

Senate Bill 940

Sponsored by Senator HEARD, Representatives HERNANDEZ, EVANS, SMITH DB; Representatives CLEM, DOHERTY, GORSEK, LEIF, WITT

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**.

Excludes portion of revenue received from federal forest reserves when calculating Local Revenues for purpose of State School Fund distributions.

Declares emergency, effective July 1, 2019.

A BILL FOR AN ACT

1
2 Relating to the calculation of Local Revenues for the purpose of State School Fund distributions;
3 creating new provisions; amending ORS 327.011; and declaring an emergency.

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

5 **SECTION 1.** ORS 327.011, as amended by section 1, chapter 33, Oregon Laws 2018, is amended
6 to read:

7 327.011. For the purpose of State School Fund distributions for school districts:

8 (1) Local Revenues are the total of the following:

9 (a) The amount of revenue offset against local property taxes as determined by the Department
10 of Revenue under ORS 311.175 (3)(a)(A).

11 (b) The amount of property taxes actually received by the district, including penalties and in-
12 terest on taxes.

13 (c) The amount of revenue received by the district from the Common School Fund under ORS
14 327.403 to 327.410.

15 (d) The amount of revenue received by the district from the county school fund.

16 (e) **Fifty percent of** the amount of revenue received by the district from the 25 percent of fed-
17 eral forest reserve revenues required to be distributed to schools by ORS 294.060 (1).

18 (f) The amount of revenue received by the district from state managed forestlands under ORS
19 530.115 (1)(b) and (c).

20 (g) Moneys received in lieu of property taxes.

21 (h) Federal funds received without specific application by the school district and that are not
22 deemed under federal law to be nonsupplantable.

23 (i) Any positive amount obtained by subtracting the operating property taxes actually imposed
24 by the district, based on the rate certified pursuant to ORS 310.060, from the amount that would
25 have been imposed by the district if the district had certified the maximum rate of operating prop-
26 erty taxes allowed by law.

27 (j) Any amount distributed to the district in the prior fiscal year under ORS 327.019 (8).

28 (2) Local Revenues do not include:

29 (a) If a school district imposes local option taxes pursuant to ORS 280.040 to 280.145, an amount
30 equal to the least of:

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 (A) The amount of revenue actually received by the district from local option taxes imposed
2 pursuant to ORS 280.040 to 280.145;

3 (B) Twenty-five percent of the total received by the school district from the general purpose
4 grant, the transportation grant, the facility grant and the high cost disabilities grant of the district,
5 as those grants are calculated under ORS 327.013; or

6 (C) \$2,000 per district extended ADMw, as calculated under ORS 327.013, increased each fiscal
7 year by three percent above the amount allowed per district extended ADMw for the prior fiscal
8 year.

9 (b) For a school district with a statutory rate limit on July 1, 2003, that is greater than \$4.50
10 per \$1,000 of assessed value, the amount of property taxes actually received by the district, includ-
11 ing penalties and interest on taxes, that results from an increase in the rate of ad valorem property
12 tax of the district allowed under Article XI, section 11 (5)(d), of the Oregon Constitution.

13 **SECTION 2. The amendments to ORS 327.011 by section 1 of this 2019 Act apply to State**
14 **School Fund distributions commencing with the 2019-2020 school year.**

15 **SECTION 3. This 2019 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
17 **July 1, 2019.**

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