

**A-Engrossed**  
**Senate Bill 898**

Ordered by the Senate April 16  
Including Senate Amendments dated April 16

Sponsored by Senators ROBLAN, KNOPP

**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.

Directs Department of Education to award grants to school districts for support service programs, education innovation programs and education intervention programs.

Directs department to expend no more than specified amount for grants from State School Fund.  
Declares emergency, effective July 1, 2015.

**A BILL FOR AN ACT**

1  
2 Relating to education; creating new provisions; amending ORS 327.008 and section 10, chapter 519,  
3 Oregon Laws 2011; and declaring an emergency.

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

5 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 327.**

6 **SECTION 2. (1) In addition to any moneys distributed from the State School Fund, the**  
7 **Department of Education shall award grants to school districts for support service programs,**  
8 **education innovation programs and education intervention programs as provided by this**  
9 **section.**

10 **(2) The department shall award grants based upon a list of strategic investments adopted**  
11 **by the State Board of Education, including:**

12 **(a) Family service coordinators;**

13 **(b) Counselors;**

14 **(c) School resource officers and school resource deputies;**

15 **(d) Behavioral specialists;**

16 **(e) Career planning;**

17 **(f) Life skills;**

18 **(g) Education innovation programs; and**

19 **(h) Education intervention programs.**

20 **(3) Any school district may apply for and receive a grant under this section.**

21 **(4) A school district that receives a grant under this section shall deposit the grant**  
22 **amounts it receives in a separate account and shall apply amounts in that account to pay for**  
23 **activities described in the district's application.**

24 **(5) The State Board of Education, in consultation with the Oregon Education Investment**  
25 **Board, may adopt any rules necessary for the administration of the grants.**

26 **SECTION 3. Section 2 of this 2015 Act is amended to read:**

27 **Sec. 2. (1) In addition to any moneys distributed from the State School Fund, the Department**

**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 of Education shall award grants to school districts for support service programs, education inno-  
2 vation programs and education intervention programs as provided by this section.

3 (2) The department shall award grants based upon a list of strategic investments adopted by the  
4 State Board of Education, including:

- 5 (a) Family service coordinators;
- 6 (b) Counselors;
- 7 (c) School resource officers and school resource deputies;
- 8 (d) Behavioral specialists;
- 9 (e) Career planning;
- 10 (f) Life skills;
- 11 (g) Education innovation programs; and
- 12 (h) Education intervention programs.

13 (3) Any school district may apply for and receive a grant under this section.

14 (4) A school district that receives a grant under this section shall deposit the grant amounts it  
15 receives in a separate account and shall apply amounts in that account to pay for activities de-  
16 scribed in the district's application.

17 (5) The State Board of Education[, *in consultation with the Oregon Education Investment*  
18 *Board,*] may adopt any rules necessary for the administration of the grants.

19 **SECTION 4.** Section 10, chapter 519, Oregon Laws 2011, as amended by section 1, chapter 37,  
20 Oregon Laws 2012, section 5, chapter 286, Oregon Laws 2013, section 89, chapter 624, Oregon Laws  
21 2013, section 9, chapter 660, Oregon Laws 2013, section 3, chapter 661, Oregon Laws 2013, section  
22 5, chapter 739, Oregon Laws 2013, section 194, chapter 747, Oregon Laws 2013, and section 6,  
23 chapter 778, Oregon Laws 2013, is amended to read:

24 **Sec. 10.** (1) Sections 1, 2, 3, 5 and 7, chapter 519, Oregon Laws 2011, are repealed on March 15,  
25 2016.

26 (2) The amendments to [*section 2 of this 2013 Act*] **ORS 342.208** by section 4, **chapter 286,**  
27 **Oregon Laws 2013,** [*of this 2013 Act*] become operative on March 15, 2016.

28 (3) The amendments to ORS 326.021 by section 88, **chapter 624, Oregon Laws 2013,** [*of this 2013*  
29 *Act*] become operative on March 15, 2016.

30 (4) The amendments to [*sections 1, 2, 3 and 4 of this 2013 Act*] **ORS 327.800, 327.810, 327.815**  
31 **and 327.820** by sections 5, 6, 7 and 8, **chapter 660, Oregon Laws 2013,** [*of this 2013 Act*] become  
32 operative on March 15, 2016.

33 (5) The amendments to [*section 1 of this 2013 Act*] **ORS 342.950** by section 2, **chapter 661,**  
34 **Oregon Laws 2013,** [*of this 2013 Act*] become operative on March 15, 2016.

35 (6) The amendments to [*section 1 of this 2013 Act*] **ORS 326.500** by section 4, **chapter 739,**  
36 **Oregon Laws 2013,** [*of this 2013 Act*] become operative on March 15, 2016.

37 (7) The amendments to [*section 7 of this 2013 Act*] **ORS 327.380** by section 8, **chapter 739,**  
38 **Oregon Laws 2013,** [*of this 2013 Act*] become operative on March 15, 2016.

39 (8) The amendments to ORS 342.443 by section 5, **chapter 778, Oregon Laws 2013,** [*of this 2013*  
40 *Act*] become operative on March 15, 2016.

41 **(9) The amendments to section 2 of this 2015 Act by section 3 of this 2015 Act become**  
42 **operative on March 15, 2016.**

43 [(9)] **(10) The amendments to [*section 1 of this 2013 Act*] ORS 326.500** by section 6, **chapter 739,**  
44 **Oregon Laws 2013,** [*of this 2013 Act*] become operative on July 1, 2025.

45 **SECTION 5.** ORS 327.008, as amended by section 6, chapter 81, Oregon Laws 2014, is amended

1 to read:

2 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist  
3 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education  
4 Stability Fund. The State School Fund is continuously appropriated to the Department of Education  
5 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,  
6 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and sections 1 to 3, chapter 735,  
7 Oregon Laws 2013, and section 2, chapter 81, Oregon Laws 2014.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 amount expended by the department under this subsection.

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

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

8 **(14) Each biennium, the Department of Education may expend up to \$150 million from the**  
9 **State School Fund to make grants as provided in section 2 of this 2015 Act, with a minimum**  
10 **of \$50,000 each biennium being distributed to school districts that have a weighted average**  
11 **daily membership (ADMw) of less than 8,500.**

12 *[(14)]* (15) Each fiscal year, the Department of Education shall transfer the amount of \$2.5  
13 million from the State School Fund to the Small School District Supplement Fund established in  
14 section 3, chapter 735, Oregon Laws 2013.

15 **SECTION 6.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, and section  
16 7, chapter 81, Oregon Laws 2014, is amended to read:

17 327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist  
18 of moneys appropriated by the Legislative Assembly and moneys transferred from the Education  
19 Stability Fund. The State School Fund is continuously appropriated to the Department of Education  
20 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348,  
21 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961 and section 2, chapter 81, Oregon  
22 Laws 2014.

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

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

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

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

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

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

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

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

45 (10)(a) Each biennium, the Department of Education shall transfer \$33 million from the State

1 School Fund to the Network of Quality Teaching and Learning Fund established under ORS 342.953.

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

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

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

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

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

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

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18 School Fund to provide administration of and support for the development of talented and gifted  
19 education under ORS 343.404.

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

23 **(14) Each biennium, the Department of Education may expend up to \$150 million from the**  
24 **State School Fund to make grants as provided in section 2 of this 2015 Act, with a minimum**  
25 **of \$50,000 each biennium being distributed to school districts that have a weighted average**  
26 **daily membership (ADMw) of less than 8,500.**

27 **SECTION 7. The amendments to ORS 327.008 by sections 5 and 6 of this 2015 Act apply**  
28 **to State School Fund distributions commencing with the 2015-2016 distributions.**

29 **SECTION 8. This 2015 Act being necessary for the immediate preservation of the public**  
30 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
31 **July 1, 2015.**

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