



HB 2258: Allowing CTE Student Leadership Foundation to Disperse Funds  
Senate Education Committee  
May 9, 2017

Good morning Chair Roblan and members of the Senate Education Committee. For the record, I am Emily Nazarov speaking on behalf of the Oregon Education Department. I am here today to speak in favor of HB 2258.

**Purpose:**

HB 2258 adds “statewide nonprofit organizations promoting student leadership in career and technical education” to the list of entities that may receive Career Technical Education (CTE) grant funds. By adding this language, the bill permits the Oregon Department of Education to continue the practice of contracting with the Oregon Career Technical Education Student Leadership Foundation for the purpose of distributing CTE grant funds to Career and Technical Student Organizations (CTSOs) in schools across Oregon.

**Background:**

CTSOs are student leadership organizations that are formally chartered by the State Board of Education. There are currently eight CTOSs that are officially chartered or are in development:

- DECA – Emerging Leaders & Entrepreneurs
- FBLA – Future Business Leaders of America
- FCCLA – Family, Career and Community Leaders of America
- FFA – An Association of Agriculture Education Students
- FNRL – Future Natural Resource Leaders
- HOSA – Future Health Professionals
- SkillsUSA – Engineering and Industrial Education
- TSA – Technology Student Organization

For several decades the Oregon Legislature has provided financial support for CTOSs through grant-in-aid to the Oregon Department of Education. Approximately 250 grants are awarded each year to CTOSs in schools across Oregon. A typical grant award is \$1,100.

In 2011, the Oregon Career Technical Education Student Leadership Foundation was created to more efficiently administer the CTSO grants. The foundation is a nonprofit organization and the foundation's Board is comprised of representatives of each of the CTSOs.

From 2011 until 2015, the Oregon Department of Education contracted with the foundation to distribute the grants to CTSOs in schools across Oregon. Because the grants were administered by the foundation, school districts and teachers were not required to deal with the more time-consuming state electronic grant management system.

In 2015, the Oregon Legislature passed HB 3072, an umbrella bill for many of the Legislature's Career Technical Education investments including the investment in CTSOs. HB 3072 included a list of entities that are eligible to receive the various state CTE grant funds. That list did not include non-profits. As a result, the Oregon Department of Education was no longer able to contract with the foundation for the purpose of administering the grants.

HB 2258 is a very narrow proposal that will allow the Oregon Department of Education to contract with the foundation for the purpose of distributing grants to CTSOs while still maintaining the Legislature's decision to exclude nonprofits generally from the other CTE investments.

**Fiscal Impact:**

There is no fiscal impact on the Department of Education.