

HOUSE AMENDMENTS TO HOUSE BILL 3221

By COMMITTEE ON REVENUE

June 2

- 1 On page 1 of the printed bill, line 3, after “ORS” insert “294.060 and”.
- 2 Delete lines 5 through 31 and delete page 2 and insert:
- 3 “**SECTION 1.** ORS 327.011 is amended to read:
- 4 “327.011. For the purpose of State School Fund distributions for school districts:
- 5 “(1) Local Revenues are the total of the following:
- 6 “(a) The amount of revenue offset against local property taxes as determined by the Department
7 of Revenue under ORS 311.175 (3)(a)(A).
- 8 “(b) The amount of property taxes actually received by the district, including penalties and in-
9 terest on taxes.
- 10 “(c) The amount of revenue received by the district from the Common School Fund under ORS
11 327.403 to 327.410.
- 12 “(d) The amount of revenue received by the district from the county school fund.
- 13 “[*e*] *The amount of revenue received by the district from the 25 percent of federal forest reserve*
14 *revenues required to be distributed to schools by ORS 294.060 (1).*]
- 15 “[*f*] (e) The amount of revenue received by the district from state managed forestlands under
16 ORS 530.115 (1)(b) and (c).
- 17 “[*g*] (f) Moneys received in lieu of property taxes.
- 18 “[*h*] (g) Federal funds received without specific application by the school district and that are
19 not deemed under federal law to be nonsupplantable.
- 20 “[*i*] (h) Any positive amount obtained by subtracting the operating property taxes actually
21 imposed by the district, based on the rate certified pursuant to ORS 310.060, from the amount that
22 would have been imposed by the district if the district had certified the maximum rate of operating
23 property taxes allowed by law.
- 24 “[*j*] (i) Any amount distributed to the district in the prior fiscal year under ORS 327.019 (8).
- 25 “(2) Local Revenues do not include:
- 26 “(a) If a school district imposes local option taxes pursuant to ORS 280.040 to 280.145, an
27 amount equal to the least of:
- 28 “(A) The amount of revenue actually received by the district from local option taxes imposed
29 pursuant to ORS 280.040 to 280.145;
- 30 “(B) Twenty-five percent of the total received by the school district from the general purpose
31 grant, the transportation grant, the facility grant and the high cost disabilities grant of the district,
32 as those grants are calculated under ORS 327.013; or
- 33 “(C) \$2,000 per district extended ADMw, as calculated under ORS 327.013, increased each fiscal
34 year by three percent above the amount allowed per district extended ADMw for the prior fiscal
35 year.

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

5 “**SECTION 2.** ORS 294.060 is amended to read:

6 “294.060. (1) The moneys received by each county under ORS 293.560 shall be divided 75 percent
7 to the road fund and 25 percent to the school fund of the county and, subject to subsection (2) of
8 this section, the moneys shall be expended as other moneys in those funds are expended.

9 “(2) The moneys apportioned to the county road fund may be applied in payment of any out-
10 standing road bonds or may be placed in any county road bond sinking fund for the purpose of being
11 so applied.

12 “(3) Notwithstanding the division of receipts specified in subsection (1) of this section, in any
13 county east of the summit of the Cascade Mountains with a population of less than 9,000 and more
14 than 6,500, according to the 1990 federal decennial census, moneys from the road fund in excess of
15 \$2 million may be transferred to the school fund when the amount of moneys credited to the road
16 fund under subsection (1) of this section exceeds the amount needed for county roads, as determined
17 by the board of county commissioners. Any amount received by a school district from the school
18 fund of the county [*that is in excess of the 25 percent required under subsection (1) of this section*]
19 may not be considered as a receipt that would reduce the district’s apportionments from the State
20 School Fund.

21 “(4) Notwithstanding the division of receipts specified in subsection (1) of this section, in any
22 county east of the summit of the Cascade Mountains with a population of less than 58,000 and more
23 than 55,000, according to the 1990 federal decennial census, if the moneys credited to the road fund
24 under subsection (1) of this section exceed the amount needed for county roads, as determined by
25 the county governing body, the portion of such moneys in excess of an amount specified by the
26 county governing body may be transferred to the school fund of the county or may be transferred
27 directly to the school districts of the county in accordance with procedures established by the
28 county governing body. The county governing body may distribute moneys under this subsection
29 among the several school districts without regard to the percentage of the resident average daily
30 membership in each school district. Moneys transferred under this subsection may be transferred
31 upon the condition that any school district receiving a share of such moneys must use the moneys
32 only for a purpose described in ORS 328.205 (1)(a) or (c). Any amount received by a school district
33 from the county under this subsection [*that is in excess of the 25 percent required under subsection*
34 *(1) of this section*] may not be considered as a receipt that would reduce the district’s apportionments
35 from the State School Fund.

36 “(5) Notwithstanding the division of receipts specified in subsection (1) of this section, in any
37 county east of the summit of the Cascade Mountains with a population of less than 6,500, according
38 to the 1990 federal decennial census, moneys received by the county under ORS 293.560 may be di-
39 vided between the road fund and the school fund of the county as specified under an agreement
40 between the county governing body and the education service district board of the county that
41 provides for a different apportionment of those moneys. Any amount received by a school district
42 from the school fund of the county [*that is in excess of the 25 percent required under subsection (1)*
43 *of this section*] may not be considered as a receipt that would reduce the district’s apportionments
44 from the State School Fund.

45 “(6) Notwithstanding the division of receipts specified in subsection (1) of this section, in any

1 county west of the summit of the Cascade Mountains with a population of less than 19,500 and more
2 than 6,500, according to the 1990 federal decennial census, moneys from the road fund in excess of
3 \$1 million may be transferred to the school fund when the amount of moneys credited to the road
4 fund under subsection (1) of this section exceeds the amount needed for county roads, as determined
5 by the board of county commissioners. Any amount received by a school district from the school
6 fund of the county [*that is in excess of the 25 percent required under subsection (1) of this section*]
7 may not be considered as a receipt that would reduce the district's apportionments from the State
8 School Fund.

9 “(7) As used in subsections (3) to (6) of this section, ‘summit of the Cascade Mountains’ has the
10 meaning given that term in ORS 477.001.

11 “(8)(a) Notwithstanding the division of receipts specified in subsection (1) of this section, the
12 moneys that would otherwise be credited to the road fund of a county under subsection (1) of this
13 section may instead be credited in accordance with this subsection.

14 “(b) Upon request of the governing body of a county, the Oregon Department of Administrative
15 Services shall credit the moneys described in paragraph (a) of this subsection to one of the following
16 public bodies, provided the service territory of the public body includes the entire county:

17 “(A) An intergovernmental entity created by agreement under ORS 190.003 to 190.130;

18 “(B) A county road district formed under ORS 371.055 to 371.110; or

19 “(C) A service district for roads established under ORS chapter 451.

20 “(c) Moneys credited to a public body under this subsection shall be used in the same manner
21 and subject to the same restrictions as would have applied to the moneys in the hands of the county
22 that made the request under paragraph (b) of this subsection, including, but not limited to, the re-
23 quirements of ORS chapter 368 related to the use of moneys in a county road fund.

24 “(d) The governing body of the county may request that the department discontinue crediting
25 the moneys to the public body at any time. Not later than 30 days after receiving a request under
26 this paragraph, the department shall resume crediting the moneys in accordance with subsection (1)
27 of this section.

28 “**SECTION 3. The amendments to ORS 327.011 by section 1 of this 2023 Act apply to State**
29 **School Fund distributions commencing with the 2023-2024 distributions.**

30 “**SECTION 4. This 2023 Act being necessary for the immediate preservation of the public**
31 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
32 **July 1, 2023.”**

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