

**PROPOSED AMENDMENTS TO  
SENATE BILL 819**

1 On page 1 of the printed bill, delete lines 5 through 28 and delete pages  
2 2 through 7 and insert:

3 **“SECTION 1.** ORS 338.155 is amended to read:

4 “338.155. (1)(a) Students of a public charter school shall be considered to  
5 be residents of the school district in which the public charter school is lo-  
6 cated for purposes of distribution of the State School Fund.

7 “(b)(A) For the purpose of determining the amounts to be distributed from  
8 the State School Fund to a school district in which a public charter school  
9 is located, the district extended ADMw described in ORS 327.013 shall be  
10 determined by:

11 “(i) Separately calculating the extended ADMw for students at the public  
12 charter school and the extended ADMw for students at nonchartered public  
13 schools in the school district; and

14 “(ii) Adding the extended ADMw for students at the public charter school  
15 and the extended ADMw for students at nonchartered public schools in the  
16 school district.

17 “(B) Except as provided in subparagraph (A) of this paragraph:

18 “(i) All other calculations made under ORS 327.013 shall be made as  
19 though the students enrolled at a public charter school were students en-  
20 rolled at the public schools in the school district in which the public charter  
21 school is located; and

22 “(ii) All references to the district extended ADMw shall be based on the

1 calculation made under subparagraph (A)(ii) of this paragraph.

2 “(C) All amounts to be distributed from the State School Fund to public  
3 charter schools shall first be distributed to the school district in which the  
4 public charter school is located.

5 **“(2) A school district shall enter into a contract with a public  
6 charter school that provides for payment to the public charter school  
7 for the provision of educational services to the public charter school’s  
8 students.**

9 **“(3) Except as provided in subsections (4) and (5) of this section and  
10 ORS 338.165, the payment required under subsection (2) of this section  
11 shall equal an amount per weighted average daily membership  
12 (ADMw) of the public charter school that is at least equal to:**

13 **“(a) Ninety-five percent of the amount of the school district’s Gen-  
14 eral Purpose Grant per ADMw, as calculated under ORS 327.013, for  
15 the sponsor if the sponsor is the board of a school district; or**

16 **“(b) Ninety-five percent of the General Purpose Grant per ADMw,  
17 as calculated under ORS 327.013, for the school district where the  
18 public charter school is located if the sponsor is the State Board of  
19 Education or an institution of higher education.**

20 **“[(2)] (4) A school district shall contractually establish, with any **virtual**  
21 public charter school that is sponsored by the board of the school district,  
22 payment for provision of educational services to the **virtual** public charter  
23 school’s students. The payment shall equal an amount per weighted average  
24 daily membership (ADMw) of the **virtual** public charter school that is at  
25 least equal to:**

26 **“(a) Eighty percent of the amount of the school district’s General Purpose  
27 Grant per ADMw as calculated under ORS 327.013 for students who are en-  
28 rolled in kindergarten through grade eight; and**

29 **“(b) Ninety-five percent of the amount of the school district’s General  
30 Purpose Grant per ADMw as calculated under ORS 327.013 for students who**

1 are enrolled in grades 9 through 12.

2 “[~~(3)~~] **(5)** A school district shall contractually establish, with any **virtual**  
3 public charter school that is sponsored by the State Board of Education or  
4 an institution of higher education and that is within the boundaries of the  
5 school district, payment for provision of educational services to the **virtual**  
6 public charter school’s students. The payment shall equal an amount per  
7 weighted average daily membership (ADMw) of the **virtual** public charter  
8 school that is at least equal to:

9 “(a) Ninety percent of the amount of the school district’s General Purpose  
10 Grant per ADMw as calculated under ORS 327.013 for students who are en-  
11 rolled in kindergarten through grade eight; and

12 “(b) Ninety-five percent of the amount of the school district’s General  
13 Purpose Grant per ADMw as calculated under ORS 327.013 for students who  
14 are enrolled in grades 9 through 12.

15 “[~~(4)~~] **(6)** The estimated amount of each school district’s General Purpose  
16 Grant per ADMw shall be determined each year by the Department of Edu-  
17 cation and made available to all school districts.

18 “[~~(5)~~] **(7)** The school district in which the public charter school is located  
19 shall transfer an amount per weighted average daily membership (ADMw)  
20 of the public charter school that is equal to 50 percent of the amount of the  
21 school district’s General Purpose Grant per ADMw as calculated under ORS  
22 327.013 that is not paid to the public charter school through a contract cre-  
23 ated pursuant to subsection [~~(2) or (3)~~] **(3), (4) or (5)** of this section to:

24 “(a) For a public charter school sponsored by a school district, any school  
25 district in which the parent or guardian of, or person in parental relation-  
26 ship to, a student of a public charter school resides pursuant to ORS 339.133  
27 and 339.134;

28 “(b) For a public charter school sponsored by the State Board of Educa-  
29 tion, the Department of Education; or

30 “(c) For a public charter school sponsored by an institution of higher

1 education, the institution of higher education.

2 **“(8)(a) A sponsor may retain any amounts that are not paid to a**  
3 **public charter school as provided by subsection (3), (4) or (5) of this**  
4 **section. Any amounts retained by the sponsor as provided by this**  
5 **subsection must be used for administrative costs incurred by the**  
6 **sponsor in relation to public charter schools.**

7 **“[(6)] (b) The department may use any moneys received under this section**  
8 **for activities related to public charter schools.**

9 **“[(7)] (9) A school district and a public charter school may negotiate to**  
10 **establish a payment for the provision of educational services to the public**  
11 **charter school’s students that is more than the minimum [amounts] amount**  
12 **specified in subsection [(2) or] (3), (4) or (5) of this section.**

13 **“(10)(a) In addition to payments received by a public charter school**  
14 **under subsection (3), (4) or (5) of this section and except as provided**  
15 **by ORS 338.165, the public charter school is entitled to receive 95 per-**  
16 **cent of:**

17 **“(A) Any local, state or federal moneys received by a sponsor or by**  
18 **the school district in which the public charter school is located.**

19 **“(B) Any local revenues, as described in ORS 327.011, that are**  
20 **available to the school district.**

21 **“(b) Moneys described in paragraph (a) of this subsection must be**  
22 **distributed to a public charter school in the same proportion that the**  
23 **number of students enrolled at the public charter school bears to the**  
24 **number of students enrolled at the nonchartered public schools in the**  
25 **school district.**

26 **“(c) Notwithstanding paragraph (a)(B) of this subsection, a virtual**  
27 **public charter school is not entitled to receive a portion of local reve-**  
28  **nues, as described in ORS 327.011, but a school district may choose to**  
29 **distribute a portion of local revenues to the virtual public charter**  
30 **school.**

1        “[8] (11) A school district shall send payment to a public charter school  
2 based on a contract negotiated under this section within 10 days after re-  
3 ceiving payments from the State School Fund pursuant to ORS 327.095 **or**  
4 **after receiving moneys pursuant to subsection (10) of this section.**

5        “[9(a)] (12)(a) A public charter school may apply for any grant that is  
6 available to school districts or nonchartered public schools from the De-  
7 partment of Education. The department shall consider the application of the  
8 public charter school in the same manner as an application from a school  
9 district or nonchartered public school.

10        “(b) The department shall award any grant that is available to school  
11 districts based solely on the weighted average daily membership (ADMw) of  
12 the school district directly to the public charter school. This paragraph does  
13 not apply to any grant from the State School Fund.

14        **“SECTION 2. The amendments to ORS 338.155 by section 1 of this**  
15 **2015 Act apply to contracts entered into or renewed by a sponsor and**  
16 **public charter school prior to, on or after the effective date of this 2015**  
17 **Act.**

18        **“SECTION 3.** ORS 327.297, as amended by section 3, chapter 6, Oregon  
19 Laws 2014, is amended to read:

20        “327.297. (1) In addition to those moneys distributed through the State  
21 School Fund, the Department of Education shall award grants to school  
22 districts, education service districts, the Youth Corrections Education Pro-  
23 gram and the Juvenile Detention Education Program for activities that re-  
24 late to increases in student achievement, including:

25        “(a) Early childhood support including establishing, maintaining or ex-  
26 panding quality prekindergarten programs and full-day kindergarten pro-  
27 grams;

28        “(b) Class size reduction with an emphasis on the reduction of  
29 kindergarten through grade three class sizes;

30        “(c) Increases in instructional time including summer programs and be-

1 fore- and after-school programs;  
2 “(d) Mentoring, teacher retention and professional development;  
3 “(e) Remediation, alternative learning and student retention;  
4 “(f) Services to at-risk youth;  
5 “(g) Programs to improve a student achievement gap between student  
6 groups identified by culture, poverty, language and race and other student  
7 groups;  
8 “(h) Vocational education programs;  
9 “(i) Literacy programs;  
10 “(j) School library programs; and  
11 “(k) Other research-based student improvement strategies approved by the  
12 State Board of Education.

13 “(2)(a) Each school district, each education service district, the Youth  
14 Corrections Education Program and the Juvenile Detention Education Pro-  
15 gram may apply to the Department of Education for a grant.

16 “(b) The department shall review and approve applications based on cri-  
17 teria established by the State Board of Education. In establishing the crite-  
18 ria, the State Board of Education shall consider the recommendations of the  
19 Quality Education Commission established under ORS 327.500.

20 “(c) The applications shall include the activities to be funded and the  
21 goals of the district or program for increases in student performance. The  
22 applications shall become part of the local district continuous improvement  
23 plan described in ORS 329.095.

24 “(3)(a) Notwithstanding ORS 338.155 [(9)] (12), the Department of Educa-  
25 tion may not award a grant under this section directly to a public charter  
26 school.

27 “(b) A school district that receives a grant **for a public charter school**  
28 under this section [*may*] **shall** transfer a portion of the grant to [*a*] **the**  
29 public charter school based on the **criteria used to transfer grants to any**  
30 **nonchartered public school in the school district or based on the char-**

1 ter of the school or any other agreement between the school district and the  
2 public charter school.

3 “(c) A public charter school that receives grant funds under this sub-  
4 section [*shall*] **must** use those funds for the activities specified in subsection  
5 (1) of this section.

6 “(4)(a) The amount of each grant for a program or school district = the  
7 program’s or school district’s ADMw × (the total amount available for dis-  
8 tribution to programs and school districts as grants in each fiscal year ÷  
9 the total ADMw of all programs and school districts that receive a grant).

10 “(b) The amount of each grant for an education service district = the  
11 education service district’s ADMw × (the total amount available for dis-  
12 tribution to education service districts as grants in each fiscal year ÷ the  
13 total ADMw of all education service districts that receive a grant).

14 “(c) As used in this subsection, ‘ADMw’ means:

15 “(A) For a school district, the extended weighted average daily member-  
16 ship as calculated under ORS 327.013, 338.155 (1) and 338.165 (2);

17 “(B) For the Youth Corrections Education Program, the extended  
18 weighted average daily membership as calculated under ORS 327.026;

19 “(C) For the Juvenile Detention Education Program, the extended  
20 weighted average daily membership as calculated under ORS 327.026; and

21 “(D) For an education service district, the sum of the ADMw of the school  
22 districts located within the territory of the education service district.

23 “(5) Each district or program shall deposit the grant amounts it receives  
24 under this section in a separate account, and shall apply amounts in that  
25 account to pay for activities described in the district’s or program’s appli-  
26 cation.

27 “(6) The State Board of Education may adopt any rules necessary for the  
28 administration of the grant program.

29 **“SECTION 4.** ORS 327.297, as amended by section 9, chapter 704, Oregon  
30 Laws 2011, and section 4, chapter 6, Oregon Laws 2014, is amended to read:

1 “327.297. (1) In addition to those moneys distributed through the State  
2 School Fund, the Department of Education shall award grants to school  
3 districts, education service districts, the Youth Corrections Education Pro-  
4 gram and the Juvenile Detention Education Program for activities that re-  
5 late to increases in student achievement, including:

6 “(a) Early childhood support including establishing, maintaining or ex-  
7 panding quality prekindergarten programs;

8 “(b) Class size reduction with an emphasis on the reduction of  
9 kindergarten through grade three class sizes;

10 “(c) Increases in instructional time including summer programs and be-  
11 fore- and after-school programs;

12 “(d) Mentoring, teacher retention and professional development;

13 “(e) Remediation, alternative learning and student retention;

14 “(f) Services to at-risk youth;

15 “(g) Programs to improve a student achievement gap between student  
16 groups identified by culture, poverty, language and race and other student  
17 groups;

18 “(h) Vocational education programs;

19 “(i) Literacy programs;

20 “(j) School library programs; and

21 “(k) Other research-based student improvement strategies approved by the  
22 State Board of Education.

23 “(2)(a) Each school district, each education service district, the Youth  
24 Corrections Education Program and the Juvenile Detention Education Pro-  
25 gram may apply to the Department of Education for a grant.

26 “(b) The department shall review and approve applications based on cri-  
27 teria established by the State Board of Education. In establishing the crite-  
28 ria, the State Board of Education shall consider the recommendations of the  
29 Quality Education Commission established under ORS 327.500.

30 “(c) The applications shall include the activities to be funded and the



1 goals of the district or program for increases in student performance. The  
2 applications shall become part of the local district continuous improvement  
3 plan described in ORS 329.095.

4 “(3)(a) Notwithstanding ORS 338.155 [(9)] (12), the Department of Educa-  
5 tion may not award a grant under this section directly to a public charter  
6 school.

7 “(b) A school district that receives a grant **for a public charter school**  
8 under this section [*may*] **shall** transfer a portion of the grant to [*a*] **the**  
9 public charter school based on the **criteria used to transfer grants to any**  
10 **nonchartered public school in the school district or based on the** char-  
11 ter of the school or any other agreement between the school district and the  
12 public charter school.

13 “(c) A public charter school that receives grant funds under this sub-  
14 section [*shall*] **must** use those funds for the activities specified in subsection  
15 (1) of this section.

16 “(4)(a) The amount of each grant for a program or school district = the  
17 program’s or school district’s ADMw × (the total amount available for dis-  
18 tribution to programs and school districts as grants in each fiscal year ÷  
19 the total ADMw of all programs and school districts that receive a grant).

20 “(b) The amount of each grant for an education service district = the  
21 education service district’s ADMw × (the total amount available for dis-  
22 tribution to education service districts as grants in each fiscal year ÷ the  
23 total ADMw of all education service districts that receive a grant).

24 “(c) As used in this subsection, ‘ADMw’ means:

25 “(A) For a school district, the extended weighted average daily member-  
26 ship as calculated under ORS 327.013, 338.155 (1) and 338.165 (2);

27 “(B) For the Youth Corrections Education Program, the extended  
28 weighted average daily membership as calculated under ORS 327.026;

29 “(C) For the Juvenile Detention Education Program, the extended  
30 weighted average daily membership as calculated under ORS 327.026; and

1 “(D) For an education service district, the sum of the ADMw of the school  
2 districts located within the territory of the education service district.

3 “(5) Each district or program shall deposit the grant amounts it receives  
4 under this section in a separate account, and shall apply amounts in that  
5 account to pay for activities described in the district’s or program’s appli-  
6 cation.

7 “(6) The State Board of Education may adopt any rules necessary for the  
8 administration of the grant program.

9 **“SECTION 5.** ORS 338.145 is amended to read:

10 “338.145. (1) The public charter school shall be responsible for providing  
11 transportation to students who reside within the school district and who  
12 attend the public charter school. The public charter school may negotiate  
13 with a school district for the provision of transportation to students attend-  
14 ing the public charter school.

15 “(2) Notwithstanding subsection (1) of this section, the school district  
16 within which the public charter school is located shall be responsible for the  
17 transportation of students attending the public charter school pursuant to  
18 ORS 327.043 in the same manner as students attending nonchartered public  
19 schools if the student is a resident of the school district. [*However,*] A school  
20 district may not be required to add or extend existing bus routes or other  
21 transportation services pursuant to this subsection.

22 “(3) Students who attend public charter schools and who reside outside  
23 of the school district may use existing bus routes and transportation services  
24 of the school district in which a public charter school is located.

25 “(4)(a) Any transportation costs incurred by a school district under this  
26 section shall be considered approved transportation costs for purposes of  
27 ORS 327.013 in the same manner as transportation costs incurred by the  
28 school district for transporting students who attend nonchartered public  
29 schools are considered approved transportation costs for purposes of ORS  
30 327.013.

1       **“(b) Any transportation costs incurred by a public charter school**  
2 **for providing transportation to students who reside within the school**  
3 **district and who attend the public charter school shall be considered**  
4 **approved transportation costs for purposes of ORS 327.013 in the same**  
5 **manner as transportation costs incurred by a school district for**  
6 **transporting students are considered approved transportation costs for**  
7 **purposes of ORS 327.013. A school district shall pay the public charter**  
8 **school the total amount received by the school district for transpor-**  
9 **tation costs incurred by the public charter school within 10 days after**  
10 **the school district receives the amount.**

11       **“SECTION 6. The amendments to ORS 327.297, 338.145 and 338.155**  
12 **by sections 1 and 3 to 5 of this 2015 Act apply to State School Fund**  
13 **distributions and other distributions of moneys made to school dis-**  
14 **tricts commencing with the 2015-2016 distributions.**

15       **“SECTION 7. ORS 340.073 is amended to read:**

16       **“340.073. (1) A public charter school may elect to participate in the Ex-**  
17 **expanded Options Program by amending its charter under ORS 338.065.**

18       **“(2) Actual instructional costs associated with participating eligible stu-**  
19 **dents shall be negotiated and paid directly to the eligible post-secondary in-**  
20 **stitution by the public charter school.**

21       **“(3) The participating public charter school may not require funding from**  
22 **the sponsor of the school for payment of Expanded Options Program costs**  
23 **that is in addition to funding that already has been contractually established**  
24 **pursuant to ORS 338.155 [(2)(b) or (3)(b)] (3), (4) or (5) or 338.165 (2)(b).**

25       **“SECTION 8. (1) The Secretary of State shall conduct an examina-**  
26 **tion of at least five public charter schools in this state.**

27       **“(2) The examination shall be used to:**

28       **“(a) Identify the services provided by the sponsor and by the public**  
29 **charter school relating to the operation of the public charter school;**

30       **“(b) Determine the expenses related to the provision of the services**

1 identified in paragraph (a) of this subsection; and

2 “(c) Identify and determine the amount of all public revenues di-  
3 rectly or indirectly received by a sponsor for public charter schools.

4 “(3) For the purpose of the examination described in subsection (2)  
5 of this section, the Secretary of State may enter into a contract with  
6 an organization that:

7 “(a) Is based in this state;

8 “(b) Specializes in the evaluation of public schools in this state,  
9 including public charter schools; and

10 “(c) Is capable of providing an objective and unbiased analysis of  
11 the issues identified in subsection (2) of this section.

12 “(4) The Secretary of State shall submit to the appropriate legisla-  
13 tive committees related to education a summary of the examination  
14 described in subsection (2) of this section. The report must be sub-  
15 mitted no later than January 15, 2017.

16 “SECTION 9. Section 8 of this 2015 Act is repealed on December 31,  
17 2017.

18 “SECTION 10. In addition to and not in lieu of any other appropri-  
19 ation, there is appropriated to the Secretary of State, for the biennium  
20 beginning July 1, 2015, out of the General Fund, the amount of \$55,000,  
21 which shall be expended for purposes of conducting the examination  
22 described in section 8 of this 2015 Act.

23 “SECTION 11. This 2015 Act being necessary for the immediate  
24 preservation of the public peace, health and safety, an emergency is  
25 declared to exist, and this 2015 Act takes effect July 1, 2015.”

26