## A-Engrossed Senate Bill 885

Ordered by the Senate April 23 Including Senate Amendments dated April 23

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

## 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.

Provides that **first \$500,000 of** moneys received by Lane County from federal forest reserves shall be used to fund career and technical education in county. Removes moneys from description of local revenue of Lane County for purposes of State School Fund distributions.

Requires report on career and technical education programs funded with moneys to be submitted by Lane County to interim committees of Legislative Assembly related to revenue. Sunsets use of moneys to fund career and technical education programs, and removal of moneys from description of local revenue, on July 1, 2018.

Declares emergency, effective on passage.

| 1  | A BILL FOR AN ACT  |
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| 2  | Relating to workforce development in Lane County; creating new provisions; amending ORS 327.011; |
| 3  | and declaring an emergency.  |
| 4  | Be It Enacted by the People of the State of Oregon:  |
| 5  | SECTION 1. (1)(a) Notwithstanding ORS 294.060 (1), the first \$500,000 of moneys received        |
| 6  | by Lane County under ORS 293.560 that are directed to the school fund of the county shall        |
| 7  | be used by the county to fund career and technical education programs in the county.             |
| 8  | (b) Career and technical education programs referred to in paragraph (a) of this sub-            |
| 9  | section include but are not limited to programs that:  |
| 10 | (A) Enhance the ability of Lane County youth to secure gainful employment within the             |
| 11 | county.  |
| 12 | (B) Train Lane County youth in specific skills that enhance employability.                       |
| 13 | (C) Bring potential Lane County employers into contact with employment training pro-             |
| 14 | grams for Lane County youth.   |
| 15 | (D) Enhance employment opportunities for youth who attend rural schools in Lane                  |
| 16 | County.  |
| 17 | (2) The county shall consult with the workforce investment board of the county before            |
| 18 | making expenditures pursuant to this section.  |
| 19 | SECTION 2. ORS 327.011 is amended to read:   |
| 20 | 327.011. For the purpose of State School Fund distributions for school districts:                |
| 21 | (1) Local Revenues are the total of the following:   |
| 22 | (a) The amount of revenue offset against local property taxes as determined by the Department    |
| 23 | of Revenue under ORS 311.175 (3)(a)(A).  |
| 24 | (b) The amount of property taxes actually received by the district, including penalties and in-  |
| 25 | terest on taxes.   |

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1 (c) The amount of revenue received by the district from the Common School Fund under ORS 2 327.403 to 327.410.

3 (d) The amount of revenue received by the district from the county school fund.

4 (e) Except as otherwise provided in subsection (2)(c) of this section, the amount of revenue 5 received by the district from the 25 percent of federal forest reserve revenues required to be dis-6 tributed to schools by ORS 294.060 (1).

7 (f) The amount of revenue received by the district from state managed forestlands under ORS
8 530.115 (1)(b) and (c).

9 (g) Moneys received in lieu of property taxes.

10 (h) Federal funds received without specific application by the school district and that are not 11 deemed under federal law to be nonsupplantable.

(i) Any positive amount obtained by subtracting the operating property taxes actually imposed by the district, based on the rate certified pursuant to ORS 310.060, from the amount that would have been imposed by the district if the district had certified the maximum rate of operating property taxes allowed by law.

(j) Any amount distributed to the district in the prior fiscal year under ORS 327.019 (8).

17 (2) Local Revenues do not include:

(a) If a school district imposes local option taxes pursuant to ORS 280.040 to 280.145, an amount
 equal to the lesser of:

20 (A) The amount of revenue actually received by the district from local option taxes imposed 21 pursuant to ORS 280.040 to 280.145;

(B) Twenty percent of the total received by the school district from the general purpose grant,
the transportation grant, the facility grant and the high cost disabilities grant of the district, as
those grants are calculated under ORS 327.013; or

(C) \$1,000 per district extended ADMw, as calculated under ORS 327.013, increased each fiscal
year by three percent above the amount allowed per district extended ADMw for the prior fiscal
year.

(b) For a school district with a statutory rate limit on July 1, 2003, that is greater than \$4.50
per \$1,000 of assessed value, the amount of property taxes actually received by the district, including penalties and interest on taxes, that results from an increase in the rate of ad valorem property
tax of the district allowed under section 11 (5)(d), Article XI of the Oregon Constitution.

(c) The amount of moneys received by Lane County that are required to be used to fund
 career and technical education programs under section 1 of this 2015 Act.

34 **SECTION 3.** ORS 327.011, as amended by section 2 of this 2015 Act, is amended to read:

35 327.011. For the purpose of State School Fund distributions for school districts:

36 (1) Local Revenues are the total of the following:

(a) The amount of revenue offset against local property taxes as determined by the Department
 of Revenue under ORS 311.175 (3)(a)(A).

(b) The amount of property taxes actually received by the district, including penalties and in-terest on taxes.

41 (c) The amount of revenue received by the district from the Common School Fund under ORS
42 327.403 to 327.410.

43 (d) The amount of revenue received by the district from the county school fund.

44 (e) [*Except as otherwise provided in subsection (2)(c) of this section*,] The amount of revenue re-45 ceived by the district from the 25 percent of federal forest reserve revenues required to be distrib1 uted to schools by ORS 294.060 (1).

2 (f) The amount of revenue received by the district from state managed forestlands under ORS 3 530.115 (1)(b) and (c).

4 (g) Moneys received in lieu of property taxes.

5 (h) Federal funds received without specific application by the school district and that are not 6 deemed under federal law to be nonsupplantable.

7 (i) Any positive amount obtained by subtracting the operating property taxes actually imposed 8 by the district, based on the rate certified pursuant to ORS 310.060, from the amount that would 9 have been imposed by the district if the district had certified the maximum rate of operating prop-10 erty taxes allowed by law.

(j) Any amount distributed to the district in the prior fiscal year under ORS 327.019 (8).

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12 (2) Local Revenues do not include:

(a) If a school district imposes local option taxes pursuant to ORS 280.040 to 280.145, an amount
 equal to the lesser of:

(A) The amount of revenue actually received by the district from local option taxes imposed
 pursuant to ORS 280.040 to 280.145;

(B) Twenty percent of the total received by the school district from the general purpose grant,
the transportation grant, the facility grant and the high cost disabilities grant of the district, as
those grants are calculated under ORS 327.013; or

(C) \$1,000 per district extended ADMw, as calculated under ORS 327.013, increased each fiscal
year by three percent above the amount allowed per district extended ADMw for the prior fiscal
year.

(b) For a school district with a statutory rate limit on July 1, 2003, that is greater than \$4.50
per \$1,000 of assessed value, the amount of property taxes actually received by the district, including penalties and interest on taxes, that results from an increase in the rate of ad valorem property
tax of the district allowed under section 11 (5)(d), Article XI of the Oregon Constitution.

[(c) The amount of moneys received by Lane County that are required to be used to fund career and technical education programs under section 1 of this 2015 Act.]

<u>SECTION 4.</u> (1) The governing body of Lane County shall cause a report on career and technical education programs funded under section 1 of this 2015 Act to be submitted, in the manner provided in ORS 192.245, to the interim committees of the Legislative Assembly related to revenue no later than September 15, 2017.

33 (2) The report must provide:

(a) Information on the number of youth served by career and technical education pro grams funded under section 1 of this 2015 Act and the employment outcomes of the youth
 served;

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(b) Fiscal analysis of the use of moneys described in section 1 (1) of this 2015 Act;

38 (c) Recommendations on other measures for employing youth in Lane County; and

(d) Any other information, analysis or recommendations the governing body of Lane
 County considers important for a thorough analysis of section 1 of this 2015 Act.

41 <u>SECTION 5.</u> (1) The amendments to ORS 327.011 by section 2 of this 2015 Act become 42 operative July 1, 2016, and apply to State School Fund distributions for the 2016-2017 and 43 2017-2018 distributions.

(2) The amendments to ORS 327.011 by section 3 of this 2015 Act become operative July
1, 2018, and apply to State School Fund distributions commencing with the 2018-2019 distrib-

- 1 **ution.**
- 2 <u>SECTION 6.</u> Sections 1 and 4 of this 2015 Act are repealed on July 1, 2018.

3 <u>SECTION 7.</u> This 2015 Act being necessary for the immediate preservation of the public

4 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
 5 on its passage.

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