

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Finance and Revenue
<b>Vote:</b>	4 - 0 - 1
<b>Yeas:</b>	Knopp, Kruse, Roblan, Hass
<b>Nays:</b>	0
<b>Exc.:</b>	Beyer
<b>Prepared By:</b>	Richard Donovan, Administrator
<b>Meeting Dates:</b>	2/19

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**WHAT THE MEASURE DOES:** Allows any school district to withdraw from Education Service District (ESD) participation. Modifies existing law, removes sunset clause pertaining to the election process for the board of three specific ESDs.

**ISSUES DISCUSSED:**

- Unanimous support of measure by Oregon Association of Education Service Districts (OEASD) group superintendents
- Potential \$150,000 cost associated with rezoning and election processes if Senate Bill 529A is not passed
- Benefits of opt out pilot program, specifically accountability and flexibility
- Success of the current “alternative” board selection process currently in place in the three named ESDs, and goal of having that process expanded statewide, to all ESDs

**EFFECT OF COMMITTEE AMENDMENT:** Modifies existing law, removes a sunset clause pertaining to the election process for the board of three specific ESDs.

**BACKGROUND:** Senate Bill 250 (2011) gave a specific set of school districts the option to withdraw from, and subsequently rejoin, ESDs. Senate Bill 529A expands that process, making it available to all school districts. Senate Bill 987 (2010) allows a special board election process for three ESDs (High Desert, Northwest Regional and Willamette Education Service Districts). The measure also extended the initial 2005 pilot project, enacted by House Bill 3184 (2005), and contained a sunset clause, dated Feb. 1, 2013. Senate Bill 529A allows school districts greater flexibility in deciding how to best take advantage of ESD services, while also allowing three ESDs to avoid an expense that unanimous testimony to the committee indicates is unnecessary.