

HB 5017

Department of Education – State School Fund

House Bill 5017 is the budget bill for the State School Fund.

The Education Subcommittee recommends a budget of \$7.255 billion for the State School Fund with \$6.913 billion in General Fund resources and \$342.1 million in Lottery Funds. This \$7.255 billion will be combined with another \$3.7 billion in property taxes and other local revenues for distribution through the school revenue formula. In addition, HB 5017 includes \$3.3 million in Other Funds expenditure limitation primarily for payment of Local Option Equalization Grants.

The Education Subcommittee also approved up to \$1.6 million from the State School Fund be allocated to the Oregon Virtual School District Fund, \$2.9 million be transferred for Local Option Equalization Grants, and limited the expenditures for national normed assessments for 10th graders to \$968,000. Two new allocations or “carve-outs are established as part of HB 5017. The first allocates up to \$12.5 million from the State School Fund for English Language Learners programs with \$10 million of these funds directed to 30 to 35 low performing schools. Another \$2.5 million is for assistance to other districts to carry out the statewide English Language Learners plan. The second new allocation is for just under \$2.4 million to provide free lunches to those students currently eligible for reduced price lunches. This bill also assumes the passage of bills that increases the High Cost Disabilities grants by \$34 million, reduces Facilities grants by \$5 million, and continues the Small High School Supplement for the 2015-17 biennium.

HB 5017 also includes a “trigger” dedicating 40% of the positive difference between the General Fund resources estimated in the May 2015 forecast and the corresponding amount from the March 2015 forecast to the State School Fund.

The Education Subcommittee recommends HB 5017 be amended and reported out do pass, as amended.