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**Joint Committee on
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

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Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Ways and Means Full Committee

From: Education Subcommittee

Re: SB 5517 Department of Education – State School Fund

Senator Monroe: “SB 5517 is the budget bill for the State School Fund. The Education Subcommittee recommends a budget of \$8.2 billion for the State School Fund, with \$7.68 billion in General Fund resources and \$452.29 million in Lottery Funds. The \$8.2 billion amount also includes \$63.1 million in marijuana taxes and assumes the passage of SB 845 or a similar bill that dedicates a share of marijuana taxes to the State School Fund. Overall, this represents a 11.2% increase over the 2015-17 State School Fund. This \$8.2 billion will be combined with almost \$4.0 billion in property taxes and other local revenues for distribution through the school revenue formula. In addition, SB 5517 includes \$67.3 million in Other Funds expenditure limitation for the marijuana tax resources, a small amount of timber related revenue, and payment of Local Option Equalization Grants.

The Subcommittee recommends continuing the “carve-out” that provides for free school lunches for those students who are currently eligible for a reduced priced lunch. Also recommended was up to \$1.6 million from the State School Fund be allocated to the Oregon Virtual School District Fund, \$3.9 million be transferred for Local Option Equalization Grants, and limited the carve-out for national normed assessments for 10th graders to \$968,000.

The Education Subcommittee recommends SB 5517 be amended by the –3 amendment and be reported out do pass, as amended.”