Senate Bill 289

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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.

Directs Department of Education to determine if school district or education service district is standard, nonstandard or conditionally standard. Prescribes actions department may take if district determined to be nonstandard or conditionally standard.

A BILL FOR AN ACT


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

SECTION 1. ORS 327.103 is repealed on July 1, 2024.

SECTION 2. Section 3 of this 2023 Act is added to and made a part of ORS 327.006 to 327.133.

SECTION 3. (1) As used in this section:

(a) “Commission licensee” has the meaning given that term in ORS 342.120.

(b) “State and federal law” means state and federal directives that:

(A) Have the force of law, including statutes, court decisions, administrative rules or regulations, orders issued in compliance with ORS chapter 183, executive orders or any other directives, declarations or statements that are issued in compliance with the law as having the force of law;

(B) Are issued by the state government, as defined in ORS 174.111, or by the federal government with administrative or enforcement functions delegated to the state education agency; and

(C) Relate to the administration and operation of the public elementary and secondary schools of this state or to early childhood special education and early intervention services provided in this state.

(2) Pursuant to rules adopted by the State Board of Education, the Department of Education shall annually determine if a school district is standard, nonstandard or conditionally standard. For the purpose of this subsection:

(a) A school district is standard if the school district is in compliance with state and federal law.

(b) A school district is nonstandard if the school district is in violation of any state and federal law involving student health or safety, discrimination, special education or access to education.

(c) A school district is conditionally standard if the school district is in violation of any

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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(3) If a school district is found to be nonstandard or conditionally standard, the department shall issue a corrective action plan for the school district. A school district must rectify any deficiencies as prescribed by the corrective action plan:

(a) For a school district that is nonstandard, within 30 days of receiving the corrective action plan; or
(b) For a school district that is conditionally standard, within 60 days of receiving the corrective action plan.

(4)(a) If a school district does not rectify any deficiencies as prescribed by the corrective action plan within 120 days of receiving the plan, the department shall take enforcement action that may include any combination of the following:

(A) Except for moneys distributed from the State School Fund under ORS 327.006 to 327.133, withhold any moneys otherwise allocated to the school district, including moneys from the Student Investment Account or from any other grant or source of funding identified by the State Board of Education by rule as not causing an undue hardship to the school district.
(B) Prohibit the school district from participating in one or more interscholastic activities.
(C) In addition to any action or penalty provided by law, assess a civil penalty not to exceed $5,000 against a commission licensee for any violation of state and federal law based on a schedule of civil penalties adopted by the State Board of Education in the manner provided in ORS 183.745. All penalties recovered under this subparagraph shall be credited to the State School Fund.
(D) File a complaint with the Teacher Standards and Practices Commission for investigation of a commission licensee if the department has reasonable cause to believe an administrator has acted in a manner that violates state and federal law or for which the commission may impose discipline as provided by ORS 342.175 or any rules adopted by the commission relating to competent and ethical performance of professional duties.
(E) Designate the school district as a high needs school district for purposes of ORS 327.222.

(b) When determining which actions to take as allowed under paragraph (a) of this subsection, the department may take into consideration any efforts by the school district to comply with the corrective action plan.

(5) The department shall provide on the department's website the following information:

(a) The determinations of each school district as standard, nonstandard or conditionally standard; and
(b) For nonstandard and conditionally standard school districts:
   (A) The basis for the determination as nonstandard or conditionally standard;
   (B) The corrective action plan issued by the department for the school district;
   (C) The date by which the school district must comply with the corrective action plan;
   (D) Any actions taken by the department under subsection (4) of this section; and
   (E) Any previous determinations of nonstandard or conditionally standard.

(6) Upon a determination that a school district is nonstandard or conditionally standard, the department must give public notice of that determination in a manner accessible to the residents of the school district and as prescribed by the State Board of Education by rule.
(7) The State Board of Education may adopt any rules necessary for the implementation of this section.

SECTION 4. (1) Section 3 of this 2023 Act becomes operative on July 1, 2024.
(2) Section 3 of this 2023 Act first applies to the 2024-2025 school year.
(3) The State Board of Education may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the Department of Education, on and after the operative date specified in subsection (1) of this section, to undertake and exercise all of the duties, functions and powers conferred on the department by section 3 of this 2023 Act.

SECTION 5. ORS 326.726 is amended to read:

326.726. (1) The Department of Education shall designate a dyslexia specialist for the department to provide school districts with support and resources that are necessary to:
(a) Assist students with dyslexia and their families; and
(b) Comply with the requirements of this section.
(2) Each school district shall ensure that at least one kindergarten through grade five teacher in each kindergarten through grade five school has received training related to dyslexia. The training must comply with the requirements described in subsection (3) of this section.
(3) For the purpose of subsection (2) of this section, a training opportunity related to dyslexia must:
(a) Comply with the knowledge and practice standards of an international organization on dyslexia;
(b) Enable the teacher to understand and recognize dyslexia; and
(c) Enable the teacher to implement instruction that is systematic, explicit and evidence-based to meet the educational needs of students with dyslexia.
(4) The department shall annually develop a list of training opportunities related to dyslexia that satisfy the requirements described in subsection (3) of this section. The list must:
(a) Be developed in collaboration with the Teacher Standards and Practices Commission to ensure that the training opportunities also satisfy professional development requirements; and
(b) Include at least one opportunity that is provided entirely online.
(5) Each school district shall ensure that every student is screened for risk factors of dyslexia using a screening test identified by the department when the student is in:
(a) Kindergarten, if the student first enrolls at a public school in this state for kindergarten; or
(b) First grade, if the student first enrolls in a public school in this state for first grade.
(6) For the purpose of subsection (5) of this section, the department shall:
(a) Identify screening tests that are cost effective. The tests administered to students in kindergarten must take into account the following factors:
(A) Phonological awareness;
(B) Rapid naming skills;
(C) The correspondence between sounds and letters; and
(D) Family history of difficulty in learning to read, if the student shows risk factors for reading difficulties, including dyslexia.
(b) Provide guidance for notifications to be sent by school districts to parents of students who are identified as having risk factors for reading difficulties, including dyslexia.
(7) The department shall develop guidance regarding best practices for assisting students who are identified through screening or through parental input as showing risk factors or being at risk
for reading difficulties, including dyslexia. The department shall make the guidance available to school districts.

(8)(a) A school district that does not comply with the requirements of subsection (2) of this section and that does not secure a waiver from the department within the time required by the State Board of Education by rule is [considered] nonstandard under [ORS 327.103] section 3 of this 2023 Act.

(b) The board shall adopt by rule the criteria for a waiver from the requirements of subsection (2) of this section to address instances when noncompliance is outside the control of the school district.

SECTION 6. ORS 327.106 is amended to read:

327.106. (1) Any school district that does not offer education programs in kindergarten through grade 12 shall be [considered] nonstandard under [ORS 327.103] section 3 of this 2023 Act. A school district may satisfy the requirements of this section by offering half-day kindergarten or full-day kindergarten.

(2) Notwithstanding subsection (1) of this section, a school district is not [considered to be] nonstandard under [ORS 327.103] section 3 of this 2023 Act if the school district:

(a) Is not required to merge under section 2 (3) or (4), chapter 393, Oregon Laws 1991.

(b) Meets all of the following requirements:

(A) The school district offered education programs in kindergarten through grade 12 on September 1, 1996;

(B) After September 1, 1996, a majority of the board of the school district voted not to offer education programs in grades 9 through 12; and

(C) The school district merges with a unified school district and the merger takes effect under ORS 330.103 within one year after the vote of the board under this paragraph.

(c) Is a union high school district, as defined in ORS 330.005.

SECTION 7. ORS 328.205 is amended to read:

328.205. (1) Common and union high school districts may contract a bonded indebtedness for any one or more of the following purposes for the district:

(a) To acquire, construct, reconstruct, improve, repair, equip or furnish a school building or school buildings or additions thereto;

(b) To fund or refund the removal or containment of asbestos substances in school buildings and for repairs made necessary by such removal or containment;

(c) To acquire or to improve all property, real and personal, to be used for district purposes, including school buses;

(d) To fund or refund outstanding indebtedness; and

(e) To provide for the payment of the debt.

(2) [However] Notwithstanding subsection (1) of this section, when a common or union high school district is found [under ORS 327.103 not to be a standard school or when a school district is operating a conditionally standard school under ORS 327.103 (3)] to be nonstandard or conditionally standard under section 3 of this 2023 Act, the school district may contract a bonded indebtedness only for the purposes enumerated in subsection (1) of this section that are approved by the [Superintendent of Public Instruction] Department of Education pursuant to rules of the State Board of Education.

(3) The school district may use the proceeds received from the sale of school district bonds to pay for any costs incurred by the school district in authorizing, issuing, carrying or repaying the
bonds, including, but not limited to, attorney, consultant, paying agent, trustee or other professional fees and the cost of publishing notices of bond elections, printing such bonds and advertising such bonds for sale.

SECTION 8. ORS 329.496, as amended by section 20, chapter 81, Oregon Laws 2022, is amended to read:

329.496. (1) Every public school student in kindergarten through grade eight shall participate in physical education for the entire school year.

(2)(a) Students in kindergarten through grade five, and students in grade six at a school that teaches kindergarten through grade six, shall participate in physical education for at least 150 minutes during each school week.

(b) Except as provided by paragraph (a) of this subsection, students in grades six through eight shall participate in physical education for at least 225 minutes during each school week.

(c) Notwithstanding the time requirements established by paragraphs (a) and (b) of this subsection, the State Board of Education shall adopt rules that prorate the time requirements for:

(A) School weeks with scheduled school closures, including closures for holidays, inservice days and days scheduled for parent-teacher conferences;

(B) School weeks with unscheduled school closures, including closures for inclement weather and emergencies;

(C) School weeks with out-of-school activities that occur during usual school hours, including field trips and outdoor school programs;

(D) Part-time school programs, including half-day kindergarten; and

(E) Irregular class schedules, including class schedules based on a four-day week.

(d) School districts and public charter schools are not required to comply with the time requirements established by paragraphs (a) and (b) of this subsection for school years during the biennium in which the total amounts appropriated or allocated to the State School Fund and available for distribution to school districts are less than the amounts determined to be needed for school districts through the State School Fund under the tentative budget prepared as provided by ORS 291.210. After the beginning of a biennium, a school district or a public charter school may cease to comply with the time requirements established by paragraphs (a) and (b) of this subsection if the amounts appropriated or allocated to the State School Fund and available for distribution to school districts are less than the amounts determined to be needed for distribution through the State School Fund, as calculated under ORS 291.210.

(3) School districts and public charter schools shall offer instruction in physical education that meets the academic content standards for physical education adopted by the State Board of Education under ORS 329.045. The instruction shall be a sequential, developmentally appropriate curriculum that is designed, implemented and evaluated to help students develop the knowledge, motor skills, self-management skills, attitudes and confidence needed to adopt and maintain physical activity throughout their lives.

(4)(a) School districts and public charter schools shall devote at least 50 percent of physical education class time to actual physical activity in each school week, with as much class time as possible spent in moderate physical activity.

(b)(A) For the purpose of satisfying the time requirements established by subsection (2) of this section, school districts and public charter schools may provide up to 45 minutes of activities during each school week that:

(i) Meet the academic content standards for physical education adopted by the State Board of
Education under ORS 329.045;

(ii) Are provided for students by a teacher whose license allows the teacher to provide instruction in physical education to those students, even if the teacher does not have a physical education endorsement; and

(iii) Have been reviewed by a licensed teacher with a physical education endorsement.

(B) The Department of Education shall:

(i) Review and, as appropriate, approve activities that are developed by nonprofit professional organizations representing health and physical education educators if the activities meet the requirements of subparagraph (A) of this paragraph; and

(ii) Make available to school districts and public charter schools a list of activities approved as provided by this subparagraph.

(C) School districts and public charter schools may provide activities that meet the requirements of subparagraph (A) of this paragraph even if the activities are not approved as provided by subparagraph (B) of this paragraph.

(5)(a) Notwithstanding subsections (1), (2) and (4) of this section, a student with disabilities shall have suitably adapted physical education incorporated as part of the individualized education program developed for the student under ORS 343.151.

(b) Notwithstanding subsections (1), (2) and (4) of this section, a student who does not have an individualized education program but has chronic health problems, other disabling conditions or other special needs that preclude the student from participating in regular physical education instruction shall have suitably adapted physical education incorporated as part of an individualized health plan developed for the student by the school district or public charter school.

(6) School districts and public charter schools shall assess school curricula at regular intervals to measure the attainment of the minimum number of minutes that students are required to participate in physical education under this section.

(7)(a) All teachers of physical education for public school students in kindergarten through grade eight shall be adequately prepared and shall regularly participate in professional development activities to effectively deliver the physical education program.

(b)(A) Notwithstanding any licensing or endorsement requirements established by the Teacher Standards and Practices Commission, a teacher with an elementary multiple subject endorsement may instruct students in activities described in subsection (4)(b) of this section if the activities are reviewed by a licensed teacher with a physical education endorsement.

(B) A teacher described in this paragraph may provide instruction in activities described in subsection (4)(b) of this section to students who are not regularly taught by the teacher as long as the instruction in the activities to students who are not regularly taught by the teacher does not exceed 45 minutes during each school week. Nothing in this subparagraph allows a school district to employ a teacher for the sole purpose of providing instruction in activities described in subsection (4)(b) of this section.

(8) A school district that does not comply with the requirements of this section is nonstandard under [ORS 327.103] section 3 of this 2023 Act.

(9)(a) Notwithstanding subsection (8) of this section and pursuant to rules adopted by the State Board of Education, the Superintendent of Public Instruction may grant a waiver of the requirements of this section to a school district or a public charter school if the superintendent finds that the school district or public charter school is unable to meet the requirements because of a human-created disaster or a natural disaster.
(b) A waiver granted under this subsection may be:
    (A) In whole or in part of the requirements prescribed by this section; and
    (B) Granted for only one school year, but may be renewed for subsequent school years based
on rules adopted by the board if the school district or public charter school continues to be im-
pacted by the disaster.

SECTION 9. ORS 336.580 is amended to read:
336.580. (1) Every child at a youth care center, as defined in ORS 420.855, is entitled to receive
appropriate education suited to the needs of the child in the least restrictive environment in which
the child can function until the child is no longer of compulsory school age or receives a high school
diploma or an equivalent.

(2)(a) Except as provided by paragraph (b) of this subsection, the school district in which the
youth care center is located shall develop an educational plan for the children in the youth care
center in consultation with the director of the center. The plan shall be approved annually by the
school district board.

(b) For children placed at a youth care center within a detention facility, as defined in ORS
419A.004, the children shall receive educational services through the Juvenile Detention Education
Program as described in ORS 326.695.

(3) The [Superintendent of Public Instruction] Department of Education shall have the author-
ity to enforce the provisions of ORS 336.575 and 339.137 and this section. If a district fails to comply,
the [superintendent] department shall [find the district deficient and shall apply the penalty provided
in ORS 327.103] find that the district is nonstandard under section 3 of this 2023 Act.

(4) The State Board of Education shall adopt rules to implement this section.

SECTION 10. ORS 336.665 is amended to read:
336.665. (1) The [Superintendent of Public Instruction] Department of Education shall find a
school district to be [deficient within the meaning of ORS 327.103] nonstandard as provided by
section 3 of this 2023 Act if the district fails to cause the proposal of alternative programs to be
made under ORS 339.250 (5)(h) or (7)(c)(B).

(2) The failure to cause the proposal of alternative programs shall not be grounds for a civil
action against the school district.

SECTION 11. ORS 339.297 is amended to read:
339.297. (1) Each entity that has jurisdiction over a public education program must prepare and
submit to the Department of Education an annual report detailing the use of restraint and seclusion
for the preceding school year, including, at a minimum:

(a) The total number of incidents involving restraint.

(b) The total number of incidents involving seclusion.

(c) The total number of seclusions in a locked room.

(d) The total number of rooms available for use by the public education program for seclusion
of a student and a description of the dimensions and design of the rooms.

(e) The total number of students placed in restraint.

(f) The total number of students placed in seclusion.

(g) The total number of incidents that resulted in injuries or death to students or personnel as
a result of the use of restraint or seclusion.

(h) The number of students who were placed in restraint or seclusion more than 10 times in the
course of a school year and an explanation of what steps have been taken by the public education
program to decrease the use of restraint and seclusion for each student.
(i) The number of incidents in which the personnel of the public education program administering restraint or seclusion were not trained as provided by ORS 339.300.

(j) The demographic characteristics of all students upon whom restraint or seclusion was imposed, including race, ethnicity, gender, disability status, migrant status, English proficiency and status as economically disadvantaged, unless the demographic information would reveal personally identifiable information about an individual student.

(2)(a) Each entity that has jurisdiction over a public education program shall make its annual report about restraint and seclusion available to:

(A) The public at the entity’s main office and the website of the entity;

(B) The board or governing body overseeing the entity;

(C) If the entity is an education service district, the component school districts of the education service district; and

(D) If the entity is a public charter school, the sponsor of the public charter school.

(b) Parents and guardians of students in a public education program shall be advised at least once each school year about how to access the report.

(3) A public education provider that does not comply with the requirement to submit a report to the Department of Education under subsection (1) of this section or to make the report available as described in subsection (2) of this section is [considered] nonstandard under [ORS 327.103] section 3 of this 2023 Act.

SECTION 12. ORS 339.343 is amended to read:

339.343. (1) This section shall be known and may be cited as Adi’s Act.

(2) In accordance with rules adopted by the State Board of Education in consultation with the Oregon Health Authority, each school district shall adopt a policy requiring a comprehensive district plan on student suicide prevention for students in kindergarten through grade 12.

(3) A plan required under this section must include:

(a) Procedures relating to suicide prevention, intervention and activities that reduce risk and promote healing after a suicide;

(b) Identification of the school officials responsible for responding to reports of suicidal risk;

(c) A procedure by which a person may request a school district to review the actions of a school in responding to suicidal risk;

(d) Methods to address the needs of high-risk groups, including:

(A) Youth bereaved by suicide;

(B) Youth with disabilities, mental illness or substance use disorders;

(C) Youth experiencing homelessness or out-of-home settings, such as foster care; and

(D) Lesbian, gay, bisexual, transgender, queer and other minority gender identities and sexual orientations;

(e) A description of, and materials for, any training to be provided to school employees as part of the plan, which must include:

(A) When and how to refer youth and their families to appropriate mental health services; and

(B) Programs that can be completed through self-review of suitable suicide prevention materials; and

(f) Any other requirement prescribed by the State Board of Education by rule, based on consultations with state and national suicide prevention organizations, suicide experts and school-based mental health providers, and based on reviews of national models.

(4) A school district may consult with state or national suicide prevention organizations, the
Department of Education, school-based mental health professionals, parents, guardians, school employees, students, administrators and school board associations when developing the plan required under this section.

(5) The plan required under this section:
   (a) Must be written to ensure that a school employee acts only within the authorization and scope of the employee’s credentials or licenses. Nothing in this section shall be construed as authorizing or encouraging a school employee to diagnose or treat mental illness unless the employee is specifically licensed and employed to do so.
   (b) Must be:
      (A) Made available annually to the community of the school district, including students of the school district, parents and guardians of students of the school district, and employees and volunteers of the school district.
      (B) Readily available at the school district office and on the school district website, if applicable.

(6) A school district that does not comply with the requirements of this section is considered to be nonstandard under [ORS 327.103] section 3 of this 2023 Act.

SECTION 13. ORS 339.356 is amended to read:

339.356. (1) Each school district shall adopt a policy prohibiting harassment, intimidation or bullying and prohibiting cyberbullying. School districts shall develop the policy after consultation with parents, guardians, school employees, volunteers, students, administrators and community representatives.

(2) School districts must include in the policy:
   (a) A statement prohibiting harassment, intimidation or bullying and prohibiting cyberbullying.
   (b) Definitions of “harassment,” “intimidation” or “bullying” and of “cyberbullying” that are consistent with ORS 339.351.
   (c) Definitions of “protected class” that are consistent with ORS 174.100 and 339.351.
   (d) A statement of the scope of the policy, including a notice that the policy applies to behavior at school-sponsored activities, on school-provided transportation and at any official school bus stop.
   (e) A description of the type of behavior expected from each student.
   (f) A procedure that is uniform throughout the school district for reporting an act of harassment, intimidation or bullying or an act of cyberbullying. A procedure established under this paragraph shall:
      (A) Identify by job title the school officials responsible for receiving such a report at a school.
      (B) Require a school employee to report an act of harassment, intimidation or bullying or an act of cyberbullying to a person identified under subparagraph (A) of this paragraph.
      (C) Require the school official identified under subparagraph (A) of this paragraph to notify the parents or guardians of a student who was subjected to an act of harassment, intimidation or bullying or an act of cyberbullying and the parents or guardians of a student who may have conducted an act of harassment, intimidation or bullying or an act of cyberbullying. Notification must occur with involvement and consideration of the needs and concerns of the student who was subjected to an act of harassment, intimidation or bullying or an act of cyberbullying. For the purposes of this subparagraph:
         (i) Notification is not required under this subparagraph if the school official reasonably believes notification could endanger the student who was subjected to an act of harassment, intimidation or bullying or an act of cyberbullying or if all of the following occur:
            (I) The student who was subjected to an act of harassment, intimidation or bullying or an act
of cyberbullying requests that notification not be provided to the student’s parents or guardians;

(II) The school official determines that notification is not in the best interest of the student who
was subjected to an act of harassment, intimidation or bullying or an act of cyberbullying; and

(III) The school official informs the student that federal law may require the student’s parents
or guardians to have access to the student’s education record, including any requests made as pro-
vided by this sub-subparagraph.

(ii) If the school official does not make the determination described in sub-subparagraph (i)(II)
of this subparagraph, the school official must inform the student of that determination prior to pro-
viding notification.

(iii) When notification is provided under this subparagraph, the notification must occur:

(I) Within a reasonable period of time; or

(II) Promptly, for acts that caused physical harm to the student.

(D) Identify any remedial action that may be imposed on a school employee for failure to make
a report as required by subparagraph (B) of this paragraph.

(E) Allow a student or volunteer to report an act of harassment, intimidation or bullying or an
act of cyberbullying voluntarily and anonymously to a person identified under subparagraph (A) of
this paragraph. Nothing in this subparagraph may be construed to permit remedial action solely on
the basis of an anonymous report.

(g) A procedure that is uniform throughout the school district for prompt investigation of a re-
port of an act of harassment, intimidation or bullying or an act of cyberbullying. A procedure es-
tablished under this paragraph shall identify by job title the school officials responsible for
investigating such a report.

(h) A procedure by which a person may request a school district to review the actions of a
school in responding to a report of an act of harassment, intimidation or bullying or an act of
cyberbullying or investigating such a report.

(i) A statement of the manner in which a school and a school district will respond after an act
of harassment, intimidation or bullying or an act of cyberbullying is reported, investigated and, if
applicable, confirmed.

(j) A statement of the consequences and appropriate remedial action for a person found to have
committed an act of harassment, intimidation or bullying or an act of cyberbullying.

(k) A statement prohibiting reprisal or retaliation against any person who reports an act of
harassment, intimidation or bullying or an act of cyberbullying and stating the consequences and
appropriate remedial action for a person who engages in such reprisal or retaliation.

(L) A statement of the consequences and appropriate remedial action for a person found to have
falsely accused another of having committed an act of harassment, intimidation or bullying or an
act of cyberbullying as a means of reprisal or retaliation, as a means of harassment, intimidation
or bullying or as a means of cyberbullying.

(m) A statement of how the policy is to be publicized within the district. At a minimum, a school
district shall make the policy:

(A) Annually available to parents, guardians, school employees and students in a student or
employee handbook; and

(B) Readily available to parents, guardians, school employees, volunteers, students, administra-
tors and community representatives at each school office or at the school district office and, if
available, on the website for a school or the school district.

(n) The identification by job title of school officials and school district officials responsible for
ensuring that the policy is implemented.

(3) A school district that does not comply with the requirements of this section is [considered] nonstandard under [ORS 327.103] section 3 of this 2023 Act.


SECTION 15. ORS 334.217 is amended to read:

334.217. (1) As used in this section:

(a) “Commission licensee” has the meaning given that term in ORS 342.120.

(b) “State and federal law” means state and federal directives that:

(A) Have the force of law, including statutes, court decisions, administrative rules or regulations, orders issued in compliance with ORS chapter 183, executive orders or any other directives, declarations or statements that are issued in compliance with the law as having the force of law;

(B) Are issued by the state government, as defined in ORS 174.111, or by the federal government with administrative or enforcement functions delegated to the state education agency; and

(C) Relate to the administration and operation of the public elementary and secondary schools of this state or to early childhood special education and early intervention services provided in this state.

[(1) (2) The State Board of Education by rule shall establish standards to determine the adequacy of services and facilities provided by the education service districts. In establishing [such] the standards, the state board shall consider the most economic method of providing services and facilities, the quality of the services and facilities according to the best educational standards, and the needs of the students.]

[(2) When the Superintendent of Public Instruction determines pursuant to rule that an education service district is nonstandard, the district designated nonstandard shall file a plan to meet standards over a specified period of time. The Superintendent of Public Instruction may accept, reject or modify the plan and order the nonstandard district to comply with the plan as approved by the superintendent. Once a plan is approved, the district shall be conditionally standard until all deficiencies are corrected. If a district corrects all deficiencies, the district shall be designated as standard. The district shall have 180 days from the date the plan is accepted to make all corrections. After that time, the Superintendent of Public Instruction may impose sanctions on the district if the district has not made the necessary corrections.]

[(3) The state board shall establish by rule appropriate sanctions for noncompliance. The sanctions may include:]

(3) Pursuant to rules adopted by the state board, the Department of Education shall annually determine if an education service district is standard, nonstandard or conditionally standard. For the purpose of this subsection:

(a) An education service district is standard if the education service district is in compliance with state and federal law.

(b) An education service district is nonstandard if the education service district is in violation of state and federal law involving student health or safety, discrimination, special education or access to education.

(c) An education service district is conditionally standard if the education service district
is in violation of any state and federal law not described in paragraph (b) of this subsection.

(4) If an education service district is found to be nonstandard or conditionally standard, the department shall issue a corrective action plan for the education service district. An education service district must rectify any deficiencies as prescribed by the corrective action plan:

(a) For an education service district that is nonstandard, within 30 days of receiving the corrective action plan; or

(b) For an education service district that is conditionally standard, within 60 days of receiving the corrective action plan.

(5)(a) If an education service district does not rectify any deficiencies as prescribed by the corrective action plan within 120 days of receiving the plan, the department shall take enforcement action that may include any combination of the following:

(A) Except for moneys distributed from the State School Fund under ORS 327.019, withhold any moneys otherwise allocated to the education service district, including moneys from the Statewide Education Initiatives Account and from any other grant or source of funding identified by the state board by rule as not causing an undue hardship to the education service district.

(B) In addition to any action or penalty provided by law, assess a civil penalty not to exceed $5,000 against a commission licensee for a violation of state and federal law based on a schedule of civil penalties adopted by the state board in the manner provided in ORS 183.745. All penalties recovered under this subparagraph shall be credited to the State School Fund.

(C) File a complaint with the Teacher Standards and Practices Commission for investigation of a commission licensee if the department has reasonable cause to believe an administrator has acted in a manner that violates state and federal law or for which the commission may impose discipline as provided by ORS 342.175 or any rules adopted by the commission relating to competent and ethical performance of professional duties.

(b) When determining which actions to take as allowed under paragraph (a) of this subsection, the department may take into consideration any efforts by the education service district to comply with the corrective action plan.

(6) The department shall provide on the department's website the following information:

(a) The determinations of each education service district as standard, nonstandard or conditionally standard; and

(b) For nonstandard and conditionally standard education service districts:

(A) The basis for the determination as nonstandard or conditionally standard;

(B) The corrective action plan issued by the department for the education service district;

(C) The date by which the education service district must comply with the corrective
action plan;

(D) Any actions taken by the department under subsection (5) of this section; and

(E) Any previous determinations of nonstandard or conditionally standard.

(7) Upon a determination that an education service district is nonstandard or conditionally standard, the department must give public notice of that determination in a manner accessible to persons served by the education service district and as prescribed by the state board by rule.

(8) The State Board of Education may adopt any rules necessary for the implementation of this section.

SECTION 16. (1) The amendments to ORS 334.217 by section 15 of this 2023 Act become operative on July 1, 2024.

(2) The amendments to ORS 334.217 by section 15 of this 2023 Act first apply to the 2024-2025 school year.

(3) The State Board of Education may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the Department of Education, on and after the operative date specified in subsection (1) of this section, to undertake and exercise all of the duties, functions and powers conferred on the department by the amendments to ORS 334.217 by section 15 of this 2023 Act.