

# Senate Bill 632

Sponsored by Senator MONROE

## 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**.

Revises method of calculating transportation grant from State School Fund distributions.

Allows district school board to determine distances beyond which school district will provide transportation.

Directs Department of Education to expend specified amount from State School Fund to assist school districts in complying with core teaching standards requirements.

Declares emergency, effective July 1, 2013.

## A BILL FOR AN ACT

1  
2 Relating to funding for school districts; creating new provisions; amending ORS 327.006, 327.008,  
3 327.013, 327.043, 332.405, 338.145, 339.133, 340.065 and 346.041 and section 9, chapter 718, Oregon  
4 Laws 2011; repealing ORS 327.033; and declaring an emergency.

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

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

7 327.013. The State School Fund distributions for school districts include the following grants:

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

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

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

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

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

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

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

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

24 (i) 1.0 for each student in average daily membership eligible for special education as a child with  
25 a disability under ORS 343.035, which may not exceed 11 percent of the district's ADM without re-  
26 view and approval by the Department of Education. Children with disabilities eligible for special  
27 education in adult local correctional facilities, as defined in ORS 169.005, or adult regional  
28 correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under  
29 this sub-subparagraph.

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

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

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

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

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

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

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

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

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

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

36 (2) High [*cost disabilities grant*] **Cost Disabilities Grant** = the total amount received by a  
37 school district under ORS 327.348 for providing special education and related services to resident  
38 pupils with disabilities.

39 [(3)(a) *Transportation grant equals:*]

40 [(A) *70 percent of approved transportation costs for those school districts ranked below the 80th*  
41 *percentile under paragraph (b) of this subsection.*]

42 [(B) *80 percent of approved transportation costs for those school districts ranked in or above the*  
43 *80th percentile but below the 90th percentile under paragraph (b) of this subsection.*]

44 [(C) *90 percent of approved transportation costs for those school districts ranked in or above the*  
45 *90th percentile under paragraph (b) of this subsection.*]

1        *[(b) Each fiscal year, the Department of Education shall rank school districts based on the ap-*  
 2 *proved transportation costs per ADM of each school district, ranking the school district with the*  
 3 *highest approved transportation costs per ADM at the top of the order.]*

4        **(3) Transportation Grant = 98 percent of the amount of the transportation grant that**  
 5 **the school district received for the 2012-2013 school year, which shall be adjusted as follows:**

6        **(a) At intervals designated by the State Board of Education by rule; and**

7        **(b) Based on guidelines adopted by the board by rule, which:**

8        **(A) Must take into account the relative cost efficiency by which districts operate a safe**  
 9 **school transportation service;**

10        **(B) Must take into account various inflationary costs, based on the average inflationary**  
 11 **costs for the previous three school years; and**

12        **(C) May allow for different adjustment for each school district based on the character-**  
 13 **istics of the school district.**

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

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

17        (c) As used in this subsection:

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

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

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

24        **SECTION 3.** ORS 327.006 is amended to read:

25        327.006. As used in ORS 327.006 to 327.133, 327.348 and 327.731:

26        (1) "Aggregate days membership" means the sum of days present and absent, according to the  
 27 rules of the State Board of Education, of all resident pupils when school is actually in session during  
 28 a certain period. The aggregate days membership of kindergarten pupils shall be calculated on the  
 29 basis of a half-day program.

30        [(2)(a) "Approved transportation costs" means those costs as defined by rule of the State Board of  
 31 Education and is limited to those costs attributable to transporting or room and board provided in lieu  
 32 of transporting:]

33        [(A) Elementary school students who live at least one mile from school;]

34        [(B) Secondary school students who live at least 1.5 miles from school;]

35        [(C) Any student required to be transported for health or safety reasons, according to supplemental  
 36 plans from districts that have been approved by the state board identifying students who are required  
 37 to be transported for health or safety reasons, including special education;]

38        [(D) Preschool children with disabilities requiring transportation for early intervention services  
 39 provided pursuant to ORS 343.224 and 343.533;]

40        [(E) Students who require payment of room and board in lieu of transportation;]

41        [(F) A student transported from one school or facility to another school or facility when the student  
 42 attends both schools or facilities during the day or week; and]

43        [(G) Students participating in school-sponsored field trips that are extensions of classroom learning  
 44 experiences.]

45        [(b) "Approved transportation costs" does not include the cost of constructing boarding school fa-

1 *cilities.]*

2 [(3)] (2) “Average daily membership” or “ADM” means the aggregate days membership of a  
3 school during a certain period divided by the number of days the school was actually in session  
4 during the same period. However, if a district school board adopts a class schedule that operates  
5 throughout the year for all or any schools in the district, average daily membership shall be com-  
6 puted by the Department of Education so that the resulting average daily membership will not be  
7 higher or lower than if the board had not adopted such schedule.

8 [(4)] (3) “Consumer Price Index” means the Consumer Price Index for All Urban Consumers of  
9 the Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department  
10 of Labor, Bureau of Labor Statistics.

11 [(5)] (4) “Kindergarten” means a kindergarten program that conforms to the standards and rules  
12 adopted by the State Board of Education.

13 [(6)] (5) “Net operating expenditures” means the sum of expenditures of a school district in  
14 kindergarten through grade 12 for administration, instruction, attendance and health services, op-  
15 eration of plant, maintenance of plant, fixed charges and tuition for resident students attending in  
16 another district, as determined in accordance with the rules of the State Board of Education, but  
17 net operating expenditures does not include transportation, food service, student body activities,  
18 community services, capital outlay, debt service or expenses incurred for nonresident students.

19 [(7)(a)] (6)(a) “Resident pupil” means any pupil:

20 (A) Whose legal school residence is within the boundaries of a school district reporting the pu-  
21 pil, if the district is legally responsible for the education of the pupil, except that “resident pupil”  
22 does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the  
23 district does not pay tuition for placement outside the district; or

24 (B) Whose legal residence is not within the boundaries of the district reporting the pupil but  
25 who attends school in the district with the written consent of the district school board where the  
26 school is located as provided by ORS 339.133 (5).

27 (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if  
28 the pupil is attending school in another school district pursuant to a contract under ORS 339.125  
29 and in the prior year was considered to be a resident pupil in another school district under para-  
30 graph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another  
31 school district under paragraph (a)(B) of this subsection.

32 (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if  
33 the pupil is attending school in a school district pursuant to ORS 339.133 (5) and in the prior year  
34 was considered to be a resident pupil under paragraph (a)(A) of this subsection because the pupil  
35 was attending school in another school district pursuant to a contract under ORS 339.125. The pupil  
36 shall continue to be considered a resident pupil under paragraph (a)(A) of this subsection.

37 (d) “Resident pupil” includes a pupil admitted to a school district under ORS 339.115 (7).

38 [(8)] (7) “Standard school” means a school meeting the standards set by the rules of the State  
39 Board of Education.

40 [(9)] (8) “Tax” and “taxes” includes all taxes on property, excluding exempt bonded indebt-  
41 edness, as those terms are defined in ORS 310.140.

42 **SECTION 4.** ORS 327.006, as amended by section 7, chapter 704, Oregon Laws 2011, is amended  
43 to read:

44 327.006. As used in ORS 327.006 to 327.133, 327.348 and 327.731:

45 (1) “Aggregate days membership” means the sum of days present and absent, according to the

1 rules of the State Board of Education, of all resident pupils when school is actually in session during  
 2 a certain period. The aggregate days membership of kindergarten pupils shall be calculated on the  
 3 basis of a half-day program for half-day kindergarten and on the basis of a full-day program for  
 4 full-day kindergarten.

5 [(2)(a) *“Approved transportation costs” means those costs as defined by rule of the State Board of*  
 6 *Education and is limited to those costs attributable to transporting or room and board provided in lieu*  
 7 *of transporting;*]

8 [(A) *Elementary school students who live at least one mile from school;*]

9 [(B) *Secondary school students who live at least 1.5 miles from school;*]

10 [(C) *Any student required to be transported for health or safety reasons, according to supplemental*  
 11 *plans from districts that have been approved by the state board identifying students who are required*  
 12 *to be transported for health or safety reasons, including special education;*]

13 [(D) *Preschool children with disabilities requiring transportation for early intervention services*  
 14 *provided pursuant to ORS 343.224 and 343.533;*]

15 [(E) *Students who require payment of room and board in lieu of transportation;*]

16 [(F) *A student transported from one school or facility to another school or facility when the student*  
 17 *attends both schools or facilities during the day or week; and]*

18 [(G) *Students participating in school-sponsored field trips that are extensions of classroom learning*  
 19 *experiences.*]

20 [(b) *“Approved transportation costs” does not include the cost of constructing boarding school fa-*  
 21 *cilities.*]

22 [(3) (2) *“Average daily membership” or “ADM” means the aggregate days membership of a*  
 23 *school during a certain period divided by the number of days the school was actually in session*  
 24 *during the same period. However, if a district school board adopts a class schedule that operates*  
 25 *throughout the year for all or any schools in the district, average daily membership shall be com-*  
 26 *puted by the Department of Education so that the resulting average daily membership will not be*  
 27 *higher or lower than if the board had not adopted such schedule.*

28 [(4) (3) *“Consumer Price Index” means the Consumer Price Index for All Urban Consumers of*  
 29 *the Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department*  
 30 *of Labor, Bureau of Labor Statistics.*

31 [(5) (4) *“Kindergarten” means a kindergarten program that conforms to the standards and rules*  
 32 *adopted by the State Board of Education.*

33 [(6) (5) *“Net operating expenditures” means the sum of expenditures of a school district in*  
 34 *kindergarten through grade 12 for administration, instruction, attendance and health services, op-*  
 35 *eration of plant, maintenance of plant, fixed charges and tuition for resident students attending in*  
 36 *another district, as determined in accordance with the rules of the State Board of Education, but*  
 37 *net operating expenditures does not include transportation, food service, student body activities,*  
 38 *community services, capital outlay, debt service or expenses incurred for nonresident students.*

39 [(7)(a) (6)(a) *“Resident pupil” means any pupil:*

40 (A) *Whose legal school residence is within the boundaries of a school district reporting the pu-*  
 41 *pil, if the district is legally responsible for the education of the pupil, except that “resident pupil”*  
 42 *does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the*  
 43 *district does not pay tuition for placement outside the district; or*

44 (B) *Whose legal residence is not within the boundaries of the district reporting the pupil but*  
 45 *who attends school in the district with the written consent of the district school board where the*

1 school is located as provided by ORS 339.133 (5).

2 (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if  
3 the pupil is attending school in another school district pursuant to a contract under ORS 339.125  
4 and in the prior year was considered to be a resident pupil in another school district under para-  
5 graph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another  
6 school district under paragraph (a)(B) of this subsection.

7 (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if  
8 the pupil is attending school in a school district pursuant to ORS 339.133 (5) and in the prior year  
9 was considered to be a resident pupil under paragraph (a)(A) of this subsection because the pupil  
10 was attending school in another school district pursuant to a contract under ORS 339.125. The pupil  
11 shall continue to be considered a resident pupil under paragraph (a)(A) of this subsection.

12 (d) "Resident pupil" includes a pupil admitted to a school district under ORS 339.115 (7).

13 [(8)] (7) "Standard school" means a school meeting the standards set by the rules of the State  
14 Board of Education.

15 [(9)] (8) "Tax" and "taxes" includes all taxes on property, excluding exempt bonded indebt-  
16 edness, as those terms are defined in ORS 310.140.

17 **SECTION 5.** ORS 338.145 is amended to read:

18 338.145. (1) The public charter school shall be responsible for providing transportation to stu-  
19 dents who reside within the school district and who attend the public charter school. The public  
20 charter school may negotiate with a school district for the provision of transportation to students  
21 attending the public charter school.

22 (2) Notwithstanding subsection (1) of this section, the school district within which the public  
23 charter school is located shall be responsible for the transportation of students attending the public  
24 charter school pursuant to ORS 327.043 in the same manner as students attending nonchartered  
25 public schools if the student is a resident of the school district. However, a school district may not  
26 be required to add or extend existing bus routes or other transportation services pursuant to this  
27 subsection.

28 (3) Students who attend public charter schools and who reside outside of the school district may  
29 use existing bus routes and transportation services of the school district in which a public charter  
30 school is located.

31 [(4) *Any transportation costs incurred by a school district under this section shall be considered*  
32 *approved transportation costs for purposes of ORS 327.013 in the same manner as transportation costs*  
33 *incurred by the school district for transporting students who attend nonchartered public schools are*  
34 *considered approved transportation costs for purposes of ORS 327.013.*]

35 **SECTION 6.** ORS 340.065 is amended to read:

36 340.065. [(1)] A resident school district may provide transportation services to eligible students  
37 who attend eligible post-secondary institutions within any education service district boundaries of  
38 which the school district is a component school district.

39 [(2) *Any transportation costs incurred by a school district under this section shall be considered*  
40 *approved transportation costs for purposes of ORS 327.013 (3).*]

41 **SECTION 7.** ORS 346.041 is amended to read:

42 346.041. (1) Transportation for pupils attending the school operated under ORS 346.010 is the  
43 responsibility of the pupil's resident school district. The district may provide transportation directly  
44 or by agreement with another school district, a public carrier or the Department of Education.

45 [(2) *The actual and necessary transportation expenses incurred under subsection (1) of this section,*

1 *at a frequency consistent with a pupil's individual education plan, shall be considered approved*  
 2 *transportation costs for purposes of ORS 327.006 and 327.033.]*

3 [(3)] (2) The resident school district shall reimburse the Department of Education for all trans-  
 4 portation costs the department incurs on behalf of the district within 10 days after receipt of the  
 5 itemized invoice.

6 [(4)] (3) The payments of the resident school districts required under subsection [(3)] (2) of this  
 7 section and an amount specifically appropriated thereto shall be deposited in the State Treasury to  
 8 the credit of the Special Education Transportation Revolving Account to be used by the Department  
 9 of Education for the transportation of pupils attending the school operated under ORS 346.010. The  
 10 account shall be continuously appropriated to the department for such purpose.

11 [(5)] (4) Any unexpended and unobligated balance in the Special Education Transportation Re-  
 12 volving Account in excess of \$70,000 as of September 1 of any year shall be transferred from the  
 13 account to the General Fund to be available for general governmental purposes.

14 **SECTION 8.** ORS 327.043 is amended to read:

15 327.043. (1) A school district is required to provide transportation for elementary **and secondary**  
 16 **school** students who reside [*more than one mile from school and for secondary school students who*  
 17 *reside more than 1.5 miles from school*] **at a distance from a school that is equal to or greater**  
 18 **than the distance identified by the district school board as being reasonable for that school.**  
 19 A district is also required to provide transportation for any student identified in a supplemental plan  
 20 approved by the State Board of Education.

21 (2) Notwithstanding subsection (1) of this section, the State Board of Education may waive the  
 22 requirement to provide transportation for secondary school students [*who reside more than 1.5 miles*  
 23 *from school*]. A district must present to the board a plan providing or identifying suitable and suffi-  
 24 cient alternate modes of transporting secondary school students.

25 **SECTION 9.** ORS 332.405 is amended to read:

26 332.405. (1) The district school board shall provide transportation for pupils or combinations of  
 27 pupils and other persons to and from school-related activities where required by law or when con-  
 28 sidered advisable by the board.

29 (2) The board may furnish board and room for pupils in lieu of transportation when reasonable  
 30 board and room can be provided at equal or less expense than transportation. The board may also  
 31 provide board and room in a facility that existed on July 1, 1998, or a replacement facility for that  
 32 facility, for pupils attending a district school as described in ORS 327.006 [(7)(a)(B)] **(6)(a)(B)** or  
 33 through a power of attorney authorized under ORS 109.056 (2). This subsection does not apply to a  
 34 pupil who attends a district school through a power of attorney and who is a foreign exchange  
 35 student enrolled in a school under a cultural exchange program.

36 (3) The transportation costs or expenses for board and room shall be paid from funds available  
 37 to the district for that purpose.

38 (4) The district school board may expend district funds to improve or provide for pedestrian fa-  
 39 cilities off district property if the board finds that the expenditure reduces transportation costs of  
 40 the district and enhances the safety of pupils going to and from schools of the district.

41 **SECTION 10.** ORS 339.133 is amended to read:

42 339.133. (1)(a) Except as provided in subsections (2) to (6) of this section, children between the  
 43 ages of 4 and 18 shall be considered resident for school purposes in the school district in which their  
 44 parents, their guardians or persons in parental relationship to them reside.

45 (b) Nonemancipated individuals between the ages of 4 and 18 living outside the geographic area

1 of the school district for such reasons as attending college, military service, hospital confinement  
2 or employment away from home shall be considered resident in the district in which their parents,  
3 their guardians or persons in parental relationship to them reside.

4 (c) Persons living temporarily in a school district for the primary purpose of attending a district  
5 school may not be considered resident in the district in which they are living temporarily, but shall  
6 be considered resident in the district in which they, their parents, their guardians or persons in  
7 parental relationship to them reside.

8 (2) Individuals considered legally emancipated from their parents shall be considered resident  
9 in the district in which they actually reside, irrespective of the residence of their parents, their  
10 guardians or persons in parental relationship.

11 (3) Children placed by public or private agencies who are living in licensed, certified or ap-  
12 proved substitute care programs shall be considered resident in the school district in which they  
13 reside because of placement by a public or private agency.

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

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

19 (B) May continue to attend the school the child attended prior to the placement through the  
20 highest grade level of the school.

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

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

27 (5) Except as provided in ORS 327.006 [(7)] (6) and 335.090, persons whose legal residence is not  
28 within the district but who attend school in the district are considered residents in the district in  
29 which the persons attend school if those persons receive:

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

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

34 (6)(a) Children who are foreign exchange students and who are residing in Oregon in a  
35 dormitory operated by a school district are considered to be residents of the school district in which  
36 the dormitory is located.

37 (b) For the purpose of this subsection:

38 (A) A child may not be considered to be a foreign exchange student for more than one school  
39 year.

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

43 (C) The number of children who are considered to be residents as provided by this subsection  
44 may not increase from the number that were considered to be residents as provided by this sub-  
45 section for the 2010-2011 school year.



1 (c) As used in this subsection, “foreign exchange student” means a student who attends school  
 2 in Oregon under a cultural exchange program and whose parent, guardian or person in parental  
 3 relationship resides in another country.

4 (7) For the purposes of this section:

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

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

13 **SECTION 11.** ORS 339.133, as amended by section 4, chapter 718, Oregon Laws 2011, is  
 14 amended to read:

15 339.133. (1)(a) Except as provided in subsections (2) to (5) of this section, children between the  
 16 ages of 4 and 18 shall be considered resident for school purposes in the school district in which their  
 17 parents, their guardians or persons in parental relationship to them reside.

18 (b) Nonemancipated individuals between the ages of 4 and 18 living outside the geographic area  
 19 of the school district for such reasons as attending college, military service, hospital confinement  
 20 or employment away from home shall be considered resident in the district in which their parents,  
 21 their guardians or persons in parental relationship to them reside.

22 (c) Persons living temporarily in a school district for the primary purpose of attending a district  
 23 school may not be considered resident in the district in which they are living temporarily, but shall  
 24 be considered resident in the district in which they, their parents, their guardians or persons in  
 25 parental relationship to them reside.

26 (2) Individuals considered legally emancipated from their parents shall be considered resident  
 27 in the district in which they actually reside, irrespective of the residence of their parents, their  
 28 guardians or persons in parental relationship.

29 (3) Children placed by public or private agencies who are living in licensed, certified or ap-  
 30 proved substitute care programs shall be considered resident in the school district in which they  
 31 reside because of placement by a public or private agency.

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

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

37 (B) May continue to attend the school the child attended prior to the placement through the  
 38 highest grade level of the school.

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

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

45 (5) Except as provided in ORS 327.006 [(7)] (6) and 335.090, persons whose legal residence is not

1 within the district but who attend school in the district are considered residents in the district in  
 2 which the persons attend school if those persons receive:

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

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

7 (6) For the purposes of this section:

8 (a) "Person in parental relationship" means an adult who has physical custody of a child or re-  
 9 sides in the same household as the child, interacts with the child daily, provides the child with food,  
 10 clothing, shelter and incidental necessities and provides the child with necessary care, education  
 11 and discipline. "Person in parental relationship" does not mean a person with a power of attorney  
 12 or other written delegation of parental responsibilities if the person does not have other evidence  
 13 of a parental relationship.

14 (b) "Substitute care program" means family foster care, family group home care, parole foster  
 15 care, family shelter care, adolescent shelter care and professional group care.

16 **SECTION 12.** ORS 339.133, as amended by sections 4 and 19, chapter 718, Oregon Laws 2011,  
 17 is amended to read:

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

21 (b) Nonemancipated individuals between the ages of 4 and 18 living outside the geographic area  
 22 of the school district for such reasons as attending college, military service, hospital confinement  
 23 or employment away from home shall be considered resident in the district in which their parents,  
 24 their guardians or persons in parental relationship to them reside.

25 (c) Persons living temporarily in a school district for the primary purpose of attending a district  
 26 school may not be considered resident in the district in which they are living temporarily, but shall  
 27 be considered resident in the district in which they, their parents, their guardians or persons in  
 28 parental relationship to them reside.

29 (2) Individuals considered legally emancipated from their parents shall be considered resident  
 30 in the district in which they actually reside, irrespective of the residence of their parents, their  
 31 guardians or persons in parental relationship.

32 (3) Children placed by public or private agencies who are living in licensed, certified or ap-  
 33 proved substitute care programs shall be considered resident in the school district in which they  
 34 reside because of placement by a public or private agency.

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

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

40 (B) May continue to attend the school the child attended prior to the placement through the  
 41 highest grade level of the school.

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

45 (c) Paragraph (b) of this subsection applies only to a public agency for which funds have been

1 designated for the specific purpose of providing a child with transportation to and from school under  
2 this subsection.

3 (5) Except as provided in ORS 327.006 [(7)] (6) and 335.090, persons whose legal residence is not  
4 within the district but who attend school in the district are considered residents in the district in  
5 which the persons attend school if those persons receive written consent from both of the affected  
6 district school boards as provided by policies adopted by the boards.

7 (6) For the purposes of this section:

8 (a) "Person in parental relationship" means an adult who has physical custody of a child or re-  
9 sides in the same household as the child, interacts with the child daily, provides the child with food,  
10 clothing, shelter and incidental necessities and provides the child with necessary care, education  
11 and discipline. "Person in parental relationship" does not mean a person with a power of attorney  
12 or other written delegation of parental responsibilities if the person does not have other evidence  
13 of a parental relationship.

14 (b) "Substitute care program" means family foster care, family group home care, parole foster  
15 care, family shelter care, adolescent shelter care and professional group care.

16 **SECTION 13.** Section 9, chapter 718, Oregon Laws 2011, is amended to read:

17 **Sec. 9.** (1) For purposes of ORS 339.133 (5)(b), a person whose legal residence is not within a  
18 school district but who attends school in the district is considered a resident of the district in which  
19 the person attends school if the person receives written consent to attend school from the district  
20 school board where the school is located, as provided by this section.

21 (2)(a) By March 1 of each year, a district school board shall determine whether the board will  
22 give consent to persons whose legal residence is not within the school district.

23 (b) If the district school board will give consent, the board shall establish standards by which  
24 consent will be given. The standards must:

25 (A) Identify the number of persons to whom consent will be given for the school year. The dis-  
26 trict school board may limit the number of persons to whom consent will be given based on school,  
27 grade or a combination of school and grade.

28 (B) Allow persons who live within the boundaries of the school district the first opportunity to  
29 change to a different school in the district if the district school board will be giving consent to at-  
30 tend that school to persons who do not reside within the district.

31 (3) A person seeking consent as provided by this section must request consent no later than  
32 April 1 prior to the beginning of the school year for which consent is being requested. Requests may  
33 be submitted before the district school board makes the determination and establishes the standards  
34 described in subsection (2) of this section, but may not be considered by the board when the board  
35 makes the determination and establishes the standards.

36 (4)(a) A district school board must give consent to a person who requests consent unless:

37 (A) The board decides to not give consent to any person as allowed by subsection (2) of this  
38 section;

39 (B) The board decides to limit the number of persons to whom consent will be given and the  
40 person was not selected to be given consent based on the selection process described in subsection  
41 (5) of this section; or

42 (C) The board is not required to admit the person, as provided by ORS 339.115 (8).

43 (b) A district school board may not deny consent or give priority based on race, religion, sex,  
44 sexual orientation, ethnicity, national origin, disability, terms of an individualized education pro-  
45 gram, income level, proficiency in the English language or athletic ability.

1 (5) If the number of persons seeking consent exceeds the number of persons to whom the district  
 2 school board has determined will be given consent, the board shall give consent based on an equi-  
 3 table lottery selection process. The process may give priority to persons who have siblings currently  
 4 enrolled in a school of the school district, but in no event may a sibling be given priority to any  
 5 open spot in the schools of the school district over any persons who reside within the school district.

6 (6)(a) Except as provided by paragraphs (b) and (c) of this subsection, a person who receives  
 7 consent and who is considered a resident of a district as provided by this section shall be considered  
 8 a resident of the district for all educational purposes. A person who is considered a resident of the  
 9 district as provided by this section shall continue to be considered a resident of the district until  
 10 the person:

11 (A) Graduates from high school;

12 (B) Is no longer required to be admitted to the schools of the school district under ORS 339.115;

13 or

14 (C) Enrolls in a school in a different school district.

15 (b) A school district is not required to provide transportation outside the boundaries of the  
 16 district to a person who is considered a resident of the district as provided by this section, except  
 17 that a district:

18 (A) Must allow persons who are considered a resident of the district as provided by this section  
 19 to use existing bus routes and transportation services of the district. [*Transportation provided under*  
 20 *this subparagraph is considered approved transportation costs for purposes of ORS 327.013.*]

21 (B) May provide a stipend for a person who is a member of a low-income family, as defined in  
 22 ORS 339.147, in an amount that does not exceed the district's average cost per student for trans-  
 23 portation.

24 (C) Must provide transportation if required by federal law.

25 (c) After the first year that a person is considered a resident of a district as provided by this  
 26 section, the district school board may transfer the person to a different school in the district. Any  
 27 transfers must be made consistent with district policy and do not affect the status of the person as  
 28 a resident of the district.

29 (7) A district school board shall provide written notification of the attendance of a person who  
 30 receives consent as provided by this section to the district school board where the legal residence  
 31 of the person is located. The written notification required by this subsection must be provided no  
 32 later than May 1 prior to the beginning of the school year for which consent was given.

33 (8) Nothing in this section:

34 (a) Requires a district school board to give consent to siblings if the board determines that  
 35 consent will not be given to any students for a school year.

36 (b) Prevents a school district from entering into interagency agreements to provide services to  
 37 persons who do not reside in the school district or are not considered residents of the school dis-  
 38 trict.

39 (c) Prevents or otherwise limits a district school board from providing consent to a person who  
 40 has received consent from the district school board for the school district in which the person re-  
 41 sides, as provided by ORS 339.133 (5)(a).

42 **SECTION 14.** ORS 327.008, as amended by section 3, chapter 91, Oregon Laws 2012, is amended  
 43 to read:

44 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist  
 45 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education

1 Stability Fund. The State School Fund is continuously appropriated to the Department of Education  
2 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,  
3 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961.

4 (2) There shall be apportioned from the State School Fund to each school district a State School  
5 Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant  
6 and a transportation grant and a high cost disabilities grant minus local revenue, computed as pro-  
7 vided in ORS 327.011 and 327.013.

8 (3) There shall be apportioned from the State School Fund to each education service district a  
9 State School Fund grant as calculated under ORS 327.019.

10 (4) There shall be apportioned from the State School Fund the amount to be transferred to the  
11 Regional Educational Services Account as calculated under ORS 327.009.

12 (5) All figures used in the determination of the distribution of the State School Fund shall be  
13 estimates for the same year as the distribution occurs, unless otherwise specified.

14 (6) Numbers of students in average daily membership used in the distribution formula shall be  
15 the numbers as of June of the year of distribution.

16 (7) A school district may not use the portion of the State School Fund grant that is attributable  
17 to the facility grant for capital construction costs.

18 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-  
19 ceed \$25 million in any biennium. If the total amount to be distributed as facility grants exceeds this  
20 limitation, the Department of Education shall prorate the amount of funds available for facility  
21 grants among those school districts that qualified for a facility grant.

22 (9) Each fiscal year, the Department of Education shall transfer the amount of \$18 million from  
23 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

24 (10) Each fiscal year, the Department of Education may expend up to \$550,000 from the State  
25 School Fund for the contract described in ORS 329.488. The amount distributed to education service  
26 districts from the State School Fund under this section and ORS 327.019 shall be reduced by the  
27 amount expended by the department under this subsection.

28 (11) Each biennium, the Department of Education may expend up to \$350,000 from the State  
29 School Fund to provide administration of and support for the development of talented and gifted  
30 education under ORS 343.404.

31 (12) Each biennium, the Department of Education may expend up to \$150,000 from the State  
32 School Fund for the administration of a program to increase the number of speech-language  
33 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

34 **(13) Each biennium, the Department of Education may expend up to \$3 million from the**  
35 **State School Fund to assist school districts in complying with core teaching standards re-**  
36 **quirements as described in ORS 342.856.**

37 **SECTION 15. ORS 327.033 is repealed.**

38 **SECTION 16. This 2013 Act being necessary for the immediate preservation of the public**  
39 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**  
40 **July 1, 2013.**