

**PROPOSED AMENDMENTS TO  
SENATE BILL 447**

1 On page 1 of the printed bill, line 3, after “327.008” delete the rest of the  
2 line and insert “and 329.488; and declaring an emergency.”.

3 In line 10, after the period insert “Any construction, improvement, re-  
4 model, equipment, maintenance or repair of a building of a school district  
5 that is financed with a grant received under this section is not required to  
6 meet the standards specified in ORS 286A.810.”.

7 Delete lines 22 and 23 and insert:

8 “(5) Grants awarded under this section shall be calculated as follows:

9 “(a) For a school district that provides matching funds in any amount up  
10 to \$4 million, a matching ratio for state to local funds of one to one.

11 “(b) For a school district that provides matching funds in any amount  
12 greater than \$4 million, a matching ratio for state to local funds that is  
13 based on the funding formula developed as provided in subsection (7)(c) of  
14 this section. Grants awarded under this paragraph shall be for a minimum  
15 of \$4 million per grant and a maximum of \$8 million per grant.”.

16 In line 26, delete “(7)” and insert “(7)(b)”.

17 On page 2, line 7, delete “subsection (6)(a)(A) of”.

18 In line 8, delete “that is” and insert “and a funding formula that are”.

19 In line 14, delete the colon.

20 In line 15, delete “(A)”.

21 In line 16, delete “; and” and insert a period.

22 Delete lines 17 and 18 and insert:

1 “(c) The funding formula developed under this subsection shall be used  
2 to determine the matching ratio for state to local funds. The funding formula  
3 must comply with the limits described in subsection (5) of this section.”.

4 On page 4, delete lines 15 through 45 and delete pages 5 through 15 and  
5 insert:

6 **“SECTION 8.** ORS 327.008, as amended by section 6, chapter 81, Oregon  
7 Laws 2014, is amended to read:

8 “327.008. (1) There is established a State School Fund in the General  
9 Fund. The fund shall consist of moneys appropriated by the Legislative As-  
10 sembly and moneys transferred from the Education Stability Fund. The State  
11 School Fund is continuously appropriated to the Department of Education  
12 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125,  
13 327.137, 327.348, 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961  
14 and sections 1 to 3, chapter 735, Oregon Laws 2013, and section 2, chapter  
15 81, Oregon Laws 2014.

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

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

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

27 “(5) Numbers of students in average daily membership used in the dis-  
28 tribution formula shall be the numbers as of June of the year of distribution.

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

1 “(7) The total amount of the State School Fund that is distributed as fa-  
2 cility grants may not exceed [~~\$20~~] **\$14** million in any biennium. If the total  
3 amount to be distributed as facility grants exceeds this limitation, the De-  
4 partment of Education shall prorate the amount of funds available for facil-  
5 ity grants among those school districts that qualified for a facility grant. **If**  
6 **the total amount to be distributed as facility grants does not exceed**  
7 **this limitation, any remaining amounts shall be expended for expenses**  
8 **incurred by the Office of School Facilities as provided in section 6 (1)**  
9 **of this 2015 Act.**

10 “(8) Each biennium, the Department of Education may expend from  
11 the State School Fund no more than **\$6 million for expenses incurred**  
12 **by the Office of School Facilities under section 6 (2) to (6) of this 2015**  
13 **Act.**

14 “[~~(8)~~] (9) Each fiscal year, the Department of Education shall transfer to  
15 the Pediatric Nursing Facility Account established in section 5, chapter 81,  
16 Oregon Laws 2014, the amount necessary to pay the costs of educational  
17 services provided to students admitted to pediatric nursing facilities as pro-  
18 vided in section 2, chapter 81, Oregon Laws 2014.

19 “[~~(9)~~] (10) Each fiscal year, the Department of Education shall transfer  
20 the amount of \$18 million from the State School Fund to the High Cost  
21 Disabilities Account established in ORS 327.348.

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

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

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

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

30 “(C) The amount distributed to education service districts from the State

1 School Fund under this section and ORS 327.019 shall be reduced by \$14  
2 million.

3 “(c) For each biennium, the amounts identified in paragraph (b)(B) and  
4 (C) of this subsection shall be adjusted by the same percentage by which the  
5 amount appropriated to the State School Fund for that biennium is increased  
6 or decreased compared to the preceding biennium, as determined by the De-  
7 partment of Education after consultation with the Legislative Fiscal Officer.

8 “[~~(11)~~] **(12)** Each fiscal year, the Department of Education may expend up  
9 to \$550,000 from the State School Fund for the contract described in ORS  
10 329.488. The amount distributed to education service districts from the State  
11 School Fund under this section and ORS 327.019 shall be reduced by the  
12 amount expended by the department under this subsection.

13 “[~~(12)~~] **(13)** Each biennium, the Department of Education may expend up  
14 to \$350,000 from the State School Fund to provide administration of and  
15 support for the development of talented and gifted education under ORS  
16 343.404.

17 “[~~(13)~~] **(14)** Each biennium, the Department of Education may expend up  
18 to \$150,000 from the State School Fund for the administration of a program  
19 to increase the number of speech-language pathologists and speech-language  
20 pathology assistants under ORS 348.394 to 348.406.

21 “[~~(14)~~] **(15)** Each fiscal year, the Department of Education shall transfer  
22 the amount of \$2.5 million from the State School Fund to the Small School  
23 District Supplement Fund established in section 3, chapter 735, Oregon Laws  
24 2013.

25 **“SECTION 9.** ORS 327.008, as amended by section 7, chapter 735, Oregon  
26 Laws 2013, and section 7, chapter 81, Oregon Laws 2014, is amended to read:

27 “327.008. (1) There is established a State School Fund in the General  
28 Fund. The fund shall consist of moneys appropriated by the Legislative As-  
29 sembly and moneys transferred from the Education Stability Fund. The State  
30 School Fund is continuously appropriated to the Department of Education

1 for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125,  
2 327.137, 327.348, 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961  
3 and section 2, chapter 81, Oregon Laws 2014.

4 “(2) There shall be apportioned from the State School Fund to each school  
5 district a State School Fund grant, consisting of the positive amount equal  
6 to a general purpose grant and a facility grant and a transportation grant  
7 and a high cost disabilities grant minus local revenue, computed as provided  
8 in ORS 327.011 and 327.013.

9 “(3) There shall be apportioned from the State School Fund to each edu-  
10 cation service district a State School Fund grant as calculated under ORS  
11 327.019.

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

15 “(5) Numbers of students in average daily membership used in the dis-  
16 tribution formula shall be the numbers as of June of the year of distribution.

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

19 “(7) The total amount of the State School Fund that is distributed as fa-  
20 cility grants may not exceed [~~\$20~~] **\$14** million in any biennium. If the total  
21 amount to be distributed as facility grants exceeds this limitation, the De-  
22 partment of Education shall prorate the amount of funds available for facil-  
23 ity grants among those school districts that qualified for a facility grant. **If**  
24 **the total amount to be distributed as facility grants does not exceed**  
25 **this limitation, any remaining amounts shall be expended for expenses**  
26 **incurred by the Office of School Facilities as provided in section 6 (1)**  
27 **of this 2015 Act.**

28 “(8) **Each biennium, the Department of Education may expend from**  
29 **the State School Fund no more than \$6 million for expenses incurred**  
30 **by the Office of School Facilities under section 6 (2) to (6) of this 2015**

1 **Act.**

2 “[8] (9) Each fiscal year, the Department of Education shall transfer to  
3 the Pediatric Nursing Facility Account established in section 5, chapter 81,  
4 Oregon Laws 2014, the amount necessary to pay the costs of educational  
5 services provided to students admitted to pediatric nursing facilities as pro-  
6 vided in section 2, chapter 81, Oregon Laws 2014.

7 “[9] (10) Each fiscal year, the Department of Education shall transfer  
8 the amount of \$18 million from the State School Fund to the High Cost  
9 Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

26 “[11] (12) Each fiscal year, the Department of Education may expend up  
27 to \$550,000 from the State School Fund for the contract described in ORS  
28 329.488. The amount distributed to education service districts from the State  
29 School Fund under this section and ORS 327.019 shall be reduced by the  
30 amount expended by the department under this subsection.

1 “[12] (13) Each biennium, the Department of Education may expend up  
2 to \$350,000 from the State School Fund to provide administration of and  
3 support for the development of talented and gifted education under ORS  
4 343.404.

5 “[13] (14) Each biennium, the Department of Education may expend up  
6 to \$150,000 from the State School Fund for the administration of a program  
7 to increase the number of speech-language pathologists and speech-language  
8 pathology assistants under ORS 348.394 to 348.406.

9 **“SECTION 10. The amendments to ORS 327.008 by sections 8 and 9**  
10 **of this 2015 Act apply to State School Fund distributions commencing**  
11 **with the 2015-2016 distributions.**

12 **“SECTION 11.** ORS 329.488, as amended by section 10, chapter 81, Oregon  
13 Laws 2014, is amended to read:

14 “329.488. (1) The Department of Education shall contract with a nonprofit  
15 entity to administer a nationally normed assessment, in collaboration with  
16 the department, to all students in grade 10 who are enrolled in a public  
17 school. The purpose of the assessment is to predict the success of students  
18 on, and provide practice for students taking, college entrance exams.

19 “(2) The department shall base the selection of the contractor under sub-  
20 section (1) of this section on all of the following criteria:

21 “(a) The contractor must be able to provide to the department statewide  
22 data containing the results of the assessment;

23 “(b) The contractor shall provide an assessment that:

24 “(A) Identifies students with high potential to excel in advanced place-  
25 ment (AP) or other honors courses based on a research-based correlation of  
26 scores on the grade 10 assessment to advanced placement examinations;

27 “(B) Examines students in mathematics, reading and writing; and

28 “(C) Provides results that can be used by Oregon’s higher education in-  
29 stitutions to recruit students to attend college;

30 “(c) The contractor must be able to supply schools with an item-by-item

1 analysis of student performance on the assessment; and

2 “(d) The contractor must be able to make available to each student taking  
3 the assessment a free career assessment and online exploration of colleges  
4 and career opportunities.

5 “(3)(a) In lieu of using the contractor selected by the department under  
6 subsection (1) of this section, a school district may apply to the department  
7 for a waiver to allow the district to enter into a contract with a different  
8 nonprofit entity for the purpose of administering a nationally normed as-  
9 sessment to all students in grade 10 who are enrolled in the public schools  
10 operated by the district. The department shall grant the waiver if:

11 “(A) The district had entered into a contract with the entity for the  
12 2007-2008 school year to administer a grade 10 assessment;

13 “(B) The entity, in coordination with the district, administered a grade  
14 10 assessment during the 2007-2008 school year;

15 “(C) For the most recent school year in which the entity administered a  
16 grade 10 assessment, the entity met the criteria set forth in subsection (2)  
17 of this section as in effect for the school year in which the entity adminis-  
18 tered the assessment; and

19 “(D) The entity plans to meet the criteria set forth in subsection (2) of  
20 this section as in effect for the school year for which the school district  
21 seeks a waiver.

22 “(b) A waiver granted by the department under this subsection:

23 “(A) Is valid for one school year; and

24 “(B) May be renewed each school year.

25 “(c) The department shall reimburse a school district for the cost of as-  
26 sessments allowed under this subsection from funds available to the depart-  
27 ment under ORS 327.008 [(11)] (12).

28 “(4) Notwithstanding subsections (1) and (3) of this section:

29 “(a) The department may, under rules adopted by the State Board of Ed-  
30 ucation, waive the assessment for specific groups of students; and



1       “(b) Upon request from a student who is enrolled in a public school op-  
2 erated by a school district or the parent or guardian of the student, the  
3 school district shall waive the assessment for the student.

4       “**SECTION 12. This 2015 Act being necessary for the immediate**  
5 **preservation of the public peace, health and safety, an emergency is**  
6 **declared to exist, and this 2015 Act takes effect July 1, 2015.”.**

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