Senate Bill 743
Sponsored by Senators THATCHER, PATTERSON, Representative RESCHKE; Representatives LEWIS, SCHARF (at the request of Oregon State Credit Union)

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.

Establishes personal financial education as requirement for high school diploma.
Prescribes requirements of personal financial education. Directs Department of Education to establish academic content standards and statewide assessment system for personal financial education.
Requires school districts and public charter schools to offer students instruction in personal financial education.

A BILL FOR AN ACT
Relating to personal financial education; creating new provisions; and amending ORS 329.007, 329.025, 329.045, 329.451 and 329.485.

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

SECTION 1. ORS 329.451, as amended by section 1, chapter 175, Oregon Laws 2021, and section 6, chapter 81, Oregon Laws 2022, is amended to read:

329.451. (1)(a) At or before grade 12, a school district or public charter school shall award a high school diploma to a student who completes the requirements established by subsection (2) of this section.
(b) A school district or public charter school shall award a modified diploma to a student who satisfies the requirements established by subsection (7) of this section, an extended diploma to a student who satisfies the requirements established by subsection (8) of this section or an alternative certificate to a student who satisfies the requirements established by subsection (9) of this section.
(c) A school district or public charter school may not deny a student who has the documented history described in subsection (7)(b) or (8)(b) of this section the opportunity to pursue a diploma with more stringent requirements than a modified diploma or an extended diploma for the sole reason that the student has the documented history.
(d) A school district or public charter school may award a modified diploma or extended diploma to a student only upon receiving consent as provided by subsection (6) of this section.
(2)(a) In order to receive a high school diploma from a school district or public charter school, a student must satisfy the requirements established by the State Board of Education and the school district or public charter school and, while in grades 9 through 12, must complete at least 24 total credits, which must include at least:
(A) Three credits of mathematics;
(B) Four credits of language arts; [and]
(C) One half-credit of civics[;] and
(D) One half-credit of personal financial education.
(b) If a school district or public charter school requires a student to complete more than 24 total credits,
credits, as provided by paragraph (a) of this subsection, the school district or public charter school
may only require the student to complete additional credits for:
(A) Subjects for which the State Board of Education has established academic content standards
under ORS 329.045;
(B) Courses provided as part of a career and technical education program; or
(C) Courses that provide, or qualify to provide, credit at post-secondary institutions of education.
(c)(A) A school district or public charter school that requires students to satisfy any require-
ments not specified by paragraph (a) of this subsection or by rule of the State Board of Education
must grant to a student a waiver of the requirements established by the school district or public
charter school if the student is or, at any time from grade 9 to 12, was:
(i) A foster child, as defined in ORS 30.297;
(ii) Homeless, as determined under rules adopted by the State Board of Education based on
standards adopted by the Department of Human Services;
(iii) A runaway, as determined under rules adopted by the State Board of Education based on
standards adopted by the Department of Human Services;
(iv) A child in a military family covered by the Interstate Compact on Educational Opportunity
for Military Children, as determined under rules adopted by the State Board of Education;
(v) A child of a migrant worker, as determined under rules adopted by the State Board of Edu-
cation; or
(vi) Enrolled in the Youth Corrections Education Program or the Juvenile Detention Education
Program.
(B)(i) For any student identified under subparagraph (A) of this paragraph, a school district or
public charter school must accept any credits earned by the student in an educational program in
this state and apply those credits toward requirements specified by paragraph (a) of this subsection
or by rule of the State Board of Education if the credits satisfied those requirements in that edu-
cational program in this state.
(ii) As used in this subparagraph, “educational program in this state” means an educational
program that is:
(I) Provided by a school district, a public charter school, the Youth Corrections Education
Program or the Juvenile Detention Education Program; or
(II) Funded as provided by ORS 343.243 for students in a long term care or treatment facility
described in ORS 343.961 or a hospital identified in ORS 343.261.
(3) A student providing work samples to demonstrate proficiency in Essential Learning Skills
as may be required under subsection (2) of this section must be allowed to use accommodations de-
scribed in the student’s individualized education program or the student’s plan developed in ac-
cordance with section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794. As used in this
subsection, the term “accommodations”:
(a) Includes, but is not limited to:
(A) Additional time to demonstrate proficiency.
(B) The ability to demonstrate proficiency in an alternative location that is secure and
proctored.
(C) The use of text-to-speech or speech-to-text technology or other assistive technology.
(b) Does not include modifications that lower the proficiency standards or that are used solely
to earn modified credit.
(4) A student may satisfy the requirements of subsection (2) of this section in less than four
years. If a student satisfies the requirements of subsection (2) of this section and a school district
or public charter school has received consent as provided by subsection (6) of this section, the
school district or public charter school shall award a high school diploma to the student.

(5) If a school district or public charter school has received consent as provided by subsection
(6) of this section, the school district or public charter school may advance the student to the next
grade level if the student has satisfied the requirements for the student’s current grade level.

(6)(a) For the purpose of receiving consent as provided by subsections (1)(d), (4) and (5) of this
section, consent shall be provided by:

(A) The parent or guardian of the student, if the student:
   (i) Is under 18 years of age and is not emancipated pursuant to ORS 419B.550 to 419B.558; or
   (ii) Has been determined not to have the ability to give informed consent regarding the student’s
       education pursuant to a protective proceeding under ORS chapter 125; or

(B) The student, if the student is 18 years of age or older or is emancipated pursuant to ORS
    419B.550 to 419B.558.

(b) For the purpose of awarding a modified diploma or extended diploma as provided by sub-
section (1)(d) of this section or of awarding a high school diploma as provided by subsection (4) of
this section, consent must be received during the school year for which the diploma will be awarded.

(7) A school district or public charter school shall award a modified diploma only to students
who have demonstrated the inability to meet the full set of academic content standards for a high
school diploma with reasonable modifications and accommodations. To be eligible for a modified di-
ploma, a student must:

(a) Satisfy the requirements for a modified diploma established by the State Board of Education;
and

(b) Have a documented history of an inability to maintain grade level achievement due to sig-
   nificant learning and instructional barriers or have a documented history of a medical condition that
   creates a barrier to achievement.

(8) A school district or public charter school shall award an extended diploma only to students
who have demonstrated the inability to meet the full set of academic content standards for a high
school diploma with reasonable modifications and accommodations. To be eligible for an extended
diploma, a student must:

(a) While in grade nine through completion of high school, complete 12 credits, which may not
include more than six credits earned in a self-contained special education classroom and shall in-
clude:

(A) Two credits of mathematics;
   (B) Two credits of language arts;
   (C) Two credits of science;
   (D) Three credits of history, geography, economics, [or] civics or personal financial
       education;
   (E) One credit of health;
   (F) One credit of physical education; and
   (G) One credit of the arts or a world language; and

(b) Have a documented history of:

   (A) An inability to maintain grade level achievement due to significant learning and instruc-
       tional barriers;
   (B) A medical condition that creates a barrier to achievement; or
(C) A change in the student's ability to participate in grade level activities as a result of a serious illness or injury that occurred after grade eight.

(9) A school district or public charter school shall award an alternative certificate to a student who does not satisfy the requirements for a high school diploma, a modified diploma or an extended diploma if the student meets requirements established by the board of the school district or public charter school.

(10) A student shall have the opportunity to satisfy the requirements of subsection (7), (8) or (9) of this section by the later of:
   (a) Four years after starting grade nine; or
   (b) The student reaching the age of 21 years, if the student is entitled to a public education until the age of 21 years under state or federal law.

(11)(a) A student may satisfy the requirements described in subsection (7), (8) or (9) of this section in less than four years if consent is provided in the manner described in subsection (6)(a) of this section.
   (b) The consent provided under this subsection must be written and must clearly state that the parent, guardian or student is waiving the time allowed under subsection (10) of this section. A consent may not be used to allow a student to satisfy the requirements of subsection (7), (8) or (9) of this section in less than three years.
   (c) A copy of all consents provided under this subsection for students in a school district must be forwarded to the district superintendent.
   (d) Each school district must provide to the Superintendent of Public Instruction information about the number of consents provided during a school year.

(12)(a) A student who qualifies to receive or receives a modified diploma, an extended diploma or an alternative certificate shall:
   (A) Have the option of participating in a high school graduation ceremony with the class of the student; and
   (B) Have access to instructional hours, hours of transition services and hours of other services that are designed to:
      (i) Meet the unique needs of the student; and
      (ii) When added together, provide a total number of hours of instruction and services to the student that equals at least the total number of instructional hours that is required to be provided to students who are attending a public high school.
   (b)(A) The number of instructional hours, hours of transition services and hours of other services that are appropriate for a student shall be determined by the student's individualized education program team. Based on the student's needs and performance level, the student's individualized education program team may decide that the student will not access the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection.
   (B) A school district may not unilaterally decrease the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection, regardless of the age of the student.
   (c) If a student's individualized education program team decides that the student will not access the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection, the school district shall annually:
      (A) Provide the following information in writing to the parent or guardian of the student:
      (i) The school district's duty to comply with the requirements of paragraph (a)(B) of this sub-
section; and

(ii) The prohibition against a school district’s unilaterally decreasing the total number of hours
of instruction and services to which the student has access.

(B) Obtain a signed acknowledgment from the parent or guardian of the student that the parent
or guardian received the information described in subparagraph (A) of this paragraph.

(C) Include in the individualized education program for the student a written statement that
explains the reasons the student is not accessing the total number of hours of instruction and ser-
vices to which the student has access under paragraph (a)(B) of this subsection.

(d) For purposes of paragraph (a)(B) of this subsection, transition services and other services
designed to meet the unique needs of the student may be provided to the student through an inter-
agency agreement entered into by the school district if the individualized education program devel-
oped for the student indicates that the services may be provided by another agency. A school
district that enters into an interagency agreement as allowed under this paragraph retains the re-
sponsibility for ensuring that the student has access to the number of service hours required to be
provided to the student under this subsection. An agency is not required to change any eligibility
criteria or enrollment standards prior to entering into an interagency agreement as provided by this
paragraph.

(13) A school district or public charter school shall:

(a) Ensure that students have on-site access to the appropriate resources to achieve a high
school diploma, a modified diploma, an extended diploma or an alternative certificate at each high
school in the school district or at the public charter school.

(b) Provide literacy instruction to all students until graduation.

(c) Annually provide, to the parents or guardians of a student who has the documented history
described in subsection (8)(b) of this section, information about the availability of a modified di-
ploma, an extended diploma and an alternative certificate and the requirements for the diplomas and
certificate:

(A) Beginning in grade five; or

(B) Beginning after a documented history described in subsection (8)(b) of this section has been
established.

(14) A school district or public charter school shall allow a student to participate in the high
school graduation ceremony with the class of the student and to wear:

(a) Native American items of cultural significance as provided by ORS 332.112; or

(b) A dress uniform issued to the student by a branch of the Armed Forces of the United States
if the student:

(A) Qualifies to receive a high school diploma, a modified diploma, an extended diploma or an
alternative certificate under this section; and

(B) Has completed basic training for, and is an active member of, a branch of the Armed Forces
of the United States.

SECTION 2. (1) The amendments to ORS 329.451 by section 1 of this 2023 Act become
operative on January 1, 2026.

(2) The amendments to ORS 329.451 by section 1 of this 2023 Act apply to diplomas
awarded on or after January 1, 2026.

SECTION 3. ORS 329.007 is amended to read:

329.007. As used in this chapter, unless the context requires otherwise:

(1) “Academic content standards” means expectations of student knowledge and skills adopted
by the State Board of Education under ORS 329.045.

(2) “Administrator” includes all persons whose duties require an administrative license.

(3) “Board” or “state board” means the State Board of Education.

(4) “Community learning center” means a school-based or school-linked program providing informal meeting places and coordination for community activities, adult education, child care, information and referral and other services as described in ORS 329.157. “Community learning center” includes, but is not limited to, a community school program as defined in ORS 336.505, family resource centers as described in ORS 417.725, full service schools, lighted schools and 21st century community learning centers.

(5) “Department” means the Department of Education.

(6) “History, geography, economics and civics” includes, but is not limited to, Oregon Studies.

(7) “Language arts” includes reading, writing and other communications in any language, including English.

(8) “Oregon Studies” means history, geography, economics and civics specific to the State of Oregon. Oregon Studies instruction in Oregon government shall include municipal, county, tribal and state government, as well as the electoral and legislative processes.

(9) “Parents” means parents or guardians of students who are covered by this chapter.

(10) “Personal financial education” means the study of the efficient and effective management of personal financial resources, including information on:

(a) Savings and checking accounts, credit cards, retirement plans and other investments;

(b) Career advancement, including effective resume writing and job interview techniques;

and

(c) Prevention of fraud related to personal accounts.

[(10)] (11) “Public charter school” has the meaning given that term in ORS 338.005.

[(11)] (12) “School district” means a school district as defined in ORS 332.002, a state-operated school or any legally constituted combination of such entities.

[(12)] (13) “Teacher” means any licensed employee of a school district who has direct responsibility for instruction, coordination of educational programs or supervision of students and who is compensated for such services from public funds. “Teacher” does not include a school nurse, as defined in ORS 342.455, or a person whose duties require an administrative license.

[(13)] (14) “The arts” includes, but is not limited to, literary arts, performing arts and visual arts.

[(14)] (15) “World languages” includes sign language, heritage languages and languages other than a student’s primary language.

[(15)] (16) “21st Century Schools Council” means a council established pursuant to ORS 329.704.

SECTION 4. ORS 329.007, as amended by section 6, chapter 253, Oregon Laws 2019, and section 3, chapter 178, Oregon Laws 2021, is amended to read:

329.007. As used in this chapter, unless the context requires otherwise:

(1) “Academic content standards” means expectations of student knowledge and skills adopted by the State Board of Education under ORS 329.045.

(2) “Administrator” includes all persons whose duties require an administrative license.

(3) “Board” or “state board” means the State Board of Education.

(4) “Community learning center” means a school-based or school-linked program providing informal meeting places and coordination for community activities, adult education, child care, information and referral and other services as described in ORS 329.157. “Community learning center”
includes, but is not limited to, a community school program as defined in ORS 336.505, family resource centers as described in ORS 417.725, full service schools, lighted schools and 21st century community learning centers.

(5) “Department” means the Department of Education.

(6) “History, geography, economics, and civics and personal financial education” includes, but is not limited to, Holocaust and genocide studies and Oregon Studies.

(7) “Holocaust and genocide studies” means studies on the Holocaust, genocide and other acts of mass violence that comply with the requirements described in ORS 329.494.

(8) “Language arts” includes reading, writing and other communications in any language, including English.

(9) “Oregon Studies” means history, geography, economics, civics and personal financial education specific to the State of Oregon. Oregon Studies instruction in Oregon government shall include municipal, county, tribal and state government, as well as the electoral and legislative processes.

(10) “Parents” means parents or guardians of students who are covered by this chapter.

(11) “Personal financial education” means the study of the efficient and effective management of personal financial resources, including information on:

(a) Savings and checking accounts, credit cards, retirement plans and other investments;
(b) Career advancement, including effective resume writing and job interview techniques; and
(c) Prevention of fraud related to personal accounts.

(12) “Public charter school” has the meaning given that term in ORS 338.005.

(13) “School district” means a school district as defined in ORS 332.002, a state-operated school or any legally constituted combination of such entities.

(14) “Teacher” means any licensed employee of a school district who has direct responsibility for instruction, coordination of educational programs or supervision of students and who is compensated for such services from public funds. “Teacher” does not include a school nurse, as defined in ORS 342.455, or a person whose duties require an administrative license.

(15) “The arts” includes, but is not limited to, literary arts, performing arts and visual arts.

(16) “World languages” includes sign language, heritage languages and languages other than a student’s primary language.

(17) “21st Century Schools Council” means a council established pursuant to ORS 329.704.

SECTION 5. ORS 329.025 is amended to read:

329.025. It is the intent of the Legislative Assembly to maintain a system of public elementary and secondary schools that allows students, parents, teachers, administrators, school district boards and the State Board of Education to be accountable for the development and improvement of the public school system. The public school system shall have the following characteristics:

(1) Provides equal and open access and educational opportunities for all students in the state regardless of their linguistic background, culture, race, gender, capability or geographic location;

(2) Assumes that all students can learn and establishes high, specific skill and knowledge expectations and recognizes individual differences at all instructional levels;

(3) Provides each student an education experience that supports academic growth beyond proficiency in established academic content standards and encourages students to attain aspirational goals that are individually challenging;
(4) Provides special education, compensatory education, linguistically and culturally appropriate education and other specialized programs to all students who need those services;

(5) Supports the physical and cognitive growth and development of students;

(6) Provides students with a solid foundation in the skills of reading, writing, problem solving and communication;

(7) Provides opportunities for students to learn, think, reason, retrieve information, use technology and work effectively alone and in groups;

(8) Provides for rigorous academic content standards and instruction in mathematics, science, language arts, history, geography, economics, civics, personal financial education, physical education, health, the arts and world languages;

(9) Provides increased learning time;

(10) Provides students an educational background to the end that they will function successfully in a constitutional republic, a participatory democracy and a multicultural nation and world;

(11) Provides students with the knowledge and skills that will provide the opportunities to succeed in the world of work, as members of families and as citizens;

(12) Provides students with the knowledge and skills that lead to an active, healthy lifestyle;

(13) Provides students with the knowledge and skills to take responsibility for their decisions and choices;

(14) Provides opportunities for students to learn through a variety of teaching strategies;

(15) Emphasizes involvement of parents and the community in the total education of students;

(16) Transports children safely to and from school;

(17) Ensures that the funds allocated to schools reflect the uncontrollable differences in costs facing each district;

(18) Ensures that local schools have adequate control of how funds are spent to best meet the needs of students in their communities; and

(19) Provides for a safe, educational environment.

SECTION 6. ORS 329.045 is amended to read:

329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Education shall regularly and periodically review and revise its Common Curriculum Goals, performance indicators and diploma requirements.

(b) The review and revision conducted under this section shall:

(A) Include Essential Learning Skills and rigorous academic content standards in mathematics, science, language arts, history, geography, economics, civics, personal financial education, physical education, health, the arts and world languages.

(B) Involve teachers and other educators, parents of students and other citizens and shall provide ample opportunity for public comment.

(C) Encourage increased learning time. As used in this subparagraph, “increased learning time” means a schedule that encompasses a longer school day, week or year for the purpose of increasing the total number of school hours available to provide:

(i) Students with instruction in core academic subjects, including mathematics, science, language arts, history, geography, economics, civics, personal financial education, the arts and world languages;

(ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph (i) of this subparagraph, including health and physical education;

(iii) Students with the opportunity to participate in enrichment activities that contribute to a
well-rounded education, including learning opportunities that may be based on service, experience or work and that may be provided through partnerships with other organizations; and

(iv) Teachers with the opportunity to collaborate, plan and engage in professional development within and across grades and subjects.

(c) Nothing in this subsection prevents a school district or public charter school from maintaining control over course content, format, materials and teaching methods.

(2) The State Board of Education shall continually review and revise all adopted academic content standards necessary for students to successfully transition to the next phase of their education.

(3)(a) School districts and public charter schools must offer students instruction in mathematics, science, language arts, history, geography, economics, civics, personal financial education, physical education, health, the arts and world languages.

(b) Instruction required under paragraph (a) of this subsection must:

(A) Meet the academic content standards adopted by the State Board of Education; and

(B) Meet the requirements adopted by the State Board of Education and the board of the school district or public charter school.

(4) School districts and public charter schools are encouraged to offer students courses or other educational opportunities in civics and financial literacy to allow every student who wants to receive instruction in civics and financial literacy to be able to receive the instruction.

SECTION 7. ORS 329.045, as amended by section 1, chapter 202, Oregon Laws 2019, and section 6, chapter 178, Oregon Laws 2021, is amended to read:

ORS 329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Education shall regularly and periodically review and revise its Common Curriculum Goals, performance indicators and diploma requirements.

(b) The review and revision conducted under this section shall:

(A) Include Essential Learning Skills and rigorous academic content standards in mathematics, science, language arts, history, geography, economics, civics, personal financial education, physical education, health, the arts and world languages.

(B) Ensure that the academic content standards for history, geography, economics, and civics and personal financial education include sufficient instruction on the histories, contributions and perspectives of individuals who:

(i) Are Native American;

(ii) Are of African, Asian, Pacific Island, Chicano, Latino or Middle Eastern descent;

(iii) Are women;

(iv) Have disabilities;

(v) Are immigrants or refugees; or

(vi) Are lesbian, gay, bisexual or transgender.

(C) Involve teachers and other educators, parents of students and other citizens and shall provide ample opportunity for public comment.

(D) Encourage increased learning time. As used in this subparagraph, “increased learning time” means a schedule that encompasses a longer school day, week or year for the purpose of increasing the total number of school hours available to provide:

(i) Students with instruction in core academic subjects, including mathematics, science, language arts, history, geography, economics, civics, personal financial education, the arts and world languages;

(ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph
(i) of this subparagraph, including health and physical education;

(iii) Students with the opportunity to participate in enrichment activities that contribute to a well-rounded education, including learning opportunities that may be based on service, experience or work and that may be provided through partnerships with other organizations; and

(iv) Teachers with the opportunity to collaborate, plan and engage in professional development within and across grades and subjects.

(c) Nothing in this subsection prevents a school district or public charter school from maintaining control over course content, format, materials and teaching methods.

(2) The State Board of Education shall continually review and revise all adopted academic content standards necessary for students to successfully transition to the next phase of their education.

(3)(a) School districts and public charter schools must offer students instruction in mathematics, science, language arts, history, geography, economics, civics, personal financial education, physical education, health, the arts and world languages.

(b) Instruction required under paragraph (a) of this subsection must:

(A) Meet the academic content standards adopted by the State Board of Education; and

(B) Meet the requirements adopted by the State Board of Education and the board of the school district or public charter school.

[4] School districts and public charter schools are encouraged to offer students courses or other educational opportunities in civics and financial literacy to allow every student who wants to receive instruction in civics and financial literacy to be able to receive the instruction.]

SECTION 8. ORS 329.485 is amended to read:

329.485. (1) As used in this section:

(a) “Content-based assessment” means testing of the understanding of a student of a predetermined body of knowledge.

(b) “Criterion-referenced assessment” means testing of the knowledge or ability of a student with respect to some standard.

(c) “Performance-based assessment” means testing of the ability of a student to use knowledge and skills to create a complex or multifaceted product or complete a complex task.

(2)(a) The Department of Education shall implement statewide a valid and reliable assessment system for all students that meets technical adequacy standards. The assessment system shall include criterion-referenced assessments including performance-based assessments, content-based assessments, and other valid methods to measure the academic content standards and to identify students who meet or exceed the standards.

(b) The department shall develop the statewide assessment system in mathematics, science, language arts, history, geography, economics, and civics and personal financial education.

(3) In addition to the assessment system implemented under subsection (2) of this section, the department may make available to school districts and public charter schools an assessment system that uses criterion-referenced assessments, including performance-based assessments and content-based assessments to:

(a) Measure a student’s progress toward mastery of the knowledge and skills of the student’s current grade level or course content level;

(b) Determine the student’s level of mastery, which shall be determined regardless of the actual grade level of the student and may be determined by adapting the assessment during the assessment process as a result of the performance of the student;

(c) Track and provide reports on the progress of a student based on the information provided
under paragraphs (a) and (b) of this subsection; and

(d) Provide predictions of anticipated student progress that are based on the information provided under this subsection and not on the current grade level of the student.

(4)(a) School districts and public charter schools shall implement the statewide assessment system in mathematics, science and language arts. In addition, school districts and public charter schools may implement the statewide assessment system in history, geography, economics, and personal financial education.

(b) School districts and public charter schools may choose to implement the assessment system described in subsection (3) of this section.

(5)(a) Each year the resident school district shall be accountable for determining the student’s progress toward achieving the academic content standards. Progress toward the academic content standards:

(A) Shall clearly show the student and parents whether the student is making progress toward meeting or exceeding the academic content standards at the student’s current grade level or course content level;

(B) Shall be based on the student’s progress toward mastery of a continuum of academic knowledge and skills; and

(C) May be based on the student’s progress in a continuum of knowledge and skills that are not academic and that may include student behaviors that are defined by the school district.

(b) School districts shall determine the method and format for showing student progress toward achieving the academic content standards. Communications on student progress shall include a reasonable number, as determined by the school district, of academic knowledge and skills in a content area to enable parents and students to understand a student’s progress toward meeting or exceeding the academic content standards. No more than three indicators of academic knowledge and skills per content area reporting category shall be required as provided by this section. A school district may use more than three indicators of academic knowledge and skills per content area reporting category if the school district implements a proficiency education system as provided by ORS 329.119.

(6) In addition to the requirements described in subsection (5) of this section, the school district shall adopt and implement a reporting system based on the school district board adopted course content of the school district’s curriculum. The reporting system:

(a) Shall clearly show the student and parents whether the student is achieving course requirements at the student’s current grade level or course content level;

(b) Shall be based on the student’s progress toward mastery of a continuum of academic knowledge and skills; and

(c) May be based on the student’s progress in a continuum of knowledge and skills that are not academic and that may include student behaviors that are defined by the school district.

(7) If a student has not met or has exceeded all of the academic content standards, the school district shall make additional services or alternative educational or public school options available to the student.

(8) If the student to whom additional services or alternative educational options have been made available does not meet or exceed the academic content standards within one year, the school district, with the consent of the parents, shall make an appropriate placement, which may include an alternative education program or the transfer of the student to another public school in the school district or to a public school in another school district that agrees to accept the student. The school
district that receives the student shall be entitled to payment. The payment shall consist of:

(a) An amount equal to the school district’s expenses from its local revenues for each student in average daily membership, payable by the resident school district in the same year; and

(b) Any state and federal funds the attending school district is entitled to receive payable as provided in ORS 339.133 (2)(b).