

# House Bill 3236

Sponsored by COMMITTEE ON 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 **as introduced**.

Increases percentages of moneys from State School Fund and local revenues that education service districts are required to distribute to school districts.

Directs education service districts to provide services to early childhood services providers and post-secondary education institutions located within territory of education service district.

Directs education service districts to form four zones to have four members of board of directors of education service district elected by boards of component school districts. Directs elected directors to appoint five additional directors to board of directors of education service district.

Delays sunset for pilot education service districts.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to education service districts; creating new provisions; amending ORS 255.005, 260.432,  
3 334.003, 334.005, 334.025, 334.032, 334.090, 334.095, 334.100, 334.125, 334.175, 334.177, 334.730 and  
4 334.760 and section 15, chapter 828, Oregon Laws 2005, and section 5, chapter 59, Oregon Laws  
5 2010; repealing ORS 334.035, 334.045, 334.740 and 334.750 and section 14, chapter 828, Oregon  
6 Laws 2005; and declaring an emergency.

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

8 **SECTION 1.** ORS 334.177 is amended to read:

9 334.177. (1) As used in this section, "local revenues of an education service district" has the  
10 meaning given that term in ORS 327.019 but does not include any local revenues distributed under  
11 ORS 327.019 (8).

12 (2) **From the moneys available to an education service district from the State School**  
13 **Fund and from local revenue**, an education service district board shall:

14 (a) Expend [*at least 90*] **no more than 67.5** percent of all amounts received from the State  
15 School Fund and [*at least 90*] **no more than 67.5** percent of all amounts considered to be local re-  
16 venues of an education service district on services or programs that have been approved by the  
17 component school districts of the education service district through the resolution process described  
18 in ORS 334.175.

19 (b) **Distribute at least 22.5 percent of all amounts received from the State School Fund**  
20 **and at least 22.5 percent of all amounts considered to be local revenues of an education**  
21 **service district to the component school districts of the education service district based on**  
22 **the ADMw of the school districts, to be expended for purposes identified by the school dis-**  
23 **tricts.**

24 (3) An education service district board shall expend 100 percent of all amounts received from  
25 the School Improvement Fund on services or programs that have been approved by the component  
26 school districts of the education service district through the resolution process described in ORS  
27 334.175.

**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 (4) The expenditure requirements of this section apply only to amounts retained by the educa-  
 2 tion service district after making any distributions required under ORS 327.019 (9).

3 **SECTION 2. (1) The amendments to ORS 334.177 by section 1 of this 2013 Act become**  
 4 **operative July 1, 2013.**

5 **(2) The amendments to ORS 334.177 by section 1 of this 2013 Act first apply to expen-**  
 6 **ditures occurring for the 2013-2014 school year.**

7 **SECTION 3.** ORS 334.177, as amended by section 1 of this 2013 Act, is amended to read:

8 334.177. (1) As used in this section, “local revenues of an education service district” has the  
 9 meaning given that term in ORS 327.019 but does not include any local revenues distributed under  
 10 ORS 327.019 (8).

11 (2) From the moneys available to an education service district from the State School Fund and  
 12 from local revenue, an education service district board shall:

13 (a) Expend no more than [67.5] **22.5** percent of all amounts received from the State School Fund  
 14 and no more than [67.5] **22.5** percent of all amounts considered to be local revenues of an education  
 15 service district on services or programs that have been approved by the component school districts  
 16 of the education service district through the resolution process described in ORS 334.175.

17 (b) Distribute at least [22.5] **67.5** percent of all amounts received from the State School Fund  
 18 and at least [22.5] **67.5** percent of all amounts considered to be local revenues of an education ser-  
 19 vice district to the component school districts of the education service district based on the ADMw  
 20 of the school districts, to be expended for purposes identified by the school districts.

21 (3) An education service district board shall expend 100 percent of all amounts received from  
 22 the School Improvement Fund on services or programs that have been approved by the component  
 23 school districts of the education service district through the resolution process described in ORS  
 24 334.175.

25 (4) The expenditure requirements of this section apply only to amounts retained by the educa-  
 26 tion service district after making any distributions required under ORS 327.019 (9).

27 **SECTION 4. (1) The amendments to ORS 334.177 by section 3 of this 2013 Act become**  
 28 **operative July 1, 2014.**

29 **(2) The amendments to ORS 334.177 by section 3 of this 2013 Act first apply to expen-**  
 30 **ditures occurring for the 2014-2015 school year.**

31 **SECTION 5.** ORS 334.177, as amended by sections 1 and 3 of this 2013 Act, is amended to read:

32 334.177. (1) As used in this section, “local revenues of an education service district” has the  
 33 meaning given that term in ORS 327.019 but does not include any local revenues distributed under  
 34 ORS 327.019 (8).

35 (2) From the moneys available to an education service district from the State School Fund and  
 36 from local revenue, an education service district board shall:

37 (a) Expend no more than [22.5] **10** percent of all amounts received from the State School Fund  
 38 and no more than [22.5] **10** percent of all amounts considered to be local revenues of an education  
 39 service district on services or programs that have been approved by the component school districts  
 40 of the education service district through the resolution process described in ORS 334.175.

41 (b) Distribute at least [67.5] **80** percent of all amounts received from the State School Fund and  
 42 at least [67.5] **80** percent of all amounts considered to be local revenues of an education service  
 43 district to the component school districts of the education service district based on the ADMw of  
 44 the school districts, to be extended for purposes identified by the school districts.

45 (3) An education service district board shall expend 100 percent of all amounts received from

1 the School Improvement Fund on services or programs that have been approved by the component  
 2 school districts of the education service district through the resolution process described in ORS  
 3 334.175.

4 (4) The expenditure requirements of this section apply only to amounts retained by the educa-  
 5 tion service district after making any distributions required under ORS 327.019 (9).

6 **SECTION 6. (1) The amendments to ORS 334.177 by section 5 of this 2013 Act become**  
 7 **operative July 1, 2015.**

8 **(2) The amendments to ORS 334.177 by section 5 of this 2013 Act first apply to expen-**  
 9 **ditures occurring for the 2015-2016 school year.**

10 **SECTION 7.** ORS 334.175 is amended to read:

11 334.175. (1) An education service district shall provide regionalized core services to component  
 12 school districts **and to early childhood services providers and post-secondary education insti-**  
 13 **tutions located within the territory of the education service district.** [*The goals of these services*  
 14 *are to:*]

15 [*(a) Assist component school districts in meeting the requirements of state and federal law;*]

16 [*(b) Improve student learning;*]

17 [*(c) Enhance the quality of instruction provided to students;*]

18 [*(d) Enable component school districts and the students who attend schools in those districts to*  
 19 *have equitable access to resources; and]*

20 [*(e) Maximize operational and fiscal efficiencies for component school districts.]*

21 [(2) *The services provided by an education service district shall be provided according to a local*  
 22 *service plan developed by the education service district and component school districts. The education*  
 23 *service district and component school districts shall develop the local service plan to meet the goals*  
 24 *specified in subsection (1) of this section. The local service plan must include services in at least the*  
 25 *following areas:]*

26 [*(a) Programs for children with special needs, including but not limited to special education ser-*  
 27 *vices and services for at-risk students.]*

28 [*(b) Technology support for component school districts and the individual technology plans of those*  
 29 *districts, including but not limited to technology infrastructure services, data services, instructional*  
 30 *technology services and distance learning.]*

31 [*(c) School improvement services for component school districts, including but not limited to:]*

32 [(A) *Services designed to support component school districts in meeting the requirements of state*  
 33 *and federal law;]*

34 [(B) *Services designed to allow the education service district to participate in and facilitate a re-*  
 35 *view of the state and federal standards related to the provision of a quality education by component*  
 36 *school districts;]*

37 [(C) *Services designed to support and facilitate continuous school improvement planning;]*

38 [(D) *Services designed to address schoolwide behavior and climate issues; and]*

39 [(E) *Services designed to support career and technical education.]*

40 [(d) *Administrative and support services for component school districts, including but not limited*  
 41 *to services designed to consolidate component school district business functions, liaison services be-*  
 42 *tween the Department of Education and component school districts and registration of children being*  
 43 *taught by private teachers, parents or legal guardians pursuant to ORS 339.035.]*

44 [(3) *In addition to the services specified in subsection (2) of this section, a local service plan may*  
 45 *include other services that are designed to meet regional needs.]*

1       **(2) The services provided by an education service district shall be provided according to**  
 2 **a local service plan developed by the education service district and component school dis-**  
 3 **tricts. The local service plan must include services that an education service district is re-**  
 4 **quired to provide by state or federal law, including the registration of children being taught**  
 5 **by private teachers, parents or legal guardians pursuant to ORS 339.035 and other services**  
 6 **required under ORS 339.005 to 339.090.**

7       **(3) In addition to the services specified in subsection (2) of this section, a local service**  
 8 **plan may include other services that are designed to meet regional needs, including:**

9       **(a) Programs for children with special needs, including special education services and**  
 10 **services for at-risk students.**

11       **(b) Technology support for component school districts and the individual technology plans**  
 12 **of those districts, including technology infrastructure services, data services, instructional**  
 13 **technology services and distance learning.**

14       **(c) School improvement services for component school districts, including:**

15       **(A) Services designed to support component school districts in meeting the requirements**  
 16 **of state and federal law;**

17       **(B) Services designed to allow the education service district to participate in and facili-**  
 18 **tate a review of the state and federal standards related to the provision of a quality educa-**  
 19 **tion by component school districts;**

20       **(C) Services designed to support and facilitate continuous school improvement planning;**

21       **(D) Services designed to address schoolwide behavior and climate issues; and**

22       **(E) Services designed to support career and technical education.**

23       **(d) Administrative and support services for component school districts, including services**  
 24 **designed to consolidate component school district business functions.**

25       **(e) Liaison services between the Department of Education, component school districts,**  
 26 **early childhood services providers and post-secondary education institutions.**

27       **(4) A local service plan shall [also] contain annual performance measures for the education**  
 28 **service district.**

29       **(5) A local service plan must:**

30       **(a) Be adopted by the board of the education service district.**

31       **(b) After being adopted by the board of the education service district, be approved on or before**  
 32 **March 1 by resolution of two-thirds of the component school districts that are a part of the educa-**  
 33 **tion service district and that have at least a majority of the pupils included in the average daily**  
 34 **membership of the education service district, as determined by the reports of such school districts**  
 35 **for the preceding year, enrolled in the schools of the school districts.**

36       **(6) Notwithstanding the process for approval and adoption required by subsection (5) of this**  
 37 **section, if the component school districts approve an amendment to a local service plan pursuant**  
 38 **to subsection (5)(b) of this section, the board of an education service district may amend a local**  
 39 **service plan that has been previously adopted by the board and approved by the component school**  
 40 **districts. An amendment to a local service plan may be done at any time.**

41       **(7) If a component school district determines that a local service plan, or the provision of ser-**  
 42 **vices under a local service plan, does not meet the service needs of the component school district,**  
 43 **the component school district may contract with a public entity for the provision of services.**

44       **(8) An education service district may provide the services required by the local service plan**  
 45 **directly through the staff of the district. In addition, an education service district may provide ser-**

1 vices required by the local service plan through the operation of a public school, a public charter  
 2 school pursuant to ORS chapter 338, an alternative school *[or]*, a preschool, **an early childhood**  
 3 **services provider or a post-secondary education institution.**

4 (9) An education service district may provide the services required by the local service plan in  
 5 cooperation with another education service district or with a school district, **an early childhood**  
 6 **services provider or a post-secondary education institution.** In addition, an education service  
 7 district may contract with a public or private entity for the provision of services.

8 **SECTION 8.** ORS 334.003 is amended to read:

9 334.003. For purposes of this chapter:

10 (1) “Component school district” means a common school district or a union high school district  
 11 that:

- 12 (a) Is located within the territory of an education service district; and
- 13 (b) Is not withdrawn from the education service district as provided in ORS 334.015.

14 (2) “Education service district” means a district created under ORS 334.010 that provides re-  
 15 gional educational services to component school districts **and to early childhood services provid-**  
 16 **ers and post-secondary education institutions located within the territory of the education**  
 17 **service district.**

18 (3) “Joint school district” means a common school district or a union high school district located  
 19 within the territory of more than one education service district.

20 **SECTION 9.** ORS 334.005 is amended to read:

21 334.005. (1) The mission of education service districts is to assist school districts, **early child-**  
 22 **hood services providers, post-secondary education institutions** and the Department of Educa-  
 23 tion in achieving Oregon’s educational goals by providing equitable, high quality, cost-effective and  
 24 locally responsive educational services at a regional level.

25 (2) An education service district plays a key role in:

- 26 (a) Ensuring an equitable and excellent education for all children in *[the]* **this** state;
- 27 (b) Implementing the Oregon Educational Act for the 21st Century;
- 28 (c) Fostering the attainment of high standards of performance by all students in Oregon’s public  
 29 schools; and

30 (d) Facilitating interorganizational coordination and cooperation among educational, social ser-  
 31 vice, health care and employment training agencies.

32 (3) An education service district’s role is one of leadership and service. Education service dis-  
 33 tricts shall maintain the distinction between their role as service organizations and the regulatory  
 34 role of the Department of Education and other state agencies.

35 (4) To ensure that an education service district is locally responsive, an education service dis-  
 36 trict shall provide:

37 (a) Opportunities for component school districts to participate in decisions about the services  
 38 that are offered by the education service district; and

39 (b) A variety of flexible service delivery models.

40 (5) An education service district shall remain accountable to:

- 41 (a) The public at large;
- 42 (b) The component school districts; and
- 43 (c) The State Board of Education.

44 **SECTION 10.** ORS 334.125 is amended to read:

45 334.125. (1) The education service district is a body corporate.

1 (2) The education service district board is authorized to transact all business coming within the  
 2 jurisdiction of the education service district and may sue and be sued.

3 (3) The education service district board shall perform all duties required by law, including [*but*  
 4 *not limited to*]:

5 (a) [*Distribution of such*] **Distributing** school funds [*as*] it is empowered to apportion;

6 (b) [*Conduct of*] **Conducting** audits;

7 [(*c*) *Duties as district boundary board*];

8 [(*d*)] (c) **Fulfilling** budget and tax levying duties, including the levying of taxes under ORS  
 9 280.060;

10 [(*e*)] (d) Contracting a bonded indebtedness and levying direct ad valorem taxes on all taxable  
 11 property within the education service district in the manner that component school districts are  
 12 authorized to issue bonds and levy taxes under ORS 328.205 to 328.304 and other laws applicable to  
 13 the issuance of bonds and levying of taxes by school districts; [*and*]

14 [(*f*)] (e) Creating a county education bond district under ORS 328.304 from a county within the  
 15 district[.]; **and**

16 (f) **Encouraging collaboration among component school districts and early childhood**  
 17 **services providers and post-secondary education institutions located within the territory of**  
 18 **the education service district.**

19 (4) In addition to its duties under subsection (3) of this section, an education service district  
 20 board:

21 (a) May provide services required by the local service plan developed pursuant to ORS 334.175;

22 (b) May provide funds to a component school district to provide services required by the local  
 23 service plan in lieu of the component school district receiving services from the education service  
 24 district;

25 (c) Shall provide funds as specified in ORS 327.019 (9) to a school district located within the  
 26 territory of the education service district that has withdrawn from the education service district as  
 27 provided in ORS 334.015; and

28 (d) For the purpose of providing services consistent with the local service plan, may enter into  
 29 contracts with school districts that have withdrawn from the education service district as provided  
 30 in ORS 334.015 or that are located outside the territory of the education service district.

31 (5) The education service district board may employ and fix the compensation of such personnel  
 32 as it considers necessary for carrying out duties of the board.

33 (6) In carrying out its duties, the education service district board:

34 (a) May locate, buy, accept by gift or lease such land, buildings and facilities as may be required  
 35 for district purposes. Leases authorized by this section may be for a term of up to 30 years and  
 36 include lease-purchase agreements whereunder the district may acquire ownership of the leased  
 37 property.

38 (b) May acquire personal property by a lease-purchase agreement or contract of purchase for a  
 39 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-  
 40 trict is expressly agreed to have been established to reflect the savings resulting from the exemption  
 41 from taxation, and the district is entitled to ownership of the property at a nominal or other price  
 42 which is stated or determinable by the terms of the agreement and was not intended to reflect the  
 43 true value of the property.

44 (c) May lease property or sell and convey property of the district as the board considers un-  
 45 necessary to its purposes.

1 (d) May purchase relocatable structures in installment transactions in which deferred install-  
 2 ments of the purchase price are payable over not more than 10 years from the date of delivery of  
 3 the property to the district and are secured by a security interest in the property. The transactions  
 4 may take the form of, but are not limited to, lease-purchase agreements.

5 (e) May accept money or property donated for the use or benefit of the district and use the  
 6 money or property for the purpose for which it was donated.

7 (7) The education service district board may adopt rules it considers necessary to carry out the  
 8 duties of the board.

9 (8) The education service district may contract with public and private entities for service de-  
 10 livery.

11 (9)(a) The education service district shall work cooperatively with component school districts,  
 12 **early childhood services providers and post-secondary education institutions** and review peri-  
 13 odically with [*component school districts*] **the districts, providers and institutions** the operations  
 14 of component school districts and shall submit to the component school districts plans for operations  
 15 that achieve economies and efficiencies through consolidation of various operations of all or some  
 16 of the districts **and the consolidation of various operations of providers and institutions**. The  
 17 education service district and its component school districts shall submit an annual report on the  
 18 effectiveness of the consolidation of operations to the State Board of Education.

19 (b) As used in this subsection, “operations” means services involving transportation, payroll,  
 20 student records, auditing, legal services, insurance, printing, investment and other similar services.

21 **SECTION 11.** ORS 334.025 is amended to read:

22 334.025. (1) The board of directors of an education service district shall consist of [*seven, nine*  
 23 *or 11 members.*] **nine members as follows:**

24 (a) **Four directors shall represent zones established under ORS 334.032 and shall be**  
 25 **elected by the boards of the component school districts; and**

26 (b) **Five directors shall be appointed by the directors described in paragraph (a) of this**  
 27 **subsection, including one at-large director and a director representing each of the following:**

28 (A) **Public post-secondary education institutions located within the territory of the edu-**  
 29 **cation service district or, if a public post-secondary education institution is not located**  
 30 **within the territory of the education service district, a public post-secondary education in-**  
 31 **stitution located within this state;**

32 (B) **Early childhood services providers;**

33 (C) **Social services providers; and**

34 (D) **The business community.**

35 (3)(a) **Prior to the end of the term of office of any elected director of an education service**  
 36 **district, the boards of the component school districts within the zone the director repres-**  
 37 **ented shall elect a successor whose term begins on July 1 next following. Each component**  
 38 **school district board shall have one vote. An elected director is eligible for reelection.**

39 (b) **Prior to the end of the term of office of any appointed director of an education service**  
 40 **district, the directors described in subsection (1)(a) of this section shall appoint a successor**  
 41 **whose term begins on July 1 next following. A director who was appointed under subsection**  
 42 **(1)(b) of this section is eligible for reappointment.**

43 (4) **Any vacancy on the board of directors of an education service district that occurs**  
 44 **before the end of the term of office of a director of an education service district shall be**  
 45 **filled following the process described in this section.**

1        *[(2) In education service districts, not fewer than five of the directors shall be elected, one from*  
 2 *each of the zones established under ORS 334.032. At the discretion of the board of directors, one or two*  
 3 *board members may be elected from the district at large.]*

4        *[(3)] (5) On the petition of two component school districts, the board shall establish local advi-*  
 5 *sory committees to represent the interests of areas within the petitioning districts. The local advi-*  
 6 *sory committees shall advise the board on matters of concern within the advisory committee's area.*  
 7 *Local advisory committees shall represent two or more component school districts.*

8        *[(4) The board of directors may by resolution increase or decrease the number of members of the*  
 9 *board. The board's resolution shall be entered with sufficient time for the board to give the required*  
 10 *information to the elections officer under ORS 255.069, and the board's resolution shall have no effect*  
 11 *on the terms of any current board members.]*

12        **SECTION 12.** ORS 334.032 is amended to read:

13        334.032. (1) The board of directors of an education service district shall divide the education  
 14 service district into *[not more than 11]* **four** zones as nearly equal in census population as may be  
 15 practicable, measured along common school district boundary lines except that zones may be es-  
 16 tablished using voting precinct boundaries in order to achieve greater equality of population. If  
 17 possible, the board shall establish the zones so that each county within the education service dis-  
 18 trict, the majority of the land area of which lies within the boundaries of the education service  
 19 district, has at least one member on the board.

20        (2) Each county within the education service district, the majority of the land area of which lies  
 21 within the boundaries of the education service district, shall have at least one member on the board  
 22 or shall have at least one member on the budget committee of the education service district.

23        (3) The board **of directors of an education service district** may readjust the boundaries of the  
 24 zones once each year and shall readjust the boundaries of the zones immediately upon any change  
 25 of the boundaries of the education service district **or a component school district**.

26        **SECTION 13.** ORS 334.090 is amended to read:

27        334.090. (1) The term of office of director of an education service district shall be four years.

28        (2) The term of office of each director of an education service district shall begin on July 1 next  
 29 following the date of election **or appointment**. A director shall serve until June 30 next following  
 30 the election **or appointment** of a successor.

31        (3) A director of an education service district must qualify by taking an oath of office before  
 32 assuming the duties of office.

33        (4) A newly **elected or** appointed director of an education service district shall take office at  
 34 the meeting of the education service district board next following the **election or** appointment.

35        (5) A person is not eligible to serve as a director of an education service district unless the  
 36 person is an elector of the district and has resided therein for a period of one year immediately  
 37 preceding the election or appointment.

38        (6) *[No]* **An** employee of an education service district is **not** eligible to serve as a director of the  
 39 education service district by which the employee is employed.

40        *[(7) A regular district election shall be held in a district to fill any vacancy and to elect a successor*  
 41 *for any director whose term expires June 30 next following the election. A successor shall be elected*  
 42 *as follows:]*

43        *[(a) If the director was elected from a zone established under ORS 334.032, a successor from the*  
 44 *same zone shall be elected by the electors of the zone.]*

45        *[(b) If the director was elected at large a successor shall be elected at large by the electors of the*



1 *district.]*

2 [(8) *Notwithstanding subsection (7) of this section, in any district having a population of 550,000*  
3 *or more according to the latest federal census that becomes zoned according to ORS 334.032, the board*  
4 *shall determine prior to the nomination of school directors which positions shall be from zones and*  
5 *which positions shall be at large.]*

6 [(9) *Any vacancy on the board from any zone shall be filled by the remaining directors from among*  
7 *the qualified persons in that zone. Any such vacancy from the district at large shall be filled by the*  
8 *remaining directors from among the qualified persons in the district. However, if vacancies occur in a*  
9 *majority of the positions on the board, the State Board of Education shall fill the vacancies from among*  
10 *the qualified persons of the zones, if any, or from among other persons who are qualified to serve. The*  
11 *period of service of an appointee under this subsection expires June 30 next following the next regular*  
12 *district election at which a successor is elected. The successor shall be elected to serve the remainder,*  
13 *if any, of the term for which the appointment was made. If the term for which the appointment was*  
14 *made expires June 30 after the election of the successor, the successor shall be elected to a full term.*  
15 *In either case, the successor shall take office July 1 next following the election.]*

16 **SECTION 14.** ORS 334.095, as amended by section 10, chapter 91, Oregon Laws 2012, is  
17 amended to read:

18 334.095. (1) The education service district board shall declare the office of a director vacant  
19 when the incumbent:

20 (a) Dies or resigns;

21 (b) Is removed from office or a court declares the election **or appointment** for the office void;

22 (c) Ceases to be a resident of a school district that is located within the territory of the edu-  
23 cation service district;

24 (d) Subject to subsection (3) of this section **and only for an elected director**, ceases to be a  
25 resident of the zone from which nominated; **or**

26 (e) Ceases to discharge the duties of office for two consecutive months unless prevented from  
27 discharging the duties by sickness or other unavoidable cause. [*; or*]

28 [*(f) Is recalled.*]

29 (2) The education service district board may not declare the office of a director vacant if the  
30 director is a resident of a school district that withdraws from the education service district as pro-  
31 vided by ORS 334.015 unless:

32 (a) The director's term expires; or

33 (b) The education service district board declares the office vacant for a reason described in  
34 subsection (1) of this section.

35 (3) [*A director nominated from a zone*] **An elected director** who changes permanent residence  
36 from one zone to another zone [*in which another director resides*] shall continue to serve as director  
37 until [*the next regular election when a successor shall be*] **a successor is** elected to serve for the  
38 remainder of the unexpired term **as provided by ORS 334.025.**

39 (4) A director guilty of misfeasance or malfeasance in office, by the appropriate proceeding, may  
40 be removed from office by a court of competent jurisdiction.

41 [(5) *Members may be recalled in the manner provided in ORS 249.865 to 249.877. If the member*  
42 *was elected by a zone, the recall petition shall be signed by electors from that zone and electors from*  
43 *the zone are the only electors eligible to vote in the recall election. If the member was elected at large,*  
44 *the recall petition shall be signed by electors from the district and electors from the district are eligible*  
45 *to vote in the recall election.]*

**SECTION 15.** ORS 334.100 is amended to read:

334.100. (1) Each education service district board shall meet during July and organize by electing one of its members chairperson and one vice chairperson, each of whom shall serve until a successor is elected *[and qualified]* **as chairperson or vice chairperson.** No member shall serve as chairperson for more than two years in succession.

(2) Regular meetings of an education service district board shall be held on meeting dates determined by the board. Special meetings may be held on dates to be determined by the board.

(3) Members of the education service district board shall receive no compensation for their services, but shall be reimbursed for all traveling and other expenses necessarily incurred in performing their duties as members of the board.

(4) A majority of the members of the education service district board shall constitute a quorum. A lesser number may meet and adjourn from time to time and compel the presence of absent members. The affirmative vote of a majority of members of the board is required to transact any business.

(5) Any duty imposed upon the education service district board as a body must be performed at a regular or special meeting and must be made a matter of record. The consent to any particular measure obtained of individual members when the board is not in session is not an act of the board and is not binding upon the district.

**SECTION 16.** ORS 334.730 is amended to read:

334.730. *[(1)]* Immediately after the order to join two or more education service districts together, the boards of directors of all education service districts within the boundaries of the new district shall meet together upon the call of the chairperson of the board of the most populous district. *[Notwithstanding ORS 334.025 or ORS chapter 255,]* The joint board of directors shall divide the new district into *[as many zones as the board considers necessary, but not fewer than seven nor more than 11]* **four zones.** The zones shall be as nearly equal in population as may be practicable. If possible, the joint board shall establish the zones so that each county within the new education service district, the majority of the land area of which lies within the boundaries of the education service district, has at least one member on the board.

*[(2) Within 90 days after the zones required in subsection (1) of this section are established, the joint board of directors shall call a special election in the new district for the purpose of electing directors, one of whom shall be elected from each zone established under subsection (1) of this section by the electors of the zone.]*

**SECTION 17.** ORS 334.760 is amended to read:

334.760. *[During the period following their election and]* Prior to the date the new education service district comes into existence, the board of directors of the new education service district may take such action as is essential in order that the new district may carry out its required functions when it comes into existence, including the preparation and adoption of a budget for the new district. Expenditures of the board under this section shall be paid from the budgets of the component education service districts on a prorated basis.

**SECTION 18.** ORS 255.005 is amended to read:

255.005. As used in this chapter:

- (1) "County clerk" means the county clerk or the county official in charge of elections.
- (2) "District board" means the governing body of a district.
- (3) "District election" means any election authorized or required to be held by a district.
- (4) "District elections authority" means the county court or board of county commissioners,

1 district board or other body or officer authorized or required to call a district election.

2 (5) "Elections officer" means the:

3 (a) County clerk of the county in which the administrative office of the district is located re-  
4 garding a measure, or a candidate for an office, to be voted on in a district located in more than  
5 one county.

6 (b) County clerk regarding a measure, or a candidate for an office, to be voted on in a district  
7 situated wholly within the county.

8 (6) "Elector" means an individual qualified to vote under section 2, Article II, Oregon Consti-  
9 tution.

10 (7) "Measure" includes any of the following submitted to the people for their approval or re-  
11 jection at an election:

12 (a) A proposed law.

13 (b) An Act or part of an Act of the Legislative Assembly.

14 (c) A revision of or amendment to the Oregon Constitution.

15 (d) Local, special or municipal legislation.

16 (e) A proposition or question.

17 (8) "Regular district election" means the election held each year for the purpose of electing  
18 members of any district board as defined in subsection (2) of this section.

19 (9) "School district" means a common school district, a union high school district[, *an education*  
20 *service district*] or a community college district.

21 **SECTION 19.** ORS 260.432 is amended to read:

22 260.432. (1) No person shall attempt to, or actually, coerce, command or require a public em-  
23 ployee to influence or give money, service or other thing of value to promote or oppose any political  
24 committee or to promote or oppose the nomination or election of a candidate, the gathering of sig-  
25 natures on an initiative, referendum or recall petition, the adoption of a measure or the recall of a  
26 public office holder.

27 (2) No public employee shall solicit any money, influence, service or other thing of value or  
28 otherwise promote or oppose any political committee or promote or oppose the nomination or  
29 election of a candidate, the gathering of signatures on an initiative, referendum or recall petition,  
30 the adoption of a measure or the recall of a public office holder while on the job during working  
31 hours. However, this section does not restrict the right of a public employee to express personal  
32 political views.

33 (3) Each public employer shall have posted in a conspicuous place likely to be seen by its em-  
34 ployees the following notice in printed or typewritten form:

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36  
37 **ATTENTION ALL PUBLIC EMPLOYEES:**

38 The restrictions imposed by the law of the State of Oregon on your political activities are that  
39 "No public employee shall solicit any money, influence, service or other thing of value or otherwise  
40 promote or oppose any political committee or promote or oppose the nomination or election of a  
41 candidate, the gathering of signatures on an initiative, referendum or recall petition, the adoption  
42 of a measure or the recall of a public office holder while on the job during working hours. However,  
43 this section does not restrict the right of a public employee to express personal political views."

44 It is therefore the policy of the state and of your public employer that you may engage in poli-  
45 tical activity except to the extent prohibited by state law when on the job during working hours.

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3 (4) Nothing in this section prohibits an employee of the legislative branch from explaining the  
4 vote of a member of the Legislative Assembly on:

5 (a) An Act that has been referred to the people by law or petition under section 1 (3), Article  
6 IV of the Oregon Constitution;

7 (b) An Act for which a prospective referendum petition has been filed under ORS 250.045; or

8 (c) A constitutional amendment or revision proposed under section 1 or 2, Article XVII of the  
9 Oregon Constitution.

10 (5) As used in this section:

11 (a) "Public employee" does not include an elected official or a person [*appointed as a director*  
12 *to the board of a pilot education service district under section 11, chapter 828, Oregon Laws 2005*]  
13 **servicing on the board of directors of an education service district.**

14 (b) "Public employer" includes any board, commission, committee, department, division or insti-  
15 tution in the executive, administrative, legislative or judicial branch of state government, and any  
16 county, city, district or other municipal corporation or public corporation organized for a public  
17 purpose, including a cooperative body formed between municipal or public corporations.

18 **SECTION 20.** ORS 260.432, as amended by section 8, chapter 589, Oregon Laws 2007, and sec-  
19 tion 16, chapter 9, Oregon Laws 2010, is amended to read:

20 260.432. (1) No person shall attempt to, or actually, coerce, command or require a public em-  
21 ployee to influence or give money, service or other thing of value to promote or oppose any political  
22 committee or to promote or oppose the nomination or election of a candidate, the gathering of sig-  
23 natures on an initiative, referendum or recall petition, the adoption of a measure or the recall of a  
24 public office holder.

25 (2) No public employee shall solicit any money, influence, service or other thing of value or  
26 otherwise promote or oppose any political committee or promote or oppose the nomination or  
27 election of a candidate, the gathering of signatures on an initiative, referendum or recall petition,  
28 the adoption of a measure or the recall of a public office holder while on the job during working  
29 hours. However, this section does not restrict the right of a public employee to express personal  
30 political views.

31 (3) Each public employer shall have posted in a conspicuous place likely to be seen by its em-  
32 ployees the following notice in printed or typewritten form:

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33  
34  
35 **ATTENTION ALL PUBLIC EMPLOYEES:**

36 The restrictions imposed by the law of the State of Oregon on your political activities are that  
37 "No public employee shall solicit any money, influence, service or other thing of value or otherwise  
38 promote or oppose any political committee or promote or oppose the nomination or election of a  
39 candidate, the gathering of signatures on an initiative, referendum or recall petition, the adoption  
40 of a measure or the recall of a public office holder while on the job during working hours. However,  
41 this section does not restrict the right of a public employee to express personal political views."

42 It is therefore the policy of the state and of your public employer that you may engage in poli-  
43 tical activity except to the extent prohibited by state law when on the job during working hours.

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1 (4) Nothing in this section prohibits an employee of the legislative branch from explaining the  
 2 vote of a member of the Legislative Assembly on:

3 (a) An Act that has been referred to the people by law or petition under section 1 (3), Article  
 4 IV of the Oregon Constitution;

5 (b) An Act for which a prospective referendum petition has been filed under ORS 250.045; or

6 (c) A constitutional amendment or revision proposed under section 1 or 2, Article XVII of the  
 7 Oregon Constitution.

8 (5) As used in this section:

9 (a) "Public employee" does not include an elected official **or a person serving on the board**  
 10 **of directors of an education service district.**

11 (b) "Public employer" includes any board, commission, committee, department, division or insti-  
 12 tution in the executive, administrative, legislative or judicial branch of state government, and any  
 13 county, city, district or other municipal corporation or public corporation organized for a public  
 14 purpose, including a cooperative body formed between municipal or public corporations.

15 **SECTION 21.** (1) **The term of office of a director who serves on a board of directors of**  
 16 **an education service district on the effective date of this 2013 Act terminates on June 30,**  
 17 **2014.**

18 (2) **Notwithstanding the term of office specified in ORS 334.090, of the members of the**  
 19 **board of directors of an education service district described in ORS 334.025 who are first**  
 20 **elected or appointed to the board on or after July 1, 2014:**

21 (a) **At least two elected members shall serve for terms ending July 1, 2016.**

22 (b) **At least two elected members shall serve for terms ending July 1, 2018.**

23 (c) **At least two appointed members shall serve for terms ending July 1, 2016.**

24 (d) **At least three appointed members shall serve for terms ending July 1, 2018.**

25 **SECTION 22.** Section 5, chapter 59, Oregon Laws 2010, is amended to read:

26 **Sec. 5.** (1) The term of office of a director who serves on the board of directors of the Northwest  
 27 Regional Education Service District terminates on June 30, [2013] **2014**, if:

28 (a) The director was elected or appointed under section 11, chapter 828, Oregon Laws 2005; and

29 (b) The director's term of office has not been completed by June 30, [2013] **2014.**

30 (2) The term of office of a director who serves on the board of directors of the Willamette Ed-  
 31 ucation Service District or the High Desert Education Service District terminates on June 30,  
 32 [2013] **2014**, if the director was elected or appointed under section 11, chapter 828, Oregon Laws  
 33 2005.

34 **SECTION 23.** Section 15, chapter 828, Oregon Laws 2005, as amended by section 6, chapter 589,  
 35 Oregon Laws 2007, and section 6, chapter 59, Oregon Laws 2010, is amended to read:

36 **Sec. 15.** (1) Sections 11, 12 and 13, chapter 828, Oregon Laws 2005, are repealed on June 30,  
 37 [2013] **2014.**

38 (2) The amendments to ORS 260.432 by section 8, chapter 589, Oregon Laws 2007, become op-  
 39 erative on June 30, [2013] **2014.**

40 **SECTION 24.** (1) **ORS 334.035, 334.045, 334.740 and 334.750 are repealed.**

41 (2) **Section 14, chapter 828, Oregon Laws 2005, as amended by section 5, chapter 589,**  
 42 **Oregon Laws 2007, and section 3, chapter 59, Oregon Laws 2010, is repealed.**

43 **SECTION 25.** (1) **The amendments to ORS 334.003, 334.005, 334.125 and 334.175 by sections**  
 44 **7 to 10 of this 2013 Act become operative July 1, 2013.**

45 (2) **The amendments to ORS 255.005, 260.432, 334.025, 334.032, 334.090, 334.095, 334.100,**

1 334.730 and 334.760 by sections 11 to 20 of this 2013 Act and the repeal of ORS 334.035, 334.045,  
2 334.740 and 334.750 by subsection 24 (1) of this 2013 Act become operative on July 1, 2014.

3 SECTION 26. This 2013 Act being necessary for the immediate preservation of the public  
4 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect  
5 on its passage.  
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