## House Bill 2657

Sponsored by Representative KOMP (Presession filed.)

## **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.

Directs State Board of Education to not consider days pupil is absent when determining aggregate days membership for purposes of distributions from State School Fund.

Provides that aggregate days membership be calculated based on number of hours of instruction pupil receives during school year. Takes effect July 1, 2016.

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## A BILL FOR AN ACT

Relating to distributions from the State School Fund; creating new provisions; amending ORS 327.006; and prescribing an effective date.

## Be It Enacted by the People of the State of Oregon:

- SECTION 1. ORS 327.006 is amended to read:
- 327.006. As used in ORS 327.006 to 327.133, 327.348 and 327.731 and sections 1 to 3, chapter 735, 6 7 Oregon Laws 2013:
  - (1) "Aggregate days membership" means the [sum] total number of days present [and absent], according to section 5 of this 2015 Act and the rules of the State Board of Education, of all resident pupils when school is actually in session during a certain period. [The aggregate days membership of kindergarten pupils shall be calculated on the basis of a half-day program.]
  - (2)(a) "Approved transportation costs" means those costs as defined by rule of the State Board of Education and is limited to those costs attributable to transporting or room and board provided in lieu of transporting:
    - (A) Elementary school students who live at least one mile from school;
    - (B) Secondary school students who live at least 1.5 miles from school;
  - (C) Any student required to be transported for health or safety reasons, according to supplemental plans from districts that have been approved by the state board identifying students who are required to be transported for health or safety reasons, including special education;
  - (D) Preschool children with disabilities requiring transportation for early intervention services provided pursuant to ORS 343.224 and 343.533;
    - (E) Students who require payment of room and board in lieu of transportation;
  - (F) A student transported from one school or facility to another school or facility when the student attends both schools or facilities during the day or week; and
  - (G) Students participating in school-sponsored field trips that are extensions of classroom learning experiences.
- 27 (b) "Approved transportation costs" does not include the cost of constructing boarding school 28
  - (3) "Average daily membership" or "ADM" means the aggregate days membership of a school during a certain period divided by the number of days the school was actually in session during the

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.

- same period. However, if a district school board adopts a class schedule that operates throughout the year for all or any schools in the district, average daily membership shall be computed by the Department of Education so that the resulting average daily membership will not be higher or lower than if the board had not adopted such schedule.
- (4) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers of the Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department of Labor, Bureau of Labor Statistics.
- (5) "Kindergarten" means a kindergarten program that conforms to the standards and rules adopted by the State Board of Education.
- (6) "Net operating expenditures" means the sum of expenditures of a school district in kindergarten through grade 12 for administration, instruction, attendance and health services, operation of plant, maintenance of plant, fixed charges and tuition for resident students attending in another district, as determined in accordance with the rules of the State Board of Education, but net operating expenditures does not include transportation, food service, student body activities, community services, capital outlay, debt service or expenses incurred for nonresident students.
  - (7)(a) "Resident pupil" means any pupil:

- (A) Whose legal school residence is within the boundaries of a school district reporting the pupil, if the district is legally responsible for the education of the pupil, except that "resident pupil" does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the district does not pay tuition for placement outside the district; or
- (B) Whose legal residence is not within the boundaries of the district reporting the pupil but who attends school in the district with the written consent of the district school board where the school is located as provided by ORS 339.133 (5).
- (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if the pupil is attending school in another school district pursuant to a contract under ORS 339.125 and in the prior year was considered to be a resident pupil in another school district under paragraph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another school district under paragraph (a)(B) of this subsection.
- (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if the pupil is attending school in a school district pursuant to ORS 339.133 (5) and in the prior year was considered to be a resident pupil under paragraph (a)(A) of this subsection because the pupil was attending school in another school district pursuant to a contract under ORS 339.125. The pupil shall continue to be considered a resident pupil under paragraph (a)(A) of this subsection.
  - (d) "Resident pupil" includes a pupil admitted to a school district under ORS 339.115 (7).
- (8) "Standard school" means a school meeting the standards set by the rules of the State Board of Education.
- (9) "Tax" and "taxes" includes all taxes on property, excluding exempt bonded indebtedness, as those terms are defined in ORS 310.140.
- **SECTION 2.** ORS 327.006, as amended by section 7, chapter 704, Oregon Laws 2011, and section 5, chapter 735, Oregon Laws 2013, is amended to read:
  - 327.006. As used in ORS 327.006 to 327.133, 327.348 and 327.731:
- (1) "Aggregate days membership" means the [sum] total number of days present [and absent], according to section 5 of this 2015 Act and the rules of the State Board of Education, of all resident pupils when school is actually in session during a certain period. [The aggregate days membership of kindergarten pupils shall be calculated on the basis of a half-day program for half-day

1 kindergarten and on the basis of a full-day program for full-day kindergarten.]

- (2)(a) "Approved transportation costs" means those costs as defined by rule of the State Board of Education and is limited to those costs attributable to transporting or room and board provided in lieu of transporting:
  - (A) Elementary school students who live at least one mile from school;
  - (B) Secondary school students who live at least 1.5 miles from school;
  - (C) Any student required to be transported for health or safety reasons, according to supplemental plans from districts that have been approved by the state board identifying students who are required to be transported for health or safety reasons, including special education;
  - (D) Preschool children with disabilities requiring transportation for early intervention services provided pursuant to ORS 343.224 and 343.533;
    - (E) Students who require payment of room and board in lieu of transportation;
  - (F) A student transported from one school or facility to another school or facility when the student attends both schools or facilities during the day or week; and
  - (G) Students participating in school-sponsored field trips that are extensions of classroom learning experiences.
  - (b) "Approved transportation costs" does not include the cost of constructing boarding school facilities.
  - (3) "Average daily membership" or "ADM" means the aggregate days membership of a school during a certain period divided by the number of days the school was actually in session during the same period. However, if a district school board adopts a class schedule that operates throughout the year for all or any schools in the district, average daily membership shall be computed by the Department of Education so that the resulting average daily membership will not be higher or lower than if the board had not adopted such schedule.
  - (4) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers of the Portland, Oregon, Metropolitan Statistical Area, as compiled by the United States Department of Labor, Bureau of Labor Statistics.
  - (5) "Kindergarten" means a kindergarten program that conforms to the standards and rules adopted by the State Board of Education.
  - (6) "Net operating expenditures" means the sum of expenditures of a school district in kindergarten through grade 12 for administration, instruction, attendance and health services, operation of plant, maintenance of plant, fixed charges and tuition for resident students attending in another district, as determined in accordance with the rules of the State Board of Education, but net operating expenditures does not include transportation, food service, student body activities, community services, capital outlay, debt service or expenses incurred for nonresident students.
    - (7)(a) "Resident pupil" means any pupil:
  - (A) Whose legal school residence is within the boundaries of a school district reporting the pupil, if the district is legally responsible for the education of the pupil, except that "resident pupil" does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the district does not pay tuition for placement outside the district; or
  - (B) Whose legal residence is not within the boundaries of the district reporting the pupil but who attends school in the district with the written consent of the district school board where the school is located as provided by ORS 339.133 (5).
  - (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if the pupil is attending school in another school district pursuant to a contract under ORS 339.125

and in the prior year was considered to be a resident pupil in another school district under paragraph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another school district under paragraph (a)(B) of this subsection.

- (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if the pupil is attending school in a school district pursuant to ORS 339.133 (5) and in the prior year was considered to be a resident pupil under paragraph (a)(A) of this subsection because the pupil was attending school in another school district pursuant to a contract under ORS 339.125. The pupil shall continue to be considered a resident pupil under paragraph (a)(A) of this subsection.
  - (d) "Resident pupil" includes a pupil admitted to a school district under ORS 339.115 (7).
- (8) "Standard school" means a school meeting the standards set by the rules of the State Board of Education.
- (9) "Tax" and "taxes" includes all taxes on property, excluding exempt bonded indebtedness, as those terms are defined in ORS 310.140.
- SECTION 3. The amendments to ORS 327.006 by sections 1 and 2 of this 2015 Act first apply to State School Fund distributions commencing with the 2016-2017 distributions.
- SECTION 4. Section 5 of this 2015 Act is added to and made a part of ORS 327.006 to 327.133.
- SECTION 5. (1) Aggregate days membership shall be calculated as provided by this section and rules adopted by the State Board of Education.
  - (2) Aggregate days membership shall be calculated for pupils in kindergarten as:
- (a) A full-day program for pupils receiving at least 900 hours of instruction during the school year.
- (b) A half-day program for pupils receiving at least 450 hours of instruction during the school year but fewer than 900 hours of instruction during the school year.
  - (3) Aggregate days membership shall be calculated for pupils in grades 1 through 8 as:
- (a) A full-day program for pupils receiving at least 900 hours of instruction during the school year.
- (b) A nine-tenths-day program for pupils receiving at least 810 hours of instruction during the school year but fewer than 900 hours of instruction during the school year.
- (c) An eight-tenths-day program for pupils receiving at least 720 hours of instruction during the school year but fewer than 810 hours of instruction during the school year.
- (d) A seven-tenths-day program for pupils receiving at least 630 hours of instruction during the school year but fewer than 720 hours of instruction during the school year.
- (e) A six-tenths-day program for pupils receiving at least 540 hours of instruction during the school year but fewer than 630 hours of instruction during the school year.
- (f) A half-day program for pupils receiving at least 450 hours of instruction during the school year but fewer than 540 hours of instruction during the school year.
- (g) A four-tenths-day program for pupils receiving at least 360 hours of instruction during the school year but fewer than 450 hours of instruction during the school year.
- (h) A three-tenths-day program for pupils receiving at least 270 hours of instruction during the school year but fewer than 360 hours of instruction during the school year.
- (i) A two-tenths-day program for pupils receiving at least 180 hours of instruction during the school year but fewer than 270 hours of instruction during the school year.
- (j) A one-tenth-day program for pupils receiving at least 90 hours of instruction during the school year but fewer than 180 hours of instruction during the school year.

- (4) Aggregate days membership shall be calculated for pupils in grades 9 through 11 as:
- (a) A full-day program for pupils receiving at least 990 hours of instruction during the school year.
- (b) A nine-tenths-day program for pupils receiving at least 891 hours of instruction during the school year but fewer than 990 hours of instruction during the school year.
- (c) An eight-tenths-day program for pupils receiving at least 792 hours of instruction during the school year but fewer than 891 hours of instruction during the school year.
- (d) A seven-tenths-day program for pupils receiving at least 693 hours of instruction during the school year but fewer than 792 hours of instruction during the school year.
- (e) A six-tenths-day program for pupils receiving at least 594 hours of instruction during the school year but fewer than 693 hours of instruction during the school year.
- (f) A half-day program for pupils receiving at least 495 hours of instruction during the school year but fewer than 594 hours of instruction during the school year.
- (g) A four-tenths-day program for pupils receiving at least 396 hours of instruction during the school year but fewer than 495 hours of instruction during the school year.
- (h) A three-tenths-day program for pupils receiving at least 297 hours of instruction during the school year but fewer than 396 hours of instruction during the school year.
- (i) A two-tenths-day program for pupils receiving at least 198 hours of instruction during the school year but fewer than 297 hours of instruction during the school year.
- (j) A one-tenth-day program for pupils receiving at least 99 hours of instruction during the school year but fewer than 198 hours of instruction during the school year.
  - (5) Aggregate days membership shall be calculated for pupils in grade 12 as:
- (a) A full-day program for pupils receiving at least 966 hours of instruction during the school year.
- (b) A nine-tenths-day program for pupils receiving at least 869 hours of instruction during the school year but fewer than 966 hours of instruction during the school year.
- (c) An eight-tenths-day program for pupils receiving at least 772 hours of instruction during the school year but fewer than 869 hours of instruction during the school year.
- (d) A seven-tenths-day program for pupils receiving at least 676 hours of instruction during the school year but fewer than 772 hours of instruction during the school year.
- (e) A six-tenths-day program for pupils receiving at least 579 hours of instruction during the school year but fewer than 676 hours of instruction during the school year.
- (f) A half-day program for pupils receiving at least 483 hours of instruction during the school year but fewer than 579 hours of instruction during the school year.
- (g) A four-tenths-day program for pupils receiving at least 386 hours of instruction during the school year but fewer than 483 hours of instruction during the school year.
- (h) A three-tenths-day program for pupils receiving at least 289 hours of instruction during the school year but fewer than 386 hours of instruction during the school year.
- (i) A two-tenths-day program for pupils receiving at least 193 hours of instruction during the school year but fewer than 289 hours of instruction during the school year.
- (j) A one-tenth-day program for pupils receiving at least 96 hours of instruction during the school year but fewer than 193 hours of instruction during the school year.
  - SECTION 6. This 2015 Act takes effect on July 1, 2016.

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