

## SENATE AMENDMENTS TO A-ENGROSSED SENATE BILL 250

By COMMITTEE ON FINANCE AND REVENUE

April 1

1 On page 1 of the printed A-engrossed bill, line 4, after “334.177” insert “, 334.217”.

2 On page 2, delete lines 16 through 19 and insert:

3 “(2)(a) The board of directors of an education service district shall issue an order recognizing  
4 the withdrawal of a school district from the education service district that becomes effective on or  
5 after July 1, 2012, if:

6 “(A) The education service district is composed of a region described in ORS 334.020 (1)(c), (m)  
7 or (p); and

8 “(B) The school district complied with the procedural requirements described in section 2 of this  
9 2011 Act.”.

10 On page 5, line 33, delete “at least”.

11 On page 10, line 6, after the period insert “Prior to calculating the State School Fund grant for  
12 each education service district, the superintendent shall calculate the anticipated amount of admin-  
13 istrative costs that will be incurred for that fiscal year by the Office of Regional Educational Ser-  
14 vices established in section 35 of this 2011 Act and shall retain that amount for the purpose of  
15 paying those costs.”.

16 On page 11, line 3, after “the” delete the rest of the line and lines 4 through 7 and insert  
17 “amounts received by the education service district as a general services grant and from the School  
18 Improvement Fund.”.

19 In line 10, delete “and”.

20 After line 10, insert:

21 “(B) Shall equal 90 percent of the school district’s prorated share, as calculated under subpara-  
22 graph (A) of this paragraph; and”.

23 In line 11, delete “(B)” and insert “(C)”.

24 In line 35, after the period insert “Prior to calculating the State School Fund grant for each  
25 education service district, the superintendent shall calculate the anticipated amount of administra-  
26 tive costs that will be incurred for that fiscal year by the Office of Regional Educational Services  
27 established in section 35 of this 2011 Act and shall retain that amount for the purpose of paying  
28 those costs.”.

29 On page 12, line 32, after “the” delete the rest of the line and lines 33 through 36 and insert  
30 “amounts received by the education service district as a general services grant and from the School  
31 Improvement Fund.”.

32 In line 39, delete “and”.

33 After line 39, insert:

34 “(B) Shall equal 90 percent of the school district’s prorated share, as calculated under subpara-  
35 graph (A) of this paragraph; and”.

1 In line 40, delete “(B)” and insert “(C)”.

2 On page 24, after line 39, insert:

3 **“SECTION 33. (1) The Regional Education Services Advisory Board is established. The**  
4 **duties of the board are to:**

5 **“(a) Advise the Director of the Office of Regional Educational Services for the purpose**  
6 **of assisting the director in fulfilling the statutory requirements imposed by section 35 of this**  
7 **2011 Act;**

8 **“(b) Provide to the Director of the Office of Regional Educational Services recommen-**  
9 **dations for changes in statute or rule for the purpose of assisting the director in fulfilling**  
10 **the statutory requirements imposed on the Office of Regional Educational Services by sec-**  
11 **tion 35 of this 2011 Act; and**

12 **“(c) Assist the Superintendent of Public Instruction in selecting the Director of the Of-**  
13 **ice of Regional Educational Services, including developing or modifying a proposed position**  
14 **description, screening candidates and making a recommendation for the position.**

15 **“(2) The board shall consist of nine members appointed by the Governor and confirmed**  
16 **by the Senate in the manner provided by ORS 171.562 and 171.565. The term of office of each**  
17 **member is four years, but a member serves at the pleasure of the Governor.**

18 **“(3) The Governor shall appoint the members of the board from among the school district**  
19 **superintendents of this state in a manner that ensures the representation of school districts**  
20 **of a variety of sizes and geographic locations.**

21 **“(4) Members of the board may not receive compensation for their services, but shall be**  
22 **paid for their necessary and actual expenses in accordance with ORS 292.495.**

23 **“SECTION 34. Notwithstanding the term of office specified by section 33 of this 2011 Act,**  
24 **of the members first appointed to the Regional Education Services Advisory Board:**

25 **“(1) Two shall serve for a term ending July 1, 2012.**

26 **“(2) Two shall serve for a term ending July 1, 2013.**

27 **“(3) Two shall serve for a term ending July 1, 2014.**

28 **“(4) Three shall serve for a term ending July 1, 2015.**

29 **“SECTION 35. (1) The Office of Regional Educational Services is established for the pur-**  
30 **poses of coordinating the efforts of and providing leadership for regional educational service**  
31 **delivery systems. The office shall function under the direction and control of the State Board**  
32 **of Education.**

33 **“(2)(a) The Director of the Office of Regional Educational Services shall serve as the**  
34 **administrative officer of the Office of Regional Educational Services. The Superintendent of**  
35 **Public Instruction shall select the director after considering the recommendation made by**  
36 **the Regional Education Services Advisory Board established in section 33 of this 2011 Act.**

37 **“(b) The director shall perform the duties, powers and functions of the office:**

38 **“(A) Under the supervision and subject to the direction of the Superintendent of Public**  
39 **Instruction; and**

40 **“(B) In cooperation with the Regional Education Services Advisory Board.**

41 **“(3) The Office of Regional Educational Services shall:**

42 **“(a) Establish best practice policies and conduct an ongoing analysis of the effectiveness**  
43 **of education service districts, including determining the direct cost of services to school**  
44 **districts that are assessed by education service districts.**

45 **“(b) Establish benchmarks for education service districts that allow the education service**

1 districts to make improvements in the operation of the education service districts and to  
2 demonstrate that improvements are being made in the operation of education service dis-  
3 tricts.

4 “(c) Conduct ongoing evaluations of the systems and procedures of education service  
5 districts.

6 “(d) Ensure that each education service district has an annual audit of the accounts of  
7 the education service district prepared in accordance with the Municipal Audit Law, as pro-  
8 vided in ORS 297.405 to 297.555 and 297.990, and review the audit.

9 “(e) Request a performance audit of an education service district if the office has reason  
10 to believe that an education service district is nonstandard as provided by ORS 334.217.

11 “(f) Recommend to the Superintendent of Public Instruction any sanctions to impose on  
12 an education service district that are consistent with ORS 334.217 and recommend any stat-  
13 utory changes required to impose effective sanctions on education service districts.

14 “(g) Recommend to the Superintendent of Public Instruction and the State Board of Ed-  
15 ucation any statutory or rule changes that may improve the operations or administration  
16 of education service districts.

17 “(h) Recommend to the board of directors of an education service district or to the su-  
18 perintendent of an education service district any changes that may improve the operations  
19 or administration of the education service district.

20 “(i) Recommend to the Superintendent of Public Instruction and the State Board of Ed-  
21 ucation any changes in education service district boundaries that may reduce costs and in-  
22 crease the quality of services provided by education service districts.

23 “(j) Recommend to the board of directors of an education service district or to the su-  
24 perintendent of an education district any changes in service delivery regions that may reduce  
25 costs and increase the quality of services provided by the education service district.

26 “(k) Provide training and related support for boards of directors of education service  
27 districts and superintendents of education service districts.

28 “(L) Gather information regarding the cost of services within education service districts  
29 and across education service districts, identify unusually high cost services and provide the  
30 gathered information to education service districts, the Superintendent of Public Instruction  
31 and the State Board of Education.

32 “(4) The State Board of Education, in collaboration with the Superintendent of Public  
33 Instruction and the Director of the Office of Regional Educational Services, may adopt any  
34 rules necessary for the purposes of this section.

35 “**SECTION 36.** ORS 334.217 is amended to read:

36 “334.217. (1) The State Board of Education by rule shall establish standards to determine the  
37 adequacy of services and facilities provided by the education service districts. In establishing such  
38 standards, the state board shall consider the most economic method of providing services and facil-  
39 ities, the quality of the services and facilities according to the best educational standards, and the  
40 needs of the students.

41 “(2) When the Superintendent of Public Instruction determines pursuant to rule that an educa-  
42 tion service district is nonstandard, the district designated nonstandard shall file a plan to meet  
43 standards over a specified period of time. The Superintendent **of Public Instruction** may accept,  
44 reject or modify the plan and order the nonstandard district to comply with the plan as approved  
45 by the superintendent. Once a plan is approved, the district shall be conditionally standard until all

1 deficiencies are corrected. If a district corrects all deficiencies, the district shall be designated as  
2 standard. The district shall have 180 days from the date the plan is accepted to make all corrections.  
3 After that time, the Superintendent **of Public Instruction** may impose sanctions on the district if  
4 the district has not made the necessary corrections.

5 “(3) The state board shall establish by rule appropriate sanctions for noncompliance. The sanc-  
6 tions may include:

7 “(a) Mandatory merger of the nonstandard education service district with a contiguous educa-  
8 tion service district that is standard[.];

9 “(b) The sanctions described in ORS 342.173, if applicable[, or];

10 “(c) The withholding of funds from the State School Fund[.];

11 “(d) **The removal of the superintendent of the education service district;**

12 “(e) **The temporary governance of the education service district by the state board; or**

13 “(f) **Dissolution of the education service district.”.**

14 In line 40, delete “33” and insert “37”.

15 In line 42, delete “34” and insert “38”.

16 On page 25, line 1, delete “33” and insert “37”.

17 In line 2, delete “35” and insert “39”.