

# House Bill 2405

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for Department of Education)

## 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**.

Allows Department of Education to solicit and accept gifts, grants, donations and other moneys from public and private sources for State School Fund.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to the State School Fund; amending ORS 327.008; and declaring an emergency.

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

4 **SECTION 1.** ORS 327.008, as amended by section 6, chapter 81, Oregon Laws 2014, is amended  
5 to read:

6 327.008. (1)(a) There is established a State School Fund in the General Fund.

7 **(b) The Department of Education, on behalf of the State of Oregon, may solicit and ac-**  
8 **cept gifts, grants, donations and other moneys from public and private sources for the State**  
9 **School Fund. Moneys received as provided in this paragraph shall be deposited into the State**  
10 **School Fund.**

11 (c) The **State School** Fund shall consist of moneys appropriated by the Legislative Assembly,  
12 [and] moneys transferred from the Education Stability Fund **and moneys received as provided in**  
13 **paragraph (b) of this subsection.**

14 (d) The State School Fund is continuously appropriated to the Department of Education for the  
15 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,  
16 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and sections 1 to 3, chapter 735, Oregon Laws  
17 2013, and section 2, chapter 81, Oregon Laws 2014.

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

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

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

26 (5) Numbers of students in average daily membership used in the distribution formula shall be  
27 the numbers as of June of the year of distribution.

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

30 (7) The total amount of the State School Fund that is distributed as facility grants may not ex-

**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 ceed \$20 million in any biennium. If the total amount to be distributed as facility grants exceeds this  
 2 limitation, the Department of Education shall prorate the amount of funds available for facility  
 3 grants among those school districts that qualified for a facility grant.

4 (8) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facil-  
 5 ity Account established in section 5, chapter 81, Oregon Laws 2014, the amount necessary to pay  
 6 the costs of educational services provided to students admitted to pediatric nursing facilities as  
 7 provided in section 2, chapter 81, Oregon Laws 2014.

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

10 (10)(a) Each biennium, the Department of Education shall transfer \$33 million from the State  
 11 School Fund to the Network of Quality Teaching and Learning Fund established under ORS 342.953.

12 (b) For the purpose of making the transfer under this subsection:

13 (A) The total amount available for all distributions from the State School Fund shall be reduced  
 14 by \$5 million;

15 (B) The amount distributed to school districts from the State School Fund under this section and  
 16 ORS 327.013 shall be reduced by \$14 million; and

17 (C) The amount distributed to education service districts from the State School Fund under this  
 18 section and ORS 327.019 shall be reduced by \$14 million.

19 (c) For each biennium, the amounts identified in paragraph (b)(B) and (C) of this subsection shall  
 20 be adjusted by the same percentage by which the amount appropriated to the State School Fund for  
 21 that biennium is increased or decreased compared to the preceding biennium, as determined by the  
 22 Department of Education after consultation with the Legislative Fiscal Officer.

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

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

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

33 (14) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from  
 34 the State School Fund to the Small School District Supplement Fund established in section 3, chap-  
 35 ter 735, Oregon Laws 2013.

36 **SECTION 2.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, and section  
 37 7, chapter 81, Oregon Laws 2014, is amended to read:

38 327.008. (1)(a) There is established a State School Fund in the General Fund.

39 **(b) The Department of Education, on behalf of the State of Oregon, may solicit and ac-**  
 40 **cept gifts, grants, donations and other moneys from public and private sources for the State**  
 41 **School Fund. Moneys received as provided in this paragraph shall be deposited into the State**  
 42 **School Fund.**

43 **(c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,**  
 44 **[and] moneys transferred from the Education Stability Fund and moneys received as provided in**  
 45 **paragraph (b) of this subsection.**

1 (d) The State School Fund is continuously appropriated to the Department of Education for the  
 2 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,  
 3 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and section 2, chapter 81, Oregon Laws 2014.

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

12 (5) Numbers of students in average daily membership used in the distribution formula shall be  
 13 the numbers as of June of the year of distribution.

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

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

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 21 ity Account established in section 5, chapter 81, Oregon Laws 2014, the amount necessary to pay  
 22 the costs of educational services provided to students admitted to pediatric nursing facilities as  
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28 (b) For the purpose of making the transfer under this subsection:

29 (A) The total amount available for all distributions from the State School Fund shall be reduced  
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31 (B) The amount distributed to school districts from the State School Fund under this section and  
 32 ORS 327.013 shall be reduced by \$14 million; and

33 (C) The amount distributed to education service districts from the State School Fund under this  
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35 (c) For each biennium, the amounts identified in paragraph (b)(B) and (C) of this subsection shall  
 36 be adjusted by the same percentage by which the amount appropriated to the State School Fund for  
 37 that biennium is increased or decreased compared to the preceding biennium, as determined by the  
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2 School Fund for the administration of a program to increase the number of speech-language  
3 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

4 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**  
5 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
6 **on its passage.**

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