

House Bill 2883

Sponsored by COMMITTEE ON REVENUE

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**.

Increases amount Department of Education transfers from State School Fund to High Cost Disabilities Account.

Increases amount of approved costs that school district must incur prior to receiving moneys from High Cost Disabilities Account.

Declares emergency, effective July 1, 2015.

A BILL FOR AN ACT

1
2 Relating to the High Cost Disabilities Account; creating new provisions; amending ORS 327.008 and
3 327.348; and declaring an emergency.

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

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

7 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist
8 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education
9 Stability Fund. The State School Fund is continuously appropriated to the Department of Education
10 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,
11 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and sections 1 to 3, chapter 735,
12 Oregon Laws 2013, and section 2, chapter 81, Oregon Laws 2014.

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

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

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

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

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

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

29 (8) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facil-
30 ity Account established in section 5, chapter 81, Oregon Laws 2014, the amount necessary to pay

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 the costs of educational services provided to students admitted to pediatric nursing facilities as
2 provided in section 2, chapter 81, Oregon Laws 2014.

3 (9) Each fiscal year, the Department of Education shall transfer the amount of [~~\$18~~] **\$36** million
4 from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

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

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

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

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

31 **SECTION 2.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, and section
32 7, chapter 81, Oregon Laws 2014, is amended to read:

33 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist
34 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education
35 Stability Fund. The State School Fund is continuously appropriated to the Department of Education
36 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,
37 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and section 2, chapter 81, Oregon
38 Laws 2014.

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

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

45 (4) All figures used in the determination of the distribution of the State School Fund shall be

1 estimates for the same year as the distribution occurs, unless otherwise specified.

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

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

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

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

14 (9) Each fiscal year, the Department of Education shall transfer the amount of [~~\$18~~] **\$36** million
15 from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

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

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

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

39 **SECTION 3.** ORS 327.348 is amended to read:

40 327.348. (1) There is established within the State School Fund a High Cost Disabilities Account.

41 (2) Each fiscal year, the Department of Education shall distribute moneys from the account to
42 school districts as high cost disabilities grants. A school district may receive moneys from the ac-
43 count if the school district has a resident pupil with a disability for whom the approved costs to the
44 school district of providing special education and related services, as determined under subsection
45 (4) of this section, exceed [~~\$30,000~~] **\$40,000**.

1 (3) The amount of moneys received by a school district under this section for each resident pupil
2 with a disability shall equal the approved costs, as determined under subsection (4) of this section,
3 incurred by the school district in providing special education and related services to the pupil minus
4 ~~[\$30,000]~~ **\$40,000**.

5 (4) The department shall determine the approved costs incurred by a school district in providing
6 special education and related services to a pupil with a disability. The approved costs incurred by
7 a school district may include costs incurred by an education service district of providing special
8 education and related services to the school district through the resolution process described in
9 ORS 334.175. In determining the approved costs for which a school district may receive moneys
10 under this section, the department shall consider:

11 (a) How efficiently the special education and related services are provided by the school district;
12 and

13 (b) The use of available resources by the school district.

14 (5) If the total approved costs for which school districts are seeking moneys from the account
15 exceed the amount in the account in any fiscal year, the department shall prorate the amount of
16 moneys available for distribution in the account among those school districts that are eligible for
17 moneys from the account.

18 (6) The department shall distribute any moneys in the account that are not distributed under
19 this section in any fiscal year to school districts based on ORS 327.008 and 327.013.

20 (7) The State Board of Education may adopt any rules necessary for the administration of this
21 section.

22 **SECTION 4. The amendments to ORS 327.008 and 327.348 by sections 1 to 3 of this 2015**
23 **Act apply to State School Fund distributions commencing with the 2015-2016 school year**
24 **distributions.**

25 **SECTION 5. This 2015 Act being necessary for the immediate preservation of the public**
26 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
27 **July 1, 2015.**

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