

Corrected

B-Engrossed House Bill 2098

Ordered by the House June 17
Including House Amendments dated April 26 and June 17

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for Department of Education)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

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

Extends by two years inclusion of certain foreign exchange students in description of resident for purposes of State School Fund distributions.

Declares emergency, effective July 1, 2013.

A BILL FOR AN ACT

1
2 Relating to State School Fund calculations; creating new provisions; amending ORS 327.013 and
3 section 5, chapter 718, Oregon Laws 2011; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 327.013 is amended to read:

6 327.013. The State School Fund distributions for school districts include the following grants:

7 (1) General Purpose Grant = Funding Percentage × Target Grant × District extended ADMw.

8 For the purpose of the calculation made under this subsection:

9 (a) The funding percentage shall be calculated by the Superintendent of Public Instruction to
10 distribute as nearly as practicable the total sum of money available for distribution.

11 (b) Target Grant = Statewide Target per ADMw Grant + Teacher Experience Factor. For the
12 purpose of the calculation made under this paragraph:

13 (A) Statewide Target per ADMw Grant = \$4,500.

14 (B) Teacher Experience Factor = \$25 × {District average teacher experience – statewide av-
15 erage teacher experience}. As used in this subparagraph, "average teacher experience" means the
16 average, in years, of teaching experience of licensed teachers as reported to the Department of Ed-
17 ucation.

18 (c) District extended ADMw = ADMw or ADMw of the prior year, whichever is greater. The
19 calculation of the district extended ADMw must be made as provided by ORS 338.155 (1)(b) if a
20 public charter school is located in the school district. For the purpose of this paragraph:

21 (A) Weighted average daily membership or ADMw = average daily membership + an additional
22 amount computed as follows:

23 (i) 1.0 for each student in average daily membership eligible for special education as a child with
24 a disability under ORS 343.035, which may not exceed 11 percent of the district's ADM without re-
25 view and approval by the Department of Education. Children with disabilities eligible for special

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 education in adult local correctional facilities, as defined in ORS 169.005, or adult regional
2 correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under
3 this sub-subparagraph.

4 (ii) 0.5 for each student in average daily membership eligible for and enrolled in an English as
5 a second language program under ORS 336.079.

6 (iii) 0.2 for each student in average daily membership enrolled in a union high school district
7 or in an area of a unified school district where the district is only responsible for educating students
8 in grades 9 through 12 in that area.

9 (iv) -0.1 for each student in average daily membership enrolled in an elementary district oper-
10 ating kindergarten through grade six or kindergarten through grade eight or in an area of a unified
11 school district where the district is only responsible for educating students in kindergarten through
12 grade eight.

13 (v) 0.25 times the sum of the following:

14 *[(I) The number of children 5 to 17 years of age in poverty families in the district, as determined*
15 *by the Department of Education from a report of the United States Department of Education based on*
16 *the most recent federal decennial census, as adjusted by the school district's proportion of students in*
17 *the county receiving free or reduced price lunches under the United States Department of Agriculture's*
18 *current Income Eligibility Guidelines if the number is higher than the number determined from census*
19 *data and only if the school district had an average daily membership of 2,500 or less for the 1995-1996*
20 *school year, and as further adjusted by the number of students in average daily membership in June*
21 *of the year of distribution divided by number of students in average daily membership in the district,*
22 *or its predecessors, in June of the year of the most recent federal decennial census;]*

23 **(I) The number of students who are in average daily membership and who are also in**
24 **poverty families, as determined by the Department of Education based on rules adopted by**
25 **the State Board of Education that incorporate poverty data published by the United States**
26 **Census Bureau, student data provided by school districts and other data identified by the**
27 **board;**

28 (II) The number of children in foster homes in the district as determined by the report of the
29 Department of Human Services to the United States Department of Education, "Annual Statistical
30 Report on Children in Foster Homes and Children in Families Receiving AFDC Payments in Excess
31 of the Poverty Income Level," or its successor, for October 31 of the year prior to the year of dis-
32 tribution; and

33 (III) The number of children in the district in state-recognized facilities for neglected and de-
34 linquent children, based on information from the Department of Human Services for October 31 of
35 the year prior to the year of distribution.

36 (vi) The amount determined under ORS 327.077 for each remote small elementary school and for
37 each small high school in the district.

38 (B) All numbers of children used for the computation in this paragraph must reflect any district
39 consolidations that have occurred since the numbers were compiled.

40 (C) The total additional weight that shall be assigned to any student in average daily member-
41 ship in a district, exclusive of students described in subparagraph (A)(v) and (vi) of this paragraph,
42 may not exceed 2.0.

43 (2) High cost disabilities grant = the total amount received by a school district under ORS
44 327.348 for providing special education and related services to resident pupils with disabilities.

45 (3)(a) Transportation grant equals:

1 (A) 70 percent of approved transportation costs for those school districts ranked below the 80th
2 percentile under paragraph (b) of this subsection.

3 (B) 80 percent of approved transportation costs for those school districts ranked in or above the
4 80th percentile but below the 90th percentile under paragraph (b) of this subsection.

5 (C) 90 percent of approved transportation costs for those school districts ranked in or above the
6 90th percentile under paragraph (b) of this subsection.

7 (b) Each fiscal year, the Department of Education shall rank school districts based on the ap-
8 proved transportation costs per ADM of each school district, ranking the school district with the
9 highest approved transportation costs per ADM at the top of the order.

10 (4)(a) Facility Grant = 8 percent of total construction costs of new school buildings.

11 (b) A school district shall receive a Facility Grant in the distribution year that a new school
12 building is first used.

13 (c) As used in this subsection:

14 (A) "New school building" includes new school buildings, structures added onto existing school
15 buildings and premanufactured structures added to a school district if those buildings or structures
16 are to be used for instructing students.

17 (B) "Construction costs" does not include costs for land acquisition.

18 **SECTION 2. The amendments to ORS 327.013 by section 1 of this 2013 Act apply to State**
19 **School Fund distributions commencing with the 2014-2015 distributions.**

20 **SECTION 3. Section 5, chapter 718, Oregon Laws 2011, is amended to read:**

21 **Sec. 5.** The amendments to ORS 339.133 by section 4 [*of this 2011 Act*], **chapter 718, Oregon**
22 **Laws 2011**, become operative on July 1, [2013] **2015**.

23 **SECTION 4. This 2013 Act being necessary for the immediate preservation of the public**
24 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
25 **July 1, 2013.**

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