17 **of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5); and**

18 (c) **Are sold with other revenue bonds under a program that is facilitated by a statewide**
19 **organization that represents school boards.**

20 (2) **A school district or an education service district may enter into a funds diversion**
21 **agreement with the Department of Education for the purpose of making debt service pay-**
22 **ments on qualified revenue bonds.**

23 (3) **A funds diversion agreement entered into under this section must contain all of the**
24 **following provisions:**

25 (a) **Moneys payable to the school district or education service district by the department**
26 **from the State School Fund will be paid directly to a debt service account in amounts equal**
27 **to the lesser of:**

28 (A) **The amount available to the district for disbursement from the fund; or**

29 (B) **The amount of the debt service owed by the school district or education service dis-**
30 **trict.**

31 (b) **The department must pay the amounts required under the funds diversion agreement**
32 **to the debt service account specified by the school district or education service district.**

33 (c) **The department must pay the amounts required under the funds diversion agreement**
34 **pursuant to the schedule specified in the agreement prior to paying any other amounts to**
35 **the school district or education service district, except for any funds claimed pursuant to**
36 **ORS 238.698 or 328.346.**

37 (d) **The agreement may not be revoked by the school district or education service dis-**
38 **trict.**

39 (e) **The agreement will remain in effect until all payments for the qualified revenue bonds**
40 **have been made.**

41 (4) **If the department is not able to pay moneys to a debt service account as required by**
42 **a funds diversion agreement, the department shall give notice to the school district or edu-**
43 **cation service district within 30 days after becoming aware that the moneys will not be paid**
44 **according to the agreement. The department is not liable to any holder of qualified revenue**
45 **bonds, or any trustee of a holder, or any other party for a failure to pay moneys as required**

1 under the funds diversion agreement.

2 (5) Nothing in this section or in a funds diversion agreement entered into under this
3 section obligates the state or the department to pay an amount to a school district or edu-
4 cation service district that is more than amounts the school district or education service
5 district is otherwise entitled to receive from the State School Fund or to pay debt service
6 on qualified revenue bonds issued by the school district or education service district.

7 SECTION 9. Section 8 of this 2010 Act is repealed on June 30, 2029.

8 SECTION 10. This 2010 Act being necessary for the immediate preservation of the public
9 peace, health and safety, an emergency is declared to exist, and this 2010 Act takes effect
10 on its passage.

11
