

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

Senate Committee on Education

**REVENUE:** Revenue statement issued**FISCAL:** Fiscal statement issued**SUBSEQUENT REFERRAL TO:** Senate Committee on Finance and Revenue**Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Gretchen Engbring, Administrator**Meeting Dates:** 4/9, 4/14**WHAT THE MEASURE DOES:** Modifies calculation for determining funding amounts provided to education service districts (ESDs). Declares emergency, effective July 1, 2015.**ISSUES DISCUSSED:**

- Legislative history of ESD funding since 2003
- Services that ESDs provide (e.g., special education services)
- Need for adjustments in annual base distribution due to inflation
- Linking funding of ESDs to decreases or increases in State School Fund (SSF) distributions
- House Bill 3497 (2015)
- Oregon Association of Education Service Districts and ESDs that are not party to the association

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.**BACKGROUND:**

ORS 334.005 provides that the mission of ESDs is to assist school districts and the Oregon Department of Education (ODE) in achieving the state's educational goals by "providing equitable, high quality, cost-effective and locally responsive educational services at a regional level." Today, there are 19 ESDs serving Oregon's 36 counties.

ORS 327.019 regulates SSF distribution calculations for ESDs, providing that ESDs are to annually receive the higher of \$1 million dollars or an amount calculated and distributed as largely based on local revenues. Senate Bill 930 proposes to raise this base annual amount from \$1 to \$1.1 million, and adjusts it each school year based on the same percentage by which the amount appropriated to the SSF for distribution to ESDs is increased or decreased as compared to the amount appropriated for the 2015-2016 school year.

4/14/2015 9:10:00 AM \*

***This summary has not been adopted or officially endorsed by action of the committee.***

Committee Services Form – 2015 Regular Session