

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
82nd Oregon Legislative Assembly  
2023 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>SB 278</b>
<b>Revenue Area:</b>	<b>School Finance</b>
<b>Economist:</b>	<b>Dae Baek</b>
<b>Date:</b>	<b>05/30/2023</b>

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Modifies calculation methods of the current year's weighted average daily membership (ADMw) when a virtual public charter school-sponsoring school district has a decrease in ADMw as compared to the previous school year. First applies to the 2022-23 State School Fund distributions. Takes effect on passage.

**Revenue Impact:** No change in the formula revenue available for distribution to school districts

**Impact Explanation:**

This measure is an effort to ensure funding stability for brick and mortar schools of a school district that sponsors a virtual public charter school whose enrollment could swing wildly.

Under current law, a virtual school sponsoring school district qualifies for an extended ADMw when its average daily membership (ADM) declines in the current school year regardless of what's happening to the virtual school enrollment and the associated ADMw.

A case arises where brick and mortar schools of a virtual school-sponsoring school district may not qualify for an extended ADMw when they face a slight increase in ADM but a decline in ADMw. This situation is addressed in this measure so that such school district continues to qualify for an extended ADMw calculation for brick and mortar schools of the district when either ADM or ADMw of brick and mortar schools of the district decreases.

While this measure changes the way the extended ADMw is calculated for a virtual public charter school-sponsoring school district, it neither adds to nor subtracts from the formula revenue available for distribution to school districts.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No