Senate Bill 444

Sponsored by Senator KNOPP (Presession 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.

Increases formula weight for students in poverty families, in foster homes and in certain state-recognized facilities for purposes of State School Fund distributions.

Declares emergency, effective July 1, 2021.

A BILL FOR AN ACT

Relating to State School Fund adjustments for certain children; creating new provisions; amending ORS 327.013, 327.195 and 327.254; and declaring an emergency.

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

SECTION 1. ORS 327.013 is amended to read:

327.013. The State School Fund distributions for school districts include the following grants:

(1) General Purpose Grant = Funding Percentage \times Target Grant \times District extended ADMw.

For the purpose of the calculation made under this subsection:

(a) The funding percentage shall be calculated by the Superintendent of Public Instruction to distribute as nearly as practicable the total sum of money available for distribution.

(b) Target Grant = Statewide Target per ADMw Grant + Teacher Experience Factor. For the purpose of the calculation made under this paragraph:

(A) Statewide Target per ADMw Grant = $4,500.

(B) Teacher Experience Factor = $25 \times \text{(District average teacher experience - statewide average teacher experience)}. As used in this subparagraph, “average teacher experience” means the average, in years, of teaching experience of licensed teachers as reported to the Department of Education.

(c) District extended ADMw = ADMw or ADMw of the prior year, whichever is greater. The calculation of the district extended ADMw must be made as provided by ORS 338.155 if a public charter school is located in the school district. For the purpose of this paragraph:

(A) Weighted average daily membership or ADMw = average daily membership + an additional amount computed as follows:

(i) 1.0 for each student in average daily membership eligible for special education as a child with a disability under ORS 343.035, which may not exceed 11 percent of the district’s ADM without review and approval by the Department of Education. Children with disabilities eligible for special education in adult local correctional facilities, as defined in ORS 169.005, or adult regional correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under this sub-subparagraph.

(ii) 0.5 for each student in average daily membership eligible for and enrolled in an English language learner program under ORS 336.079.

(iii) 0.2 for each student in average daily membership enrolled in a union high school district

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.

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or in an area of a unified school district where the district is only responsible for educating students in grades 9 through 12 in that area.

(iv) $-0.1$ for each student in average daily membership enrolled in an elementary district operating kindergarten through grade six or kindergarten through grade eight or in an area of a unified school district where the district is only responsible for educating students in kindergarten through grade eight.

(v) $0.5$ times the sum of the following:

(I) The number of students who are in average daily membership and who are also in poverty families, as determined by the Department of Education based on rules adopted by the State Board of Education that incorporate poverty data published by the United States Census Bureau, student data provided by school districts and other data identified by the board;

(II) The number of children in foster homes in the district as determined by the report of the Department of Human Services to the United States Department of Education, “Annual Statistical Report on Children in Foster Homes and Children in Families Receiving AFDC Payments in Excess of the Poverty Income Level,” or its successor, for October 31 of the year prior to the year of distribution; and

(III) The number of children in the district in state-recognized facilities for neglected and delinquent children, based on information from the Department of Human Services for October 31 of the year prior to the year of distribution.

(vi) The amount determined under ORS 327.077 for each remote small elementary school and for each small high school in the district.

(B) All numbers of children used for the computation in this paragraph must reflect any district consolidations that have occurred since the numbers were compiled.

(C) The total additional weight that shall be assigned to any student in average daily membership in a district, exclusive of students described in subparagraph (A)(v) and (vi) of this paragraph, may not exceed 2.0.

(2) High cost disabilities grant = the total amount received by a school district under ORS 327.348 for providing special education and related services to resident pupils with disabilities.

(3)(a) Transportation grant equals:

(A) 70 percent of approved transportation costs for those school districts ranked below the 80th percentile under paragraph (b) of this subsection.

(B) 80 percent of approved transportation costs for those school districts ranked in or above the 80th percentile but below the 90th percentile under paragraph (b) of this subsection.

(C) 90 percent of approved transportation costs for those school districts ranked in or above the 90th percentile under paragraph (b) of this subsection.

(b) Each fiscal year, the Department of Education shall rank school districts based on the approved transportation costs per ADM of each school district, ranking the school district with the highest approved transportation costs per ADM at the top of the order.

(4)(a) Facility Grant = 8 percent of total construction costs of new school buildings.

(b) A school district shall receive a Facility Grant in the distribution year that a new school building is first used.

(c) As used in this subsection:

(A) “New school building” includes new school buildings, structures added onto existing school buildings and premanufactured structures added to a school district if those buildings or structures are to be used for instructing students.
(B) “Construction costs” does not include costs for land acquisition.

SECTION 2. The amendments to ORS 327.013 by section 1 of this 2021 Act apply to State School Fund distributions commencing with the 2021-2022 distributions.

SECTION 3. ORS 327.195 is amended to read:

327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant awarded from the Student Investment Account = the grant recipient’s ADMw × (the total amount available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).

(b) For purposes of this subsection and except as provided by paragraph (c) of this subsection, ADMw equals the ADMw as calculated under ORS 327.013, except that the additional amount allowed for students who are in poverty families, as determined under ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5.

(c) When calculating ADMw, the Department of Education shall remove from a school district’s calculation any amounts that are attributable to:

(A) A virtual public charter school, as defined in ORS 338.005;

(B) A public charter school that provided notice of the public charter school’s intent to apply for a grant as an eligible applicant; and

(C) A public charter school sponsored by the school district that did not participate in the grant application or grant agreement.

(d) The amount of a grant distributed under this section may be adjusted by the department to ensure that:

(A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS 327.180 (3).

(B) A school district with an ADMw of 50 or less receives a minimum grant amount.

(2) The State Board of Education shall adopt any rules necessary for the distribution of grants under this section, including establishing:

(a) The minimum grant amounts under subsection (1)(d) of this section; and

(b) Any percentages and timelines for installment payments and adjustments of those installment payments.

(3) A grant recipient shall deposit the grant moneys the grant recipient receives under this section into a separate account and shall apply amounts in that account as provided by the grant agreement.

SECTION 4. ORS 327.254 is amended to read:

327.254. (1) The Department of Education shall use moneys in the Statewide Education Initiatives Account to provide funding for statewide education initiatives, including:

(a) Funding the High School Graduation and College and Career Readiness Act at the levels prescribed by ORS 327.856;

(b) Expanding school breakfast and lunch programs;

(c) Operating youth reengagement programs or providing youth reengagement services;

(d) Establishing and maintaining the Statewide School Safety and Prevention System under ORS 339.341;

(e) Developing and providing statewide equity initiatives, including the black or African-American education plan developed under ORS 329.841, the American Indian or Alaskan Native education plan developed under ORS 329.843, the Latino or Hispanic education plan developed under ORS 329.845 or any similar education plan identified by the department;

(f) Providing summer learning programs at schools that are considered high poverty under Title
of the federal Elementary and Secondary Education Act of 1965;

(g) Funding early warning systems to assist students in graduating from high school, as described in ORS 327.367;

(h) Developing and implementing professional development programs and training programs, including programs that increase educator diversity and retain diverse educators;

(i) Planning for increased transparency and accountability in the public education system of this state;

(j) Providing additional funding to school districts participating in the intensive program under ORS 327.222;

(k) Providing technical assistance, including costs incurred for:

(A) The coaching program described in ORS 327.214; and

(B) The intensive program described in ORS 327.222, including costs for student success teams;

(L) Funding education service districts, as described in subsection (2) of this section; and

(m) Funding costs incurred by the department in implementing this section and ORS 327.175 to 327.235 and 327.274.

(2)(a) The amount of a distribution to an education service district under this section = the education service district’s ADMw × (the total amount available for distribution to education service districts in each biennium ÷ the total ADMw of all education service districts that receive a distribution).

(b) For purposes of this subsection, ADMw equals the ADMw as calculated under ORS 327.013, except that the additional amount allowed for students who are in poverty families, as determined under ORS 327.013 (1)(c)(A)(v)(I), shall be 0.5].

(c) An education service district shall use moneys received under this section as provided by a plan developed by the school districts located within the education service district. A school district that declines to participate in the development of the plan or that has withdrawn from an education service district as provided by ORS 334.015 is not entitled to any moneys distributed to the education service district under this subsection.

(d) A plan developed under this subsection must:

(A) Align with and support school districts in meeting the performance growth targets of the school districts developing the plan;

(B) Include the provision of technical assistance to school districts in developing, implementing and reviewing a plan for receiving a grant from the Student Investment Account;

(C) Provide for coordination with the department in administering and providing technical assistance to school districts, including coordinating any coaching programs established under ORS 327.214; and

(D) Be adopted and amended as provided for local service plans under ORS 334.175 and approved by the department.

(e) Each education service district must submit an annual report to the department that:

(A) Describes how the education service district spent moneys received under this subsection; and

(B) Includes an evaluation of the education service district’s compliance with the plan from the superintendent of each school district that participated in the development of the plan.

(3) The State Board of Education shall adopt rules necessary for the distribution of moneys under this section.

SECTION 5. This 2021 Act being necessary for the immediate preservation of the public
peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect July 1, 2021.