

House Bill 2419

Sponsored by Representative PARRISH (Pre-session filed.)

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 **as introduced**.

Provides funding for instruction of talented and gifted children based on amount per student.
Requires school districts to provide instruction for talented and gifted children.

First applies to 2017-2018 school year.

Declares emergency, effective July 1, 2017.

A BILL FOR AN ACT

1
2 Relating to funding for talented and gifted children; creating new provisions; amending ORS 327.008,
3 327.023, 343.395, 343.396, 343.397 and 343.411 and section 20, chapter 735, Oregon Laws 2013;
4 repealing ORS 343.399 and 343.401; and declaring an emergency.

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

6 **SECTION 1. The amendments to ORS 327.008 by section 7, chapter 735, Oregon Laws 2013,**
7 **become operative on July 1, 2017.**

8 **SECTION 2.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, section 7,
9 chapter 81, Oregon Laws 2014, section 2, chapter 68, Oregon Laws 2015, section 38, chapter 245,
10 Oregon Laws 2015, section 2, chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws
11 2015, section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon Laws 2015, is
12 amended to read:

13 327.008. (1)(a) There is established a State School Fund in the General Fund.

14 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
15 grants, donations and other moneys from public and private sources for the State School Fund.
16 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

17 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
18 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
19 (b) of this subsection.

20 (d) The State School Fund is continuously appropriated to the Department of Education for the
21 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
22 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961 **and sections 1 to 3, chapter 735, Oregon**
23 **Laws 2013.**

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

28 (3) For the first school year after a public charter school ceases to operate because of dissol-
29 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
30 from the State School Fund to each school district that had sponsored a public charter school that

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 ceased to operate an amount equal to the school district's general purpose grant per extended
2 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
3 year.

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

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

8 (6) Numbers of students in average daily membership used in the distribution formula shall be
9 the numbers as of June of the year of distribution.

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

12 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
13 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
14 limitation, the Department of Education shall prorate the amount of funds available for facility
15 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
16 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
17 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

18 (9) Each biennium, the Department of Education may expend from the State School Fund no
19 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
20 to (6).

21 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
22 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
23 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

24 (11) Each fiscal year, the Department of Education shall transfer the amount of \$35 million from
25 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

39 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
40 School Fund to the Statewide English Language Learner Program Account established under ORS
41 327.344.

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

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

4 **(16) Each fiscal year, the Department of Education shall distribute from the State School**
 5 **Fund to school districts for each student identified as a talented and gifted child under ORS**
 6 **343.391 to 343.413 an amount that equals:**

7 **(a) \$300 per student if the school district has identified fewer than 75 talented and gifted**
 8 **children in the school district; or**

9 **(b) \$250 per student if the school district has identified 75 or more talented and gifted**
 10 **children in the school district.**

11 [(16)] (17) Each biennium, the Department of Education may expend up to \$150,000 from the
 12 State School Fund for the administration of a program to increase the number of speech-language
 13 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

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

17 **SECTION 3. The amendments to ORS 327.008 by section 2 of this 2017 Act apply to State**
 18 **School Fund distributions commencing with the 2017-2018 distributions.**

19 **SECTION 4.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, section 7,
 20 chapter 81, Oregon Laws 2014, section 2, chapter 68, Oregon Laws 2015, section 38, chapter 245,
 21 Oregon Laws 2015, section 2, chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws
 22 2015, section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon Laws 2015, and
 23 section 2 of this 2017 Act, is amended to read:

24 327.008. (1)(a) There is established a State School Fund in the General Fund.

25 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
 26 grants, donations and other moneys from public and private sources for the State School Fund.
 27 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

28 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
 29 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
 30 (b) of this subsection.

31 (d) The State School Fund is continuously appropriated to the Department of Education for the
 32 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
 33 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961 and sections 1 to 3, chapter 735, Oregon Laws
 34 2013.

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

39 (3) For the first school year after a public charter school ceases to operate because of dissol-
 40 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
 41 from the State School Fund to each school district that had sponsored a public charter school that
 42 ceased to operate an amount equal to the school district's general purpose grant per extended
 43 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
 44 year.

45 (4) There shall be apportioned from the State School Fund to each education service district a

1 State School Fund grant as calculated under ORS 327.019.

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

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

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

8 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
9 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
10 limitation, the Department of Education shall prorate the amount of funds available for facility
11 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
12 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
13 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

14 (9) Each biennium, the Department of Education may expend from the State School Fund no
15 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
16 to (6).

17 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
18 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
19 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

20 (11) Each fiscal year, the Department of Education shall transfer the amount of \$35 million from
21 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

35 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
36 School Fund to the Statewide English Language Learner Program Account established under ORS
37 327.344.

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

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

45 (16) Each fiscal year, the Department of Education shall distribute from the State School Fund

1 to school districts **\$375** for each student identified as a talented and gifted child under ORS 343.391
 2 to 343.413. [*an amount that equals:*]

3 *[(a) \$300 per student if the school district has identified fewer than 75 talented and gifted children*
 4 *in the school district; or]*

5 *[(b) \$250 per student if the school district has identified 75 or more talented and gifted children in*
 6 *the school district.]*

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

10 (18) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from
 11 the State School Fund to the Small School District Supplement Fund established in section 3, chap-
 12 ter 735, Oregon Laws 2013.

13 **SECTION 5. (1) The amendments to ORS 327.008 by section 4 of this 2017 Act become**
 14 **operative on July 1, 2019.**

15 **(2) The amendments to ORS 327.008 by section 4 of this 2017 Act apply to State School**
 16 **Fund distributions commencing with the 2019-2020 distributions.**

17 **SECTION 6.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, section 7,
 18 chapter 81, Oregon Laws 2014, section 2, chapter 68, Oregon Laws 2015, section 38, chapter 245,
 19 Oregon Laws 2015, section 2, chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws
 20 2015, section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon Laws 2015, and
 21 sections 2 and 4 of this 2017 Act, is amended to read:

22 327.008. (1)(a) There is established a State School Fund in the General Fund.

23 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
 24 grants, donations and other moneys from public and private sources for the State School Fund.
 25 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

26 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
 27 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
 28 (b) of this subsection.

29 (d) The State School Fund is continuously appropriated to the Department of Education for the
 30 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
 31 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961 [*and sections 1 to 3, chapter 735, Oregon Laws*
 32 *2013*].

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

37 (3) For the first school year after a public charter school ceases to operate because of dissol-
 38 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
 39 from the State School Fund to each school district that had sponsored a public charter school that
 40 ceased to operate an amount equal to the school district's general purpose grant per extended
 41 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
 42 year.

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

45 (5) All figures used in the determination of the distribution of the State School Fund shall be

1 estimates for the same year as the distribution occurs, unless otherwise specified.

2 (6) Numbers of students in average daily membership used in the distribution formula shall be
 3 the numbers as of June of the year of distribution.

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

6 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
 7 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
 8 limitation, the Department of Education shall prorate the amount of funds available for facility
 9 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
 10 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
 11 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

12 (9) Each biennium, the Department of Education may expend from the State School Fund no
 13 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
 14 to (6).

15 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
 16 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
 17 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

18 (11) Each fiscal year, the Department of Education shall transfer the amount of \$35 million from
 19 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

33 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
 34 School Fund to the Statewide English Language Learner Program Account established under ORS
 35 327.344.

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

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

43 (16) Each fiscal year, the Department of Education shall distribute from the State School Fund
 44 to school districts \$375 for each student identified as a talented and gifted child under ORS 343.391
 45 to 343.413.

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

4 *[(18) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from*
 5 *the State School Fund to the Small School District Supplement Fund established in section 3, chapter*
 6 *735, Oregon Laws 2013.]*

7 **SECTION 7.** Section 20, chapter 735, Oregon Laws 2013, as amended by section 1, chapter 299,
 8 Oregon Laws 2015, is amended to read:

9 **Sec. 20.** The amendments to ORS 327.006, [327.008,] 327.019, 327.125, 327.137, 339.129 and 340.045
 10 by sections 5, [7,] 9, 11, 14, 16 and 18, chapter 735, Oregon Laws 2013, **the amendments to ORS**
 11 **327.008 by section 6 of this 2017 Act**, and the repeal of sections 1, 2 and 3, chapter 735, Oregon
 12 Laws 2013, by section 19, chapter 735, Oregon Laws 2013, become operative on July 1, 2020.

13 **SECTION 8.** ORS 327.008, as amended by section 7, chapter 735, Oregon Laws 2013, section 7,
 14 chapter 81, Oregon Laws 2014, section 2, chapter 68, Oregon Laws 2015, section 38, chapter 245,
 15 Oregon Laws 2015, section 2, chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws
 16 2015, section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon Laws 2015, and
 17 sections 2, 4 and 6 of this 2017 Act, is amended to read:

18 327.008. (1)(a) There is established a State School Fund in the General Fund.

19 (b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts,
 20 grants, donations and other moneys from public and private sources for the State School Fund.
 21 Moneys received as provided in this paragraph shall be deposited into the State School Fund.

22 (c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly,
 23 moneys transferred from the Education Stability Fund and moneys received as provided in paragraph
 24 (b) of this subsection.

25 (d) The State School Fund is continuously appropriated to the Department of Education for the
 26 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575,
 27 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961.

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

32 (3) For the first school year after a public charter school ceases to operate because of dissol-
 33 ution or closure or because of termination or nonrenewal of a charter, there shall be apportioned
 34 from the State School Fund to each school district that had sponsored a public charter school that
 35 ceased to operate an amount equal to the school district's general purpose grant per extended
 36 ADMw multiplied by five percent of the ADM of the public charter school for the previous school
 37 year.

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

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

42 (6) Numbers of students in average daily membership used in the distribution formula shall be
 43 the numbers as of June of the year of distribution.

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

1 (8) The total amount of the State School Fund that is distributed as facility grants may not ex-
 2 ceed \$9 million in any biennium. If the total amount to be distributed as facility grants exceeds this
 3 limitation, the Department of Education shall prorate the amount of funds available for facility
 4 grants among those school districts that qualified for a facility grant. If the total amount to be dis-
 5 tributed as facility grants does not exceed this limitation, any remaining amounts shall be expended
 6 for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).

7 (9) Each biennium, the Department of Education may expend from the State School Fund no
 8 more than \$6 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2)
 9 to (6).

10 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
 11 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
 12 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

13 (11) Each fiscal year, the Department of Education shall transfer the amount of \$35 million from
 14 the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

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

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

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

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

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

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

28 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
 29 School Fund to the Statewide English Language Learner Program Account established under ORS
 30 327.344.

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

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

38 (16) Each fiscal year, the Department of Education shall distribute from the State School Fund
 39 to school districts [~~\$375~~] **\$500** for each student identified as a talented and gifted child under ORS
 40 343.391 to 343.413.

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

44 **SECTION 9. (1) The amendments to ORS 327.008 by section 8 of this 2017 Act become**
 45 **operative on July 1, 2021.**

1 **(2) The amendments to ORS 327.008 by section 8 of this 2017 Act apply to State School**
2 **Fund distributions commencing with the 2021-2022 distributions.**

3 **SECTION 10.** ORS 327.023 is amended to read:

4 327.023. In addition to those moneys distributed through the State School Fund, the Department
5 of Education shall provide from state funds appropriated therefor, grants in aid or support for spe-
6 cial and compensatory education programs including:

7 (1) The Oregon School for the Deaf.

8 (2) Medicaid match for administration efforts to secure Medicaid funds for services provided to
9 children with disabilities.

10 (3) Hospital programs for education services to children who are hospitalized for extended pe-
11 riods of time or who require hospitalization due to severe disabilities as described in ORS 343.261.

12 (4) Day treatment programs and residential treatment programs for education services to chil-
13 dren who are in the treatment programs as described in ORS 343.961.

14 (5) Regional services provided to children with low-incidence disabling conditions as described
15 in ORS 343.236.

16 (6) Early childhood special education provided to preschool children with disabilities from age
17 three until age of eligibility for kindergarten as described in ORS 339.185, 343.035, 343.041, 343.055,
18 343.065, 343.157 and 343.455 to 343.534.

19 (7) Early intervention services for preschool children from birth until age three as described in
20 ORS 339.185, 343.035, 343.041, 343.055, 343.065, 343.157 and 343.455 to 343.534.

21 (8) Evaluation services for children with disabilities to determine program eligibility and needs
22 as described in ORS 343.146.

23 (9) Education services to children residing at state hospitals.

24 (10) Disadvantaged children program under ORS 343.680.

25 (11) Early childhood education under ORS 329.235.

26 (12) Child development specialist program under ORS 329.255.

27 (13) Youth care centers under ORS 420.885 that are not within a detention facility, as defined
28 in ORS 419A.004.

29 (14) Staff development and mentoring.

30 (15) Career and technical education grants.

31 (16) Special science education programs.

32 [(17) *Talented and Gifted children program under ORS 343.391 to 343.413.*]

33 [(18)] **(17)** Pediatric nursing facility programs for educational services provided to students who
34 are admitted to pediatric nursing facilities as provided in ORS 343.941.

35 **SECTION 11.** ORS 343.395 is amended to read:

36 343.395. As used in ORS 343.391 to 343.413, unless the context requires otherwise:

37 [(1) *“Application” means a request for state funds that is submitted by a school district under ORS*
38 *343.399 to develop and operate programs for students under a written plan of instruction for talented*
39 *and gifted children described in ORS 343.397.*]

40 [(2)] **(1)** “Identification” means the formal process of screening and selecting talented and gifted
41 children according to administrative rules established by the board.

42 [(3)] **(2)** “School district” has the meaning given that term in ORS 330.005 (2). “School district”
43 includes, where appropriate, an education service district, state operated schools or programs or a
44 consortium of school districts submitting a joint application.

45 [(4)] **(3)** “Talented and gifted children” means those children who require special educational

1 programs or services, or both, beyond those normally provided by the regular school program in
 2 order to realize their contribution to self and society and who demonstrate outstanding ability or
 3 potential in one or more of the following areas:

- 4 (a) General intellectual ability as commonly measured by measures of intelligence and aptitude.
- 5 (b) Unusual academic ability in one or more academic areas.
- 6 (c) Creative ability in using original or nontraditional methods in thinking and producing.
- 7 (d) Leadership ability in motivating the performance of others either in educational or nonedu-
 8 cational settings.
- 9 (e) Ability in the visual or performing arts, such as dance, music or art.

10 **SECTION 12.** ORS 343.396 is amended to read:

11 343.396. It is legislative policy that[, *when*]:

12 (1) Talented and gifted programs [*are offered, the programs*] should be provided by common or
 13 union high school districts, combinations of [*such*] **common and union high school** districts or
 14 education service districts, in accordance with ORS 334.175[, *and that*]; **and**

15 (2) The state will provide financial and technical support to the districts to implement the edu-
 16 cation programs [*within the limits of available funds*].

17 **SECTION 13.** ORS 343.397 is amended to read:

18 343.397. (1) [*A school district shall submit to the Superintendent of Public Instruction*] **Each**
 19 **school district must develop** a written plan of instruction for talented and gifted children. The
 20 plan shall include, but not be limited to:

21 [(1)] (a) A statement of school district policy on the education of talented and gifted children;

22 [(2)] (b) An assessment of current special programs and services provided by the district for
 23 talented and gifted children;

24 [(3)] (c) A statement of district goals for providing comprehensive special programs and services
 25 and over what span of time the goals will be achieved;

26 [(4)] (d) A description of the nature of the special programs and services [*which*] **that** will be
 27 provided to accomplish the goals; and

28 [(5)] (e) A plan for evaluating progress on the district plan including each component program
 29 and service.

30 (2) **A plan may be developed under this section jointly with other school districts and with**
 31 **education service districts.**

32 (3) **The State Board of Education may adopt by rule standards that a school district must**
 33 **implement through a plan developed under this section. The standards may involve identifi-**
 34 **cation procedures, student assessments and evaluative procedures.**

35 (4) **School districts shall account for amounts expended for the instruction of talented**
 36 **and gifted children on a form acceptable to the Department of Education, as described in**
 37 **rules adopted by the board.**

38 **SECTION 14.** ORS 343.411 is amended to read:

39 343.411. (1) ORS 343.407 and 343.409 apply to the identification of and provision of special edu-
 40 cational programs and services for children described in ORS 343.395 [(4)(a)] (3)(a) and (b) and rules
 41 adopted by the State Board of Education.

42 (2) School districts may identify and provide special educational programs and services for
 43 children who demonstrate creative abilities, leadership abilities or unusual abilities in the visual or
 44 performing arts as described in ORS 343.395 [(4)(c)] (3)(c), (d) and (e) and rules adopted by the board.

45 (3) The board shall adopt state guidelines for the identification and provision of special educa-

1 tional programs and services described in subsection (2) of this section.

2 **SECTION 15. ORS 343.399 and 343.401 are repealed.**

3 **SECTION 16. The amendments to ORS 327.023, 343.395, 343.396 and 343.397 by sections 10**
4 **to 14 of this 2017 Act and the repeal of ORS 343.399 and 343.401 by section 15 of this 2017 Act**
5 **first apply to the 2017-2018 school year.**

6 **SECTION 17. This 2017 Act being necessary for the immediate preservation of the public**
7 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
8 **July 1, 2017.**

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