

House Bill 2437

Sponsored by Representative KOMP (Pre-session filed.)

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**.

- Revises method of calculating transportation grant from State School Fund distributions.
- Allows district school board to determine distances for which school district will provide transportation.
- Declares emergency, effective July 1, 2011.

A BILL FOR AN ACT

1
2 Relating to funding of school transportation; creating new provisions; amending ORS 327.006, 327.013
3 and 327.043; and declaring an emergency.

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

5 **SECTION 1.** ORS 327.013 is amended to read:

6 327.013. The State School Fund distributions for school districts include the following grants:

7 (1) General Purpose Grant = Funding Percentage × Target Grant × District extended ADMw.

8 For the purpose of the calculation made under this subsection:

9 (a) The funding percentage shall be calculated by the Superintendent of Public Instruction to
10 distribute as nearly as practicable the total sum of money available for distribution.

11 (b) Target Grant = Statewide Target per ADMw Grant + Teacher Experience Factor. For the
12 purpose of the calculation made under this paragraph:

13 (A) Statewide Target per ADMw Grant = \$4,500.

14 (B) Teacher Experience Factor = \$25 × {District average teacher experience – statewide av-
15 erage teacher experience}. As used in this subparagraph, “average teacher experience” means the
16 average, in years, of teaching experience of licensed teachers as reported to the Department of Ed-
17 ucation.

18 (c) District extended ADMw = ADMw or ADMw of the prior year, whichever is greater. For
19 the purpose of this paragraph:

20 (A) Weighted average daily membership or ADMw = average daily membership + an additional
21 amount computed as follows:

22 (i) 1.0 for each student in average daily membership eligible for special education as a child with
23 a disability under ORS 343.035, which may not exceed 11 percent of the district's ADM without re-
24 view and approval by the Department of Education. Children with disabilities eligible for special
25 education in adult local correctional facilities, as defined in ORS 169.005, or adult regional
26 correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under
27 this sub-subparagraph.

28 (ii) 0.5 for each student in average daily membership eligible for and enrolled in an English as
29 a second language program under ORS 336.079.

30 (iii) 0.2 for each student in average daily membership enrolled in a union high school district

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 or in an area of a unified school district where the district is only responsible for educating students
 2 in grades 9 through 12 in that area.

3 (iv) -0.1 for each student in average daily membership enrolled in an elementary district oper-
 4 ating kindergarten through grade six or kindergarten through grade eight or in an area of a unified
 5 school district where the district is only responsible for educating students in kindergarten through
 6 grade eight.

7 (v) 0.25 times the sum of the following:

8 (I) The number of children 5 to 17 years of age in poverty families in the district, as determined
 9 by the Department of Education from a report of the United States Department of Education based
 10 on the most recent federal decennial census, as adjusted by the school district's proportion of stu-
 11 dents in the county receiving free or reduced price lunches under the United States Department of
 12 Agriculture's current Income Eligibility Guidelines if the number is higher than the number deter-
 13 mined from census data and only if the school district had an average daily membership of 2,500 or
 14 less for the 1995-1996 school year, and as further adjusted by the number of students in average
 15 daily membership in June of the year of distribution divided by number of students in average daily
 16 membership in the district, or its predecessors, in June of the year of the most recent federal
 17 decennial census;

18 (II) The number of children in foster homes in the district as determined by the report of the
 19 Department of Human Services to the United States Department of Education, "Annual Statistical
 20 Report on Children in Foster Homes and Children in Families Receiving AFDC Payments in Excess
 21 of the Poverty Income Level," or its successor, for October 31 of the year prior to the year of dis-
 22 tribution; and

23 (III) The number of children in the district in state-recognized facilities for neglected and de-
 24 linquent children, based on information from the Department of Human Services for October 31 of
 25 the year prior to the year of distribution.

26 (vi) The amount determined under ORS 327.077 for each remote small elementary school and for
 27 each small high school in the district.

28 (B) All numbers of children used for the computation in this paragraph must reflect any district
 29 consolidations that have occurred since the numbers were compiled.

30 (C) The total additional weight that shall be assigned to any student in average daily member-
 31 ship in a district, exclusive of students described in subparagraph (A)(v) and (vi) of this paragraph,
 32 may not exceed 2.0.

33 (2) High cost disabilities grant = the total amount received by a school district under ORS
 34 327.348 for providing special education and related services to resident pupils with disabilities.

35 [(3)(a) *Transportation grant equals:*]

36 [(A) *70 percent of approved transportation costs for those school districts ranked below the 80th*
 37 *percentile under paragraph (b) of this subsection.*]

38 [(B) *80 percent of approved transportation costs for those school districts ranked in or above the*
 39 *80th percentile but below the 90th percentile under paragraph (b) of this subsection.*]

40 [(C) *90 percent of approved transportation costs for those school districts ranked in or above the*
 41 *90th percentile under paragraph (b) of this subsection.*]

42 [(b) *Each fiscal year, the Department of Education shall rank school districts based on the ap-*
 43 *proved transportation costs per ADM of each school district, ranking the school district with the*
 44 *highest approved transportation costs per ADM at the top of the order.*]

45 **(3) Transportation Grant = the greater of 75 percent of approved transportation costs,**

1 or 75 percent of approved transportation costs + an additional percentage of approved
 2 transportation costs. For the purpose of this subsection:

3 (a) The amount of the additional percentage of approved transportation costs, if any,
 4 equals the lesser of:

5 (A) One percent of approved transportation costs for every five percent increase in the
 6 use of alternative methods of transportation; or

7 (B) Five percent of approved transportation costs.

8 (b) Alternative methods of transportation include:

9 (A) Public transportation;

10 (B) Walking;

11 (C) Riding an animal;

12 (D) Using a skateboard, roller skates, in-line skates, scooter, bicycle or similar device;

13 or

14 (E) For students requiring transportation for health or safety reasons, as described in
 15 ORS 327.006 (2)(a)(B), transportation that is not provided by the school district.

16 (c) For the purpose of determining whether a school district has experienced an increase
 17 in the use of alternative methods of transportation, a comparison shall be made by the
 18 school district based on the previous school year.

19 (4)(a) Facility Grant = 8 percent of total construction costs of new school buildings.

20 (b) A school district shall receive a Facility Grant in the distribution year that a new school
 21 building is first used.

22 (c) As used in this subsection:

23 (A) "New school building" includes new school buildings, structures added onto existing school
 24 buildings and premanufactured structures added to a school district if those buildings or structures
 25 are to be used for instructing students.

26 (B) "Construction costs" does not include costs for land acquisition.

27 **SECTION 2. The amendments to ORS 327.013 by section 1 of this 2011 Act apply to State**
 28 **School Fund distributions commencing with the 2011-2012 distributions.**

29 **SECTION 3.** ORS 327.006 is amended to read:

30 327.006. As used in ORS 327.006 to 327.133, 327.348, 327.355, 327.357, 327.360 and 327.731:

31 (1) "Aggregate days membership" means the sum of days present and absent, according to the
 32 rules of the State Board of Education, of all resident pupils when school is actually in session during
 33 a certain period. The aggregate days membership of kindergarten pupils shall be calculated on the
 34 basis of a half-day program.

35 (2)(a) "Approved transportation costs" means those costs as defined by rule of the State Board
 36 of Education and is limited to those costs attributable to transporting or room and board provided
 37 in lieu of transporting:

38 (A) Elementary **and secondary** school students who [*live at least one mile from school*] **reside**
 39 **at a distance from a school that is equal to or greater than the distance identified by the**
 40 **district school board as being reasonable for that school;**

41 [*(B) Secondary school students who live at least 1.5 miles from school;*]

42 [(C)] (B) Any student required to be transported for health or safety reasons, according to sup-
 43 plemental plans from districts that have been approved by the State Board of Education identifying
 44 students who are required to be transported for health or safety reasons, including special educa-
 45 tion;

1 [(D)] (C) Preschool children with disabilities requiring transportation for early intervention
 2 services provided pursuant to ORS 343.224 and 343.533;

3 [(E)] (D) Students who require payment of room and board in lieu of transportation;

4 [(F)] (E) A student transported from one school or facility to another school or facility when
 5 the student attends both schools or facilities during the day or week; and

6 [(G)] (F) Students participating in school-sponsored field trips that are extensions of classroom
 7 learning experiences.

8 (b) “Approved transportation costs” does not include the cost of constructing boarding school
 9 facilities.

10 (3) “Average daily membership” or “ADM” means the aggregate days membership of a school
 11 during a certain period divided by the number of days the school was actually in session during the
 12 same period. However, if a district school board adopts a class schedule that operates throughout
 13 the year for all or any schools in the district, average daily membership shall be computed by the
 14 Department of Education so that the resulting average daily membership will not be higher or lower
 15 than if the board had not adopted such schedule.

16 (4) “Consumer Price Index” means the Consumer Price Index for All Urban Consumers of the
 17 Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department of
 18 Labor, Bureau of Labor Statistics.

19 (5) “Kindergarten” means a kindergarten program that conforms to the standards and rules
 20 adopted by the State Board of Education.

21 (6) “Net operating expenditures” means the sum of expenditures of a school district in
 22 kindergarten through grade 12 for administration, instruction, attendance and health services, op-
 23 eration of plant, maintenance of plant, fixed charges and tuition for resident students attending in
 24 another district, as determined in accordance with the rules of the State Board of Education, but
 25 net operating expenditures does not include transportation, food service, student body activities,
 26 community services, capital outlay, debt service or expenses incurred for nonresident students.

27 (7)(a) “Resident pupil” means any pupil:

28 (A) Whose legal school residence is within the boundaries of a school district reporting the pu-
 29 pil, if the district is legally responsible for the education of the pupil, except that “resident pupil”
 30 does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the
 31 district does not pay tuition for placement outside the district; or

32 (B) Whose legal residence is not within the boundaries of the district reporting the pupil but
 33 attends school in the district with the written consent of the affected school district boards.

34 (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if
 35 the pupil is attending school in another school district pursuant to a contract under ORS 339.125
 36 and in the prior year was considered to be a resident pupil in another school district under para-
 37 graph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another
 38 school district under paragraph (a)(B) of this subsection.

39 (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if
 40 the pupil is attending school in a school district pursuant to an agreement with another school
 41 district under ORS 339.133 and in the prior year was considered to be a resident pupil under para-
 42 graph (a)(A) of this subsection because the pupil was attending school in another school district
 43 pursuant to a contract under ORS 339.125. The pupil shall continue to be considered a resident pupil
 44 under paragraph (a)(A) of this subsection.

45 (d) “Resident pupil” includes a pupil admitted to a school district under ORS 339.115 (7).

1 (8) “Standard school” means a school meeting the standards set by the rules of the State Board
2 of Education.

3 (9) “Tax” and “taxes” includes all taxes on property, excluding exempt bonded indebtedness, as
4 those terms are defined in ORS 310.140.

5 **SECTION 4.** ORS 327.006, as amended by section 11, chapter 846, Oregon Laws 2007, and sec-
6 tion 41, chapter 11, Oregon Laws 2009, is amended to read:

7 327.006. As used in ORS 327.006 to 327.133, 327.348 and 327.731:

8 (1) “Aggregate days membership” means the sum of days present and absent, according to the
9 rules of the State Board of Education, of all resident pupils when school is actually in session during
10 a certain period. The aggregate days membership of kindergarten pupils shall be calculated on the
11 basis of a half-day program.

12 (2)(a) “Approved transportation costs” means those costs as defined by rule of the State Board
13 of Education and is limited to those costs attributable to transporting or room and board provided
14 in lieu of transporting:

15 (A) Elementary **and secondary** school students who *[live at least one mile from school]* **reside**
16 **at a distance from a school that is equal to or greater than the distance identified by the**
17 **district school board as being reasonable for that school;**

18 *[(B) Secondary school students who live at least 1.5 miles from school;]*

19 *[(C)]* (B) Any student required to be transported for health or safety reasons, according to sup-
20 plemental plans from districts that have been approved by the State Board **of Education** identifying
21 students who are required to be transported for health or safety reasons, including special educa-
22 tion;

23 *[(D)]* (C) Preschool children with disabilities requiring transportation for early intervention
24 services provided pursuant to ORS 343.224 and 343.533;

25 *[(E)]* (D) Students who require payment of room and board in lieu of transportation;

26 *[(F)]* (E) A student transported from one school or facility to another school or facility when
27 the student attends both schools or facilities during the day or week; and

28 *[(G)]* (F) Students participating in school-sponsored field trips that are extensions of classroom
29 learning experiences.

30 (b) “Approved transportation costs” does not include the cost of constructing boarding school
31 facilities.

32 (3) “Average daily membership” or “ADM” means the aggregate days membership of a school
33 during a certain period divided by the number of days the school was actually in session during the
34 same period. However, if a district school board adopts a class schedule that operates throughout
35 the year for all or any schools in the district, average daily membership shall be computed by the
36 Department of Education so that the resulting average daily membership will not be higher or lower
37 than if the board had not adopted such schedule.

38 (4) “Consumer Price Index” means the Consumer Price Index for All Urban Consumers of the
39 Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department of
40 Labor, Bureau of Labor Statistics.

41 (5) “Kindergarten” means a kindergarten program that conforms to the standards and rules
42 adopted by the State Board of Education.

43 (6) “Net operating expenditures” means the sum of expenditures of a school district in
44 kindergarten through grade 12 for administration, instruction, attendance and health services, op-
45 eration of plant, maintenance of plant, fixed charges and tuition for resident students attending in

1 another district, as determined in accordance with the rules of the State Board of Education, but
 2 net operating expenditures does not include transportation, food service, student body activities,
 3 community services, capital outlay, debt service or expenses incurred for nonresident students.

4 (7)(a) "Resident pupil" means any pupil:

5 (A) Whose legal school residence is within the boundaries of a school district reporting the pu-
 6 pil, if the district is legally responsible for the education of the pupil, except that "resident pupil"
 7 does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the
 8 district does not pay tuition for placement outside the district; or

9 (B) Whose legal residence is not within the boundaries of the district reporting the pupil but
 10 attends school in the district with the written consent of the affected school district boards.

11 (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if
 12 the pupil is attending school in another school district pursuant to a contract under ORS 339.125
 13 and in the prior year was considered to be a resident pupil in another school district under para-
 14 graph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another
 15 school district under paragraph (a)(B) of this subsection.

16 (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if
 17 the pupil is attending school in a school district pursuant to an agreement with another school
 18 district under ORS 339.133 and in the prior year was considered to be a resident pupil under para-
 19 graph (a)(A) of this subsection because the pupil was attending school in another school district
 20 pursuant to a contract under ORS 339.125. The pupil shall continue to be considered a resident pupil
 21 under paragraph (a)(A) of this subsection.

22 (d) "Resident pupil" includes a pupil admitted to a school district under ORS 339.115 (7).

23 (8) "Standard school" means a school meeting the standards set by the rules of the State Board
 24 of Education.

25 (9) "Tax" and "taxes" includes all taxes on property, excluding exempt bonded indebtedness, as
 26 those terms are defined in ORS 310.140.

27 **SECTION 5.** ORS 327.043 is amended to read:

28 327.043. (1) A school district is required to provide transportation for elementary **and secondary**
 29 **school** students who reside [*more than one mile from school and for secondary school students who*
 30 *reside more than 1.5 miles from school*] **at a distance from a school that is equal to or greater**
 31 **than the distance identified by the district school board as being reasonable for that school.**
 32 A **school** district is also required to provide transportation for any student identified in a supple-
 33 mental plan approved by the State Board of Education.

34 (2) Notwithstanding subsection (1) of this section, the State Board of Education may waive the
 35 requirement to provide transportation for secondary school students [*who reside more than 1.5 miles*
 36 *from school*]. A **school** district must present to the board a plan providing or identifying suitable
 37 and sufficient alternate modes of transporting secondary school students.

38 **SECTION 6. This 2011 Act being necessary for the immediate preservation of the public**
 39 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
 40 **July 1, 2011.**