
MEMORANDUM

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To: Members of the Education Subcommittee

From: Doug Wilson, Legislative Fiscal Office
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Date: June 26, 2013

Subject: SB 540-A-- Work Session Recommendations

Background Information

SB 540-A creates the twelve-member **Task Force on School Capital Improvement Planning** charged with recommending to the Oregon Education Investment Board programs and funding sources that:

- Will allow providers of public education to respond to evolving methods for delivering education and for funding and maintaining capital infrastructures;
- To establish a more efficient and integrated capital infrastructure system for preschool through 12th grade.

The task force sunsets on the convening of the 2015 Legislative Assembly. A report by the Task Force is due to the Legislature by October 1, 2014. The Department of Education is to provide support to the task force. The bill appropriates \$100,000 out of the General Fund for the work of the task force.

The bill also requires the Department of Education to establish and maintain a **public education facility information database**. The information in the database must include: energy usage, operations and maintenance costs, seismic ratings, education performance, student population projections, technology upgrade status, and other data needed to measure compliance with the state building code for auxiliary buildings and properties for all public education facilities in Oregon. The database must be available to the public. The bill appropriates \$350,000 out of the General Fund for developing (\$100,000) and maintaining (\$250,000) the database.

Finally, the bill directs the Department of Education to administer a **school capital construction program** to provide statewide and regionally-based technical assistance and training to public schools, and to assist public schools in using community resources and in developing partnerships with public and private entities. The bill appropriates \$375,000 out of the General Fund to the Department of Education for this school capital construction program.

Recommended Changes SB 540-A:

LFO recommends the –A7 amendment which does the following:

- Removes the section (and corresponding \$375,000 General Fund appropriation) that directed the Department of Education to administer a school capital construction program for providing technical assistance.
- Clarifies the responsibilities of the Task Force to include recommending what types and amounts of technical assistance should be provided for school capital construction programs.
- Replaces the term “nonprofit corporation” with “public or private entity” in regard to potential staffing for the task force and maintaining the database.
- Changes the content of the public education facility information database to facility name, square footage, age, details on major renovations, outstanding indebtedness, upgrades for health, safety and technical reasons, energy usage, and operations and maintenance costs. A waiver from the reporting for the database is established for districts that are unable to provide the required information from existing data or without additional resources.
- The appropriation for maintaining the data based is reduced from \$250,000 to \$225,000. Total General Fund appropriation in the bill is \$425,000.

Sen./Rep. _____ moves the –A7 amendment to SB 540-A.

SB 540 Final Subcommittee Action:

Final Motion:

Sen./Rep. _____ moves SB 540 to the full committee as amended with a “do pass” recommendation.

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 0 - 0
Yeas:	Beyer, Knopp, Kruse, Roblan, Hass
Nays:	0
Exc.:	0
Prepared By:	Richard Donovan, Administrator
Meeting Dates:	2/28, 3/12

WHAT THE MEASURE DOES: Establishes Task Force on School Capital Improvement Planning. Sunsets task force on convening of 2015 regular session of Legislative Assembly. Appropriates funds for task force. Directs Department of Education to establish and maintain public education facility information database. Appropriates funds for database. Directs department to administer school capital construction program. Sunsets program on July 1, 2015. Appropriates funds for program. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current level of expenditure for K-12, community college capital projects; anticipated level of bonding in the future for such projects
- Age, state of many education facilities statewide
- Lack of comprehensive information for school facilities
- Need to establish best practices and properly inventory/account for current facilities in advance of anticipated capital expenditure planning
- Desire to access expertise and offerings of Oregon Energy Trust whenever possible

EFFECT OF COMMITTEE AMENDMENT: Changes language in response to previous concerns raised at hearing, including removing references to Community College and adding specific database requirements.

BACKGROUND: House Bill 2009-13-B (2009) established the Oregon School Facilities Task Force. That task force was administrated by the Department of Administrative Services, and was charged with generating a report making recommendations regarding, but not limited to: health/fire/safety/natural disaster concerns; capital requirements for facilities upgrades and long-term planning; and a system-wide information aggregation of best practices. The measure required that the report be delivered to the legislature no later than February, 2011, with the task force automatically sunseting after January 2, 2012. It is unclear whether the report was ever delivered to the legislature. Senate Bill 2011-245-A (2011), which would have amended the relevant Oregon Revised Statute chapters to extend the reporting requirements to February 2012 and the sunset to January 2, 2014, was moved to the Joint Committee on Ways and Means from the Senate Committee on Education and Workforce Development with a "Do Pass as Amended" recommendation on April 21, 2011. That bill remained in the Joint Committee on Ways and Means at the adjournment of the 76th legislative session.

3/14/2013 9:35:00 AM

This summary has not been adopted or officially endorsed by action of the committee.

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 540**

1 On page 1 of the printed A-engrossed bill, delete lines 15 through 23 and
2 insert:

3 “(4)(a) The task force shall research and recommend to the Oregon Edu-
4 cation Investment Board:

5 “(A) Programs and funding sources that:

6 “(i) Allow providers of public education to respond to evolving methods
7 for delivering education and for funding and maintaining capital
8 infrastructures; and

9 “(ii) Establish a more efficient and integrated capital infrastructure sys-
10 tem for preschool through grade 12.

11 “(B) The types and amounts of technical assistance that may be required
12 by public schools for school capital construction programs.

13 “(b) When recommending the capital infrastructure system described in
14 paragraph (a)(A)(ii) of this subsection and the technical assistance described
15 in paragraph (a)(B) of this subsection, the task force shall recommend the
16 appropriate role of the Department of Education in supporting the capital
17 infrastructure system and providing the technical assistance.”.

18 On page 2, line 13, after “with” delete the rest of the line and line 14 and
19 insert “a public or private entity.”.

20 In line 34, after the period delete the rest of the line and lines 35 through
21 41 and insert “The department may require school districts and education
22 service districts to provide the following information to the department for

1 inclusion in the database:

2 “(A) The name of the facility;

3 “(B) The square footage of the facility;

4 “(C) The year the facility was built;

5 “(D) The major renovations made to the facility in the preceding 30 years;

6 “(E) The outstanding bonded indebtedness of the school district or edu-
7 cation service district;

8 “(F) The year, amount and purpose of the last bond request approved by
9 voters of the school district or education service district;

10 “(G) Operations and maintenance costs of the facility;

11 “(H) Technical upgrades needed for the facility;

12 “(I) Health and safety upgrades needed for the facility;

13 “(J) Energy usage of the facility; and

14 “(K) Other publicly available information about the facility.”.

15 On page 3, after line 1, insert:

16 “(3) If a school district or education service district is unable to provide
17 any of the information required under subsection (2) of this section from
18 existing data or without acquiring additional resources, the school district
19 or education service district may request a waiver of the requirement for
20 that information from the Superintendent of Public Instruction.”.

21 In line 2, delete “(3)” and insert “(4)” and delete “nonprofit corporation”
22 and insert “public or private entity”.

23 In line 6, delete “\$350,000” and insert “\$325,000”.

24 In line 11, delete “\$250,000” and insert “\$225,000”.

25 Delete lines 13 through 34.

26 In line 35, delete “9” and insert “6”.

27
