

STAFF MEASURE SUMMARY**Senate Committee On Education****Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Action Date:** 04/21/15**Action:** Do Pass With Amendments, Be Printed A-Engrossed, Subsequent Referral To Finance And Revenue Be Rescinded And Requesting Referral To Ways And Means.**Meeting Dates:** 04/07, 04/21**Vote:**

Yeas: 6 - Baertschiger Jr, Beyer, Hass, Knopp, Kruse, Roblan

Nays: 1 - Gelser

Prepared By: Gretchen Engbring, Committee Administrator

WHAT THE MEASURE DOES:

Modifies percentage of amounts school districts must pay from State School Fund (SSF) to public charter schools that are not virtual public charter schools. Specifies that modifications to payments apply to contracts entered into or renewed by sponsor and public charter school prior to, on, or after effective date of act. Directs school district or sponsor to transfer federal, state, and local moneys to public charter schools on same basis moneys are transferred to non-chartered public schools in school district. Considers transportation costs incurred by public charter school to be same as transportation costs incurred by school district. Requires Secretary of State conduct examination of public charter schools in Oregon and submit summary by January 15, 2017. Allows Secretary of State to enter into contract with organization meeting specified criteria to undertake examination. Appropriates \$55,000 for purposes of conducting examination. Declares emergency, effective July 1, 2015.

ISSUES DISCUSSED:

- Comparatively less funding per student per year at public charter schools versus non-charter schools
- Multiple funding sources for non-charter public schools
- No new revenue required to shift funding
- Positive impact additional funding to charters could have on facilities, teacher salaries, and services provided to students
- Low employee retention and high teacher turnover at public charter schools due to comparatively lower salaries
- Costs of sponsoring charter schools for districts
- Services provided by districts to public charter schools

EFFECT OF COMMITTEE AMENDMENT:

Specifies that modifications to payments apply to contracts entered into or renewed by sponsor and public charter school prior to, on, or after effective date of act. Requires Secretary of State conduct examination of public charter schools in Oregon. Specifies what examination must include. Allows Secretary of State to enter into contract with organization meeting specified criteria to undertake examination. Appropriates \$55,000 for purposes of conducting examination. Requires Secretary of State submit summary of examination to appropriate legislative committees by January 15, 2017.

BACKGROUND:

Currently, ORS 338.155 requires that school districts contractually establish, with any public charter school that is sponsored by the board of the district, payment for the provision of educational services to the public charter school's students. It requires that the payment must equal an amount per weighted average daily membership (ADMw) of the public charter school that is at least equal to 80 percent of the amount of the district's General Purpose Grant per ADMw for students who are enrolled in kindergarten to grade eight, and 95 percent of the amount of the school district's General Purpose Grant per ADMw for students who are in grades nine to 12.

Senate Bill 819-A increases the percentage school districts or other sponsors must pay to non-virtual public charter schools, requiring that the payment equal an amount per weighted ADMw of the public charter school that is at least equal to 95 percent of the amount of the sponsoring school district's General Purpose Grant per ADMw; or 95 percent of the General Purpose Grant per ADMw for the school district where the public charter school is located if the sponsor is the State Board of Education or an institution of higher education.

Senate Bill 819-A further adds that school districts or sponsors must transfer federal, state, and local moneys to public charter schools on the same basis as moneys that are transferred to non-chartered public schools in the school district. Finally, Senate Bill 819-A requires that student transportation costs incurred by a public charter school shall be considered approved transportation costs, and requires that school districts pay the public charter school the total amount received by the school district for transportation costs incurred by the public charter school within 10 days after the school district receives the amount.