HB 2895 STAFF MEASURE SUMMARY

House Committee On Education

Action Date: 03/29/23

Action: Do pass. Refer to Revenue, then to Ways and Means by prior reference.

Vote: 7-0-0-0

Yeas: 7 - Cramer, Hudson, McIntire, Neron, Nguyen H, Valderrama, Wright

Fiscal: Fiscal impact issued
Revenue: Revenue impact issued
Prepared By: Lisa Gezelter, LPRO Analyst

Meeting Dates: 3/27, 3/29

WHAT THE MEASURE DOES:

Removes cap on weights in State School Fund distribution formula for students with disabilities. Provides additional weight for students who are homeless. Applies changes to 2023-2024 school year distributions. Declares emergency, effective July 1, 2023.

ISSUES DISCUSSED:

- Needs of students with disabilities and homeless students
- Lack of adequate funding

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's school districts are primarily funded through distributions from the State School Fund. The amount of money allocated to each district from the State School Fund is based on a formula that takes into account the total number of students attending school in that district (average daily membership, or ADM), the particular needs of the student population (weighted average daily membership, or ADMw), and the school district's available local revenues. Current law places a cap of 11 percent on the percentage of a district's students for which that district can receive the extra funding allocated for students with disabilities and does not give extra weights to students who are homeless.

Beginning in 1987, Congress enacted a series of laws to protect the rights of students who are homeless. Most recently, the education portion of the McKinney-Vento Act was reauthorized by Title IX, Part A of the Every Student Succeeds Act in 2015. The federal government provides funding for services to homeless students under the McKinney-Vento Act, which requires states to distribute 75 percent of their annual McKinney-Vento allocation to local school districts in subgrants. In Oregon, the Student Success Act named homeless students as one of the target populations for reducing disparities.

House Bill 2895 eliminates the cap on State School Fund weights for students with disabilities and adds weights for students experiencing homelessness.