

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 250**

1 On page 1 of the printed A-engrossed bill, line 4, after “334.177” insert “,
2 334.217”.

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

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

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

9 “(B) The school district complied with the procedural requirements de-
10 scribed in section 2 of this 2011 Act.”.

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

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

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

21 In line 10, delete “and”.

22 After line 10, insert:

1 “(B) Shall equal 90 percent of the school district’s prorated share, as
2 calculated under subparagraph (A) of this paragraph; and”.

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

4 In line 35, after the period insert “Prior to calculating the State School
5 Fund grant for each education service district, the superintendent shall cal-
6 culate the anticipated amount of administrative costs that will be incurred
7 for that fiscal year by the Office of Regional Educational Services estab-
8 lished in section 35 of this 2011 Act and shall retain that amount for the
9 purpose of paying those costs.”.

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

13 In line 39, delete “and”.

14 After line 39, insert:

15 “(B) Shall equal 90 percent of the school district’s prorated share, as
16 calculated under subparagraph (A) of this paragraph; and”.

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

18 On page 24, after line 39, insert:

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

21 **“(a) Advise the Director of the Office of Regional Educational Ser-
22 vices for the purpose of assisting the director in fulfilling the statutory
23 requirements imposed by section 35 of this 2011 Act;**

24 **“(b) Provide to the Director of the Office of Regional Educational
25 Services recommendations for changes in statute or rule for the pur-
26 pose of assisting the director in fulfilling the statutory requirements
27 imposed on the Office of Regional Educational Services by section 35
28 of this 2011 Act; and**

29 **“(c) Assist the Superintendent of Public Instruction in selecting the
30 Director of the Office of Regional Educational Services, including de-**

1 veloping or modifying a proposed position description, screening can-
2 didates and making a recommendation for the position.

3 “(2) The board shall consist of nine members appointed by the
4 Governor and confirmed by the Senate in the manner provided by ORS
5 171.562 and 171.565. The term of office of each member is four years,
6 but a member serves at the pleasure of the Governor.

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

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

14 **“SECTION 34.** Notwithstanding the term of office specified by sec-
15 tion 33 of this 2011 Act, of the members first appointed to the Regional
16 Education Services Advisory Board:

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

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

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

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

21 **“SECTION 35.** (1) The Office of Regional Educational Services is
22 established for the purposes of coordinating the efforts of and provid-
23 ing leadership for regional educational service delivery systems. The
24 office shall function under the direction and control of the State Board
25 of Education.

26 “(2)(a) The Director of the Office of Regional Educational Services
27 shall serve as the administrative officer of the Office of Regional Ed-
28 ucational Services. The Superintendent of Public Instruction shall se-
29 lect the director after considering the recommendation made by the
30 Regional Education Services Advisory Board established in section 33

1 of this 2011 Act.

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

4 “(A) Under the supervision and subject to the direction of the Su-
5 perintendent of Public Instruction; and

6 “(B) In cooperation with the Regional Education Services Advisory
7 Board.

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

9 “(a) Establish best practice policies and conduct an ongoing analy-
10 sis of the effectiveness of education service districts, including deter-
11 mining the direct cost of services to school districts that are assessed
12 by education service districts.

13 “(b) Establish benchmarks for education service districts that allow
14 the education service districts to make improvements in the operation
15 of the education service districts and to demonstrate that improve-
16 ments are being made in the operation of education service districts.

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

19 “(d) Ensure that each education service district has an annual audit
20 of the accounts of the education service district prepared in accord-
21 ance with the Municipal Audit Law, as provided in ORS 297.405 to
22 297.555 and 297.990, and review the audit.

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

26 “(f) Recommend to the Superintendent of Public Instruction any
27 sanctions to impose on an education service district that are consist-
28 ent with ORS 334.217 and recommend any statutory changes required
29 to impose effective sanctions on education service districts.

30 “(g) Recommend to the Superintendent of Public Instruction and

1 the State Board of Education any statutory or rule changes that may
2 improve the operations or administration of education service dis-
3 tricts.

4 “(h) Recommend to the board of directors of an education service
5 district or to the superintendent of an education service district any
6 changes that may improve the operations or administration of the
7 education service district.

8 “(i) Recommend to the Superintendent of Public Instruction and
9 the State Board of Education any changes in education service district
10 boundaries that may reduce costs and increase the quality of services
11 provided by education service districts.

12 “(j) Recommend to the board of directors of an education service
13 district or to the superintendent of an education district any changes
14 in service delivery regions that may reduce costs and increase the
15 quality of services provided by the education service district.

16 “(k) Provide training and related support for boards of directors of
17 education service districts and superintendents of education service
18 districts.

19 “(L) Gather information regarding the cost of services within edu-
20 cation service districts and across education service districts, identify
21 unusually high cost services and provide the gathered information to
22 education service districts, the Superintendent of Public Instruction
23 and the State Board of Education.

24 “(4) The State Board of Education, in collaboration with the Su-
25 perintendent of Public Instruction and the Director of the Office of
26 Regional Educational Services, may adopt any rules necessary for the
27 purposes of this section.

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

29 “334.217. (1) The State Board of Education by rule shall establish stan-
30 dards to determine the adequacy of services and facilities provided by the

1 education service districts. In establishing such standards, the state board
2 shall consider the most economic method of providing services and facilities,
3 the quality of the services and facilities according to the best educational
4 standards, and the needs of the students.

5 “(2) When the Superintendent of Public Instruction determines pursuant
6 to rule that an education service district is nonstandard, the district desig-
7 nated nonstandard shall file a plan to meet standards over a specified period
8 of time. The Superintendent **of Public Instruction** may accept, reject or
9 modify the plan and order the nonstandard district to comply with the plan
10 as approved by the superintendent. Once a plan is approved, the district shall
11 be conditionally standard until all deficiencies are corrected. If a district
12 corrects all deficiencies, the district shall be designated as standard. The
13 district shall have 180 days from the date the plan is accepted to make all
14 corrections. After that time, the Superintendent **of Public Instruction** may
15 impose sanctions on the district if the district has not made the necessary
16 corrections.

17 “(3) The state board shall establish by rule appropriate sanctions for
18 noncompliance. The sanctions may include:

19 “(a) Mandatory merger of the nonstandard education service district with
20 a contiguous education service district that is standard[.];

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

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

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

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

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

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

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

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

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

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