

**PRELIMINARY STAFF MEASURE SUMMARY****CARRIER:**

Senate Committee on Education

**REVENUE: No revenue impact****FISCAL: May have fiscal impact, statement not yet issued****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Gretchen Engbring, Administrator**Meeting Dates:** 3/5

**WHAT THE MEASURE DOES:** Requires Department of Education provide moneys for payment of costs of education of students in eligible day and residential treatment programs. Requires payment be made to school district where program is located. Specifies exclusions to costs of education. Removes provision requiring Department of Education to provide payment by contracting with school district where program is located. Removes provision allowing school district to request that Department of Education combine multiple day or residential treatment programs into single contract with another school district or education service district. Declares emergency, effective July 1, 2015.

**ISSUES DISCUSSED:****EFFECT OF COMMITTEE AMENDMENT:**

-1 amendments (proposed) revise language of section 2, subsection 4, to be consistent with language in ORS 343.961. Change is from “children who are placed by the state in long term care or treatment facilities” to “children who are in treatment programs.”

**BACKGROUND:** ORS 343.961 stipulates that the Oregon Department of Education (ODE) shall provide payment for the costs of education of students in eligible day treatment programs and eligible residential treatment programs by contracting with the school district in which the eligible day or residential program is located.

Senate Bill 135 proposes to amend the form of payment stipulated in ORS 343.961, requiring ODE to provide payment for the costs of education of students in treatment programs by providing payment to the school district in which the program is located in the form of “grants in aid or support for special and compensatory education programs” (as provided by ORS 327.023).

A 2014 Report to the Legislature by the Task Force on School Funding recommended that “[ORS 343.961] be changed so that [long term care and treatment program] funding is provided to school districts in the form of a grant-in-aid.” According to this report, the responsibility of educating children residing in long term care and treatment facilities changed from the ODE to the school district in which the facility was located in 2011. When this change was made, language regarding the payment was not changed and required that the funding continue to flow to districts through a contract.