
MEMORANDUM

Legislative Fiscal Office
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To: *Education Subcommittee*

From: *Tim Walker, Legislative Fiscal Office*
(503) 986-1827

Date: June 5, 2013

Subject: *HB 2098 A*
Work Session

House Bill 2098 A adjusts the method for calculating the additional amount of weighted average daily membership attributed to students in poverty for purposes of State School Fund distributions.

The measure had a public hearing in this Subcommittee on May 16, 2013.

The Work Session packet, including measure, staff measure summary, and amendment are available on the Oregon Legislative Information System (OLIS). The measure has no revenue impact and an indeterminate fiscal impact.

Amendment

The –A3 amendments allow districts with foreign exchange students residing in dorms to be counted as residents of the district. This will allow the districts who host the foreign exchange students to receive funding for those students.

Motion #1: Move HB 2098 A to the full committee with a “do pass” recommendation.

Measure as Modified

The measure, as amended, is recommended to be moved to the full Committee on Joint Ways and Means.

Motion #2: Move HB 2098 A to the full committee with a “do pass” recommendation, as modified.

Chair to assign carriers:

Full: _____

House: _____

Senate: _____

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2098 A3

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 06/05/2013

Measure Description:

Adjusts method for calculating additional amount of weighted average daily membership attributed to students in poverty families for purposes of State School Fund distributions.

Government Unit(s) Affected:

Department of Education, Education Service Districts (ESD), Local Education Agencies, School Districts

Summary of Expenditure Impact:

Summary of Expenditure Impact		
	2013-15 Biennium	2015-17 Biennium
General Fund	\$28,893	\$17,929
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	\$28,893	\$17,929
Positions	1	1
FTE	0.15	0.10

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: This bill would require the Oregon Department of Education (ODE) to change the calculations used for determining poverty levels in the State School Fund.

ODE anticipates having to reprogram the State School Fund system to reflect any changes to the poverty calculation. The costs above reflect the agency's estimate of the staff time to do the reprogramming, data validation, maintenance, and outreach to school districts. In the absence of additional resources, ODE anticipates having to delay work on other projects such as the Longitudinal Data System and the Student Record Transfer Exchange. The agency will also need to draft rules for review/adoption by the State Board of Education which is expected to have a minimal cost.

School Districts do not have enough information to determine the net effect of the measure, since changes to the poverty calculation are unknown at this time. Distributions to Education Service Districts would likewise be affected based upon the changes to the poverty calculations. The full affect to School Districts and Educational Service Districts will not be known until ODE adopts rules for calculating poverty and the number of students who may fall into this category.

The –A3 amendments allow districts with foreign exchange students residing in dorms to be counted as residents of the district. This will allow the districts who host the foreign exchange students to receive funding for those students. This will increase the number of students funded through the SSF. It is estimated that an additional 57 students could be affected by this bill. If no additional funding is added to the SSF, the ADMw will be reduced by an estimated \$0.56.

Joint Committee on Ways and Means

Carrier – House: Rep.
Carrier – Senate: Sen.

Revenue:

Fiscal:

Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Tim Walker, Legislative Fiscal Office

Meeting Date: [Full Committee Meeting Date]

WHAT THE MEASURE DOES: Revises, for purposes of the State School Fund (SSF) distribution, the method of assessing additional weights in average daily membership of students in poverty families. Specifies that the revised weights apply to the SSF distribution starting with the 2014-15 school year. Takes effect on July 1, 2013.

ISSUES DISCUSSED:

- Methodology for revising calculation

EFFECT OF COMMITTEE AMENDMENT: The –A3 amendments allow districts with foreign exchange students residing in dorms to be counted as residents of the district. This will allow the districts who host the foreign exchange students to receive funding for those students.

BACKGROUND: The SSF distribution formula distributes the legislatively appropriated K-12 education dollars to school districts around the state based on the number of students the district has as well as specific characteristics of those students.

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2098**

1 On page 1 of the printed A-engrossed bill, line 2, after “327.013” insert
2 “and 339.133”.

3 On page 3, after line 17, insert:

4 **“SECTION 3.** ORS 339.133, as amended by section 4, chapter 718, Oregon
5 Laws 2011, is amended to read:

6 “339.133. (1)(a) Except as provided in subsections (2) to [(5)] (6) of this
7 section, children between the ages of 4 and 18 shall be considered resident
8 for school purposes in the school district in which their parents, their
9 guardians or persons in parental relationship to them reside.

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

15 “(c) Persons living temporarily in a school district for the primary pur-
16 pose of attending a district school may not be considered resident in the
17 district in which they are living temporarily, but shall be considered resident
18 in the district in which they, their parents, their guardians or persons in
19 parental relationship to them reside.

20 “(2) Individuals considered legally emancipated from their parents shall
21 be considered resident in the district in which they actually reside, irre-
22 spective of the residence of their parents, their guardians or persons in par-

1 ental relationship.

2 “(3) Children placed by public or private agencies who are living in li-
3 censed, certified or approved substitute care programs shall be considered
4 resident in the school district in which they reside because of placement by
5 a public or private agency.

6 “(4)(a) Notwithstanding subsection (3) of this section, when a juvenile
7 court determines that it is in a child’s best interest to continue to attend the
8 school that the child attended prior to placement by a public agency, the
9 child:

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

12 “(B) May continue to attend the school the child attended prior to the
13 placement through the highest grade level of the school.

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

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

20 “(5) Except as provided in ORS 327.006 (7) and 335.090, persons whose le-
21 gal residence is not within the district but who attend school in the district
22 are considered residents in the district in which the persons attend school
23 if those persons receive:

24 “(a) Written consent from both of the affected district school boards as
25 provided by policies adopted by the boards; or

26 “(b) Written consent from the district school board for the district in
27 which the school is located as provided by section 9, chapter 718, Oregon
28 Laws 2011.

29 “(6)(a) **Children who are foreign exchange students and who are**
30 **residing in Oregon in a dormitory operated by a school district are**

1 considered to be residents of the school district in which the dormitory
2 is located.

3 **“(b) For the purpose of this subsection:**

4 **“(A) A child may not be considered to be a foreign exchange student**
5 **for more than one school year.**

6 **“(B) A child may be considered to be a resident of a school district**
7 **as provided by this subsection only if, for the 2010-2011 school year, the**
8 **school district had foreign exchange students who were considered to**
9 **be residents as provided by this subsection.**

10 **“(C) The number of children who are considered to be residents as**
11 **provided by this subsection may not increase from the number that**
12 **were considered to be residents as provided by this subsection for the**
13 **2010-2011 school year.**

14 **“(c) As used in this subsection, ‘foreign exchange student’ means**
15 **a student who attends school in Oregon under a cultural exchange**
16 **program and whose parent, guardian or person in parental relationship**
17 **resides in another country.**

18 **“[(6)] (7) For the purposes of this section:**

19 **“(a) ‘Person in parental relationship’ means an adult who has physical**
20 **custody of a child or resides in the same household as the child, interacts**
21 **with the child daily, provides the child with food, clothing, shelter and in-**
22 **cidental necessities and provides the child with necessary care, education**
23 **and discipline. ‘Person in parental relationship’ does not mean a person with**
24 **a power of attorney or other written delegation of parental responsibilities**
25 **if the person does not have other evidence of a parental relationship.**

26 **“(b) ‘Substitute care program’ means family foster care, family group**
27 **home care, parole foster care, family shelter care, adolescent shelter care and**
28 **professional group care.**

29 **“SECTION 4. ORS 339.133, as amended by sections 4 and 19, chapter 718,**
30 **Oregon Laws 2011, is amended to read:**

1 "339.133. (1)(a) Except as provided in subsections (2) to [(5)] (6) of this
2 section, children between the ages of 4 and 18 shall be considered resident
3 for school purposes in the school district in which their parents, their
4 guardians or persons in parental relationship to them reside.

5 "(b) Nonemancipated individuals between the ages of 4 and 18 living
6 outside the geographic area of the school district for such reasons as at-
7 tending college, military service, hospital confinement or employment away
8 from home shall be considered resident in the district in which their parents,
9 their guardians or persons in parental relationship to them reside.

10 "(c) Persons living temporarily in a school district for the primary pur-
11 pose of attending a district school may not be considered resident in the
12 district in which they are living temporarily, but shall be considered resident
13 in the district in which they, their parents, their guardians or persons in
14 parental relationship to them reside.

15 "(2) Individuals considered legally emancipated from their parents shall
16 be considered resident in the district in which they actually reside, irre-
17 spective of the residence of their parents, their guardians or persons in par-
18 ental relationship.

19 "(3) Children placed by public or private agencies who are living in li-
20 censed, certified or approved substitute care programs shall be considered
21 resident in the school district in which they reside because of placement by
22 a public or private agency.

23 "(4)(a) Notwithstanding subsection (3) of this section, when a juvenile
24 court determines that it is in a child's best interest to continue to attend the
25 school that the child attended prior to placement by a public agency, the
26 child:

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

29 "(B) May continue to attend the school the child attended prior to the
30 placement through the highest grade level of the school.

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

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

7 “(5) Except as provided in ORS 327.006 (7) and 335.090, persons whose le-
8 gal residence is not within the district but who attend school in the district
9 are considered residents in the district in which the persons attend school
10 if those persons receive written consent from both of the affected district
11 school boards as provided by policies adopted by the boards.

12 **“(6)(a) Children who are foreign exchange students and who are**
13 **residing in Oregon in a dormitory operated by a school district are**
14 **considered to be residents of the school district in which the dormitory**
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22 **be residents as provided by this subsection.**

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27 **“(c) As used in this subsection, ‘foreign exchange student’ means**
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1 “[6] (7) For the purposes of this section:

2 “(a) ‘Person in parental relationship’ means an adult who has physical
3 custody of a child or resides in the same household as the child, interacts
4 with the child daily, provides the child with food, clothing, shelter and in-
5 cidental necessities and provides the child with necessary care, education
6 and discipline. ‘Person in parental relationship’ does not mean a person with
7 a power of attorney or other written delegation of parental responsibilities
8 if the person does not have other evidence of a parental relationship.

9 “(b) ‘Substitute care program’ means family foster care, family group
10 home care, parole foster care, family shelter care, adolescent shelter care and
11 professional group care.”.

12 In line 18, delete “3” and insert “5”.

13
