

**Enrolled**  
**Senate Bill 1002**

Sponsored by Senator DEMBROW (at the request of Department of Education)

CHAPTER .....

AN ACT

Relating to school facilities; creating new provisions; amending ORS 326.545, 327.001, 327.008, 327.011, 327.013, 327.019, 327.336 and 329.488; and declaring an emergency.

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

**SECTION 1.** ORS 327.008 is amended to read:

327.008. (1)(a) There is established a State School Fund in the General Fund.

(b) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts, grants, donations and other moneys from public and private sources for the State School Fund. Moneys received as provided in this paragraph shall be deposited into the State School Fund.

(c) The State School Fund shall consist of moneys appropriated by the Legislative Assembly, moneys transferred from the Fund for Student Success, moneys transferred from the Education Stability Fund and the Oregon Marijuana Account and moneys received as provided in paragraph (b) of this subsection.

(d) The State School Fund is continuously appropriated to the Department of Education for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 327.356 to 327.359, 336.575, 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961.

(2) There shall be apportioned from the State School Fund to each school district a State School Fund grant, consisting of the positive amount equal to a general purpose grant [*and a facility grant*] and a transportation grant and a high cost disabilities grant minus local revenue, computed as provided in ORS 327.011 and 327.013.

(3) For the first school year after a public charter school ceases to operate because of dissolution or closure or because of termination or nonrenewal of a charter, there shall be apportioned from the State School Fund to each school district that had sponsored a public charter school that ceased to operate an amount equal to the school district's general purpose grant per extended ADMw multiplied by five percent of the ADM of the public charter school for the previous school year.

(4) There shall be apportioned from the State School Fund to each education service district a State School Fund grant as calculated under ORS 327.019.

(5) All figures used in the determination of the distribution of the State School Fund shall be estimates for the same year as the distribution occurs, unless otherwise specified.

(6) Numbers of students in average daily membership used in the distribution formula shall be the numbers as of June of the year of distribution.

[(7) A school district may not use the portion of the State School Fund grant that is attributable to the facility grant for capital construction costs.]

*[(8) The total amount of the State School Fund that is distributed as facility grants may not exceed \$3 million in any biennium. If the total amount to be distributed as facility grants exceeds this limitation, the Department of Education shall prorate the amount of funds available for facility grants among those school districts that qualified for a facility grant. If the total amount to be distributed as facility grants does not exceed this limitation, any remaining amounts shall be expended for expenses incurred by the Office of School Facilities as provided in ORS 326.125 (1).]*

**(7) Each biennium, the Department of Education may expend from the State School Fund no more than \$3 million for expenses incurred by the department in providing support to school districts, education service districts and public charter schools at any time before, during or after a threat or hazard that may affect a school district, an education service district or a public charter school and for the purpose of helping to improve the safety and security of students and staff.**

*[(9)] (8) Each biennium, the Department of Education may expend from the State School Fund no more than \$10 million for expenses incurred by the Office of School Facilities under ORS 326.125 (2) to (7).*

*[(10)] (9) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Facility Account established in ORS 327.022 the amount necessary to pay the costs of educational services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.*

*[(11)] (10) Each fiscal year, the Department of Education shall transfer the amount of \$55 million from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.*

*[(12)(a)] (11)(a) Each biennium, the Department of Education shall transfer \$39.5 million from the State School Fund to the Educator Advancement Fund established under ORS 342.953.*

(b) For the purpose of making the transfer under this subsection:

(A) The total amount available for all distributions from the State School Fund shall be reduced by \$6 million;

(B) The amount distributed to school districts from the State School Fund under this section and ORS 327.013 shall be reduced by \$16.75 million; and

(C) The amount distributed to education service districts from the State School Fund under this section and ORS 327.019 shall be reduced by \$16.75 million.

(c) For each biennium, the amounts identified in this subsection shall be adjusted by the same percentage by which the instructions furnished to state agencies by the Governor under ORS 291.204 direct the state agencies to adjust their agency budget requests for special payments under ORS 291.216 (6)(a)(C).

*[(13)] (12) Each biennium, the Department of Education shall transfer \$12.5 million from the State School Fund to the Statewide English Language Learner Program Account established under ORS 327.344.*

*[(14)] (13) Each fiscal year, the Department of Education may expend up to \$550,000 from the State School Fund for the contract described in ORS 329.488. The amount distributed to education service districts from the State School Fund under this section and ORS 327.019 shall be reduced by the amount expended by the department under this subsection.*

*[(15)] (14) Each biennium, the Department of Education may expend up to \$350,000 from the State School Fund to provide administration of and support for the development of talented and gifted education under ORS 343.404.*

*[(16)] (15) Each biennium, the Department of Education may expend up to \$150,000 from the State School Fund for the administration of a program to increase the number of speech-language pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.*

*[(17)] (16) Each biennium, the Department of Education shall transfer \$2 million from the State School Fund for deposit to the Healthy School Facilities Fund established under ORS 332.337. Notwithstanding ORS 332.337, the department may expend moneys received in the Healthy School Facilities Fund under this subsection only as grants for costs associated with testing for elevated levels of lead in water used for drinking or food preparation.*

[(18)] (17) Each biennium, the Department of Education shall transfer an amount not to exceed \$5,595,000 for the purpose of making tampons and sanitary pads available as provided by ORS 326.545.

[(19)] (18) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from the State School Fund to the Small School District Supplement Fund established in ORS 327.359.

**SECTION 2.** ORS 327.011 is amended to read:

327.011. For the purpose of State School Fund distributions for school districts:

(1) Local Revenues are the total of the following:

(a) The amount of revenue offset against local property taxes as determined by the Department of Revenue under ORS 311.175 (3)(a)(A).

(b) The amount of property taxes actually received by the district, including penalties and interest on taxes.

(c) The amount of revenue received by the district from the Common School Fund under ORS 327.403 to 327.410.

(d) The amount of revenue received by the district from the county school fund.

(e) The amount of revenue received by the district from the 25 percent of federal forest reserve revenues required to be distributed to schools by ORS 294.060 (1).

(f) The amount of revenue received by the district from state managed forestlands under ORS 530.115 (1)(b) and (c).

(g) Moneys received in lieu of property taxes.

(h) Federal funds received without specific application by the school district and that are not deemed under federal law to be nonsupplantable.

(i) Any positive amount obtained by subtracting the operating property taxes actually imposed by the district, based on the rate certified pursuant to ORS 310.060, from the amount that would have been imposed by the district if the district had certified the maximum rate of operating property taxes allowed by law.

(j) Any amount distributed to the district in the prior fiscal year under ORS 327.019 (8).

(2) Local Revenues do not include:

(a) If a school district imposes local option taxes pursuant to ORS 280.040 to 280.145, an amount equal to the least of:

(A) The amount of revenue actually received by the district from local option taxes imposed pursuant to ORS 280.040 to 280.145;

(B) Twenty-five percent of the total received by the school district from the general purpose grant, the transportation grant[, *the facility grant*] and the high cost disabilities grant of the district, as those grants are calculated under ORS 327.013; or

(C) \$2,000 per district extended ADMw, as calculated under ORS 327.013, increased each fiscal year by three percent above the amount allowed per district extended ADMw for the prior fiscal year.

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

**SECTION 3.** ORS 327.013 is amended to read:

327.013. The State School Fund distributions for school districts include the following grants:

(1) General Purpose Grant = Funding Percentage × Target Grant × District extended ADMw.  
For the purpose of the calculation made under this subsection:

(a) The funding percentage shall be calculated by the Superintendent of Public Instruction to distribute as nearly as practicable the total sum of money available for distribution.

(b) Target Grant = Statewide Target per ADMw Grant + Teacher Experience Factor. For the purpose of the calculation made under this paragraph:

(A) Statewide Target per ADMw Grant = \$4,500.

(B) Teacher Experience Factor =  $\$25 \times \{\text{District average teacher experience} - \text{statewide average teacher experience}\}$ . As used in this subparagraph, “average teacher experience” means the average, in years, of teaching experience of licensed teachers as reported to the Department of Education.

(c) District extended ADMw = ADMw or ADMw of the prior year, whichever is greater. The calculation of the district extended ADMw must be made as provided by ORS 338.155 if a public charter school is located in the school district. For the purpose of this paragraph:

(A) Weighted average daily membership or ADMw = average daily membership + an additional amount computed as follows:

(i) 1.0 for each student in average daily membership eligible for special education as a child with a disability under ORS 343.035, which may not exceed 11 percent of the district’s ADM without review and approval by the Department of Education. Children with disabilities eligible for special education in adult local correctional facilities, as defined in ORS 169.005, or adult regional correctional facilities, as defined in ORS 169.620, may not be included in the calculation made under this sub-subparagraph.

(ii) 0.5 for each student in average daily membership eligible for and enrolled in an English language learner program under ORS 336.079.

(iii) 0.2 for each student in average daily membership enrolled in a union high school district or in an area of a unified school district where the district is only responsible for educating students in grades 9 through 12 in that area.

(iv) -0.1 for each student in average daily membership enrolled in an elementary district operating kindergarten through grade six or kindergarten through grade eight or in an area of a unified school district where the district is only responsible for educating students in kindergarten through grade eight.

(v) 0.25 times the sum of the following:

(I) The number of students who are in average daily membership and who are also in poverty families, as determined by the Department of Education based on rules adopted by the State Board of Education that incorporate poverty data published by the United States Census Bureau, student data provided by school districts and other data identified by the board;

(II) The number of children in foster homes in the district as determined by the report of the Department of Human Services to the United States Department of Education, “Annual Statistical Report on Children in Foster Homes and Children in Families Receiving AFDC Payments in Excess of the Poverty Income Level,” or its successor, for October 31 of the year prior to the year of distribution; and

(III) The number of children in the district in state-recognized facilities for neglected and delinquent children, based on information from the Department of Human Services for October 31 of the year prior to the year of distribution.

(vi) The amount determined under ORS 327.077 for each remote small elementary school and for each small high school in the district.

(B) All numbers of children used for the computation in this paragraph must reflect any district consolidations that have occurred since the numbers were compiled.

(C) The total additional weight that shall be assigned to any student in average daily membership in a district, exclusive of students described in subparagraph (A)(v) and (vi) of this paragraph, may not exceed 2.0.

(2) High cost disabilities grant = the total amount received by a school district under ORS 327.348 for providing special education and related services to resident pupils with disabilities.

(3)(a) Transportation grant equals:

(A) 70 percent of approved transportation costs for those school districts ranked below the 80th percentile under paragraph (b) of this subsection.

(B) 80 percent of approved transportation costs for those school districts ranked in or above the 80th percentile but below the 90th percentile under paragraph (b) of this subsection.

(C) 90 percent of approved transportation costs for those school districts ranked in or above the 90th percentile under paragraph (b) of this subsection.

(b) Each fiscal year, the Department of Education shall rank school districts based on the approved transportation costs per ADM of each school district, ranking the school district with the highest approved transportation costs per ADM at the top of the order.

*[(4)(a) Facility Grant = 8 percent of total construction costs of new school buildings.]*

*[(b) A school district shall receive a Facility Grant in the distribution year that a new school building is first used.]*

*[(c) As used in this subsection:]*

*[(A) "New school building" includes new school buildings, structures added onto existing school buildings and premanufactured structures added to a school district if those buildings or structures are to be used for instructing students.]*

*[(B) "Construction costs" does not include costs for land acquisition.]*

**SECTION 4.** ORS 327.019 is amended to read:

327.019. (1) As used in this section:

(a) "Education service district extended ADMw" means the sum of the extended ADMw of the school districts located within the territory of the education service district as computed under ORS 327.013.

(b) "Local revenues of an education service district" means the total of the following:

(A) The amount of revenue offset against local property taxes as determined by the Department of Revenue under ORS 311.175 (3)(a)(A);

(B) The amount of property taxes actually received by the district including penalties and interest on taxes;

(C) The amount of revenue received by the district from state-managed forestlands under ORS 530.115 (1)(b) and (c); and

(D) Any positive amount obtained by subtracting the operating property taxes actually imposed by the district based on the rate certified pursuant to ORS 310.060 from the amount that would have been imposed by the district if the district had certified the maximum rate of operating property taxes allowed by law.

(2) Each fiscal year, the Superintendent of Public Instruction shall calculate a State School Fund grant for each education service district as provided in this section.

(3)(a) Each fiscal year, the superintendent shall calculate the total amount appropriated or allocated to the State School Fund and available for distribution to school districts, education service districts and programs + total amount of local revenues of all school districts, computed as provided in ORS 327.011, + total amount of local revenues of all education service districts. The superintendent may not include in the calculation under this paragraph amounts received by the Department of Education from the State School Fund under ORS 343.243.

(b) The superintendent shall multiply the amount calculated under paragraph (a) of this subsection by 95.5 percent.

(c) Based on the amount calculated under paragraph (b) of this subsection, the superintendent shall calculate a funding percentage to distribute as nearly as practicable under ORS 327.006 to 327.133, 327.348 and 327.356 to 327.359 the total amount calculated under paragraph (b) of this subsection as school district general purpose grants, *[facility grants,]* high cost disabilities grants and transportation grants to school districts.

(d) Based on the funding percentage calculated under paragraph (c) of this subsection, the superintendent shall calculate the general purpose grant, *[facility grant,]* transportation grant and high cost disabilities grant amounts for each school district.

(4)(a) The general services grant for an education service district shall equal the higher of:

(A) The total amount calculated under subsection (3)(d) of this section for the school districts located within the territory of the education service district  $\times$   $(4.5 \div 95.5)$ ; or

(B) \$1,165,000, as adjusted each school year based on the same percentage by which the amount appropriated to the State School Fund for distribution to education service districts is increased or

decreased as compared with the amount appropriated for the 2015-2016 school year, if the education service district received a general services grant of \$1 million for the 2010-2011 school year.

(b) Notwithstanding paragraph (a) of this subsection and only for State School Fund distributions made for the first school year after two or more education service districts join together, if an education service district received a general services grant as provided by paragraph (a)(B) of this subsection prior to the education service district joining together with one or more other education service districts to form a new education service district:

(A) The general services grant for the new education service district shall be calculated for each component education service district as though the component education service districts had not joined together to form a new education service district; and

(B) A component education service district that received an amount as provided by paragraph (a)(B) of this subsection shall be entitled to receive that amount under the calculation provided by this paragraph.

(5) Subject to subsection (6) of this section, the State School Fund grant for an education service district = general services grant – local revenues of the education service district.

(6)(a) After completing the calculations under subsections (2) to (5) of this section, the Superintendent of Public Instruction shall apportion from the State School Fund to each education service district an amount = (funding percentage × general services grant) – local revenues of the education service district.

(b) The funding percentage used in paragraph (a) of this subsection shall be calculated by the superintendent to distribute as nearly as practicable the total amount available for distribution to education service districts from the State School Fund for each fiscal year.

(7) Notwithstanding subsections (5) and (6) of this section:

(a) The State School Fund grant of an education service district may not be less than zero; and

(b) The State School Fund grant of an education service district shall be in an amount that, when combined with the local revenues of the education service district, equals \$1,165,000, as adjusted each school year based on the same percentage by which the amount appropriated to the State School Fund for distribution to education service districts is increased or decreased as compared with the amount appropriated for the 2015-2016 school year.

(8) An education service district shall distribute to school districts located within the territory of the education service district any amount of local revenues of the education service district that is greater than the general services grant. The amount that each school district receives under this subsection shall be prorated based on the district extended ADMw of the school district as calculated under ORS 327.013.

(9)(a) An education service district shall distribute to a school district that is located within the territory of the education service district but that has withdrawn from the education service district as provided in ORS 334.015 the amounts received by the education service district as a general services grant and from the School Improvement Fund.

(b) The amounts that a school district receives under this subsection:

(A) Shall be prorated based on the district extended ADMw of the school district as calculated under ORS 327.013;

(B) Shall equal 90 percent of the school district's prorated share, as calculated under subparagraph (A) of this paragraph; and

(C) May be used to pay for any expenses incurred in providing services described in ORS 334.175 (2) to the students of the school district by:

(i) The school district;

(ii) The education service district from which the school district withdrew;

(iii) An education service district that is not the education service district from which the school district withdrew; or

(iv) Any other public entity with which the school district has entered into a contract to provide the services.

**SECTION 5.** ORS 327.336 is amended to read:

327.336. (1) As used in this section:

(a) "Extended ADMw" means the district extended weighted average daily membership computed under ORS 327.013 (1)(c).

(b) "Local option tax rate" means the amount of local option taxes imposed by the school district for the current fiscal year, after compression under ORS 310.150 and after subtraction of the amount of school district local option taxes that are distributed to an urban renewal agency pursuant to ORS 457.440, divided by the assessed value of the school district.

(c) "School district" means a common or union high school district.

(d) "Target district" means the school district that, for the fiscal year prior to the year for which grants are being determined, had a total assessed value of taxable property per district extended ADMw that was greater than all but 25 percent of the school districts in this state for that prior fiscal year. The Department of Education shall determine which school district is the target district for a fiscal year, based on the total assessed values of school districts reported to the Department of Education by the Department of Revenue for the fiscal year prior to the year for which grants are being determined under this section.

(2) A school district shall receive a local option equalization grant for a fiscal year:

(a) In which the school district imposes local option taxes pursuant to ORS 280.040 to 280.145; and

(b) For which the total assessed value of taxable property per extended ADMw of the school district for the prior fiscal year does not exceed the total assessed value of taxable property per extended ADMw of the target district for the prior fiscal year.

(3) The amount of the local option equalization grant shall equal the lesser of:

(a) The product of the local option tax rate of the school district for the current fiscal year  $\times$  (total assessed value per extended ADMw of the target district for the prior fiscal year – total assessed value per extended ADMw of the school district for the prior fiscal year)  $\times$  the extended ADMw of the school district for the prior fiscal year; or

(b) The amount obtained by subtracting the local option tax imposed by the school district for the current fiscal year, after compression under ORS 310.150, from the lesser of:

(A) Twenty percent of the combined total for the school district of the general purpose grant, the transportation grant[, *the facility grant*] and the high cost disabilities grant of the school district for the current fiscal year; or

(B) \$1,000 multiplied by the extended ADMw of the school district for the current fiscal year. The amount multiplied by the extended ADMw of the school district shall be increased each fiscal year by three percent above the amount allowed for the prior fiscal year.

(4) If the amount computed under subsection (3)(b) of this section is zero or less, a local option equalization grant may not be made to the school district for the fiscal year.

(5) As soon as is practicable after school districts have certified property taxes to the assessor under ORS 310.060, the Department of Revenue shall report to the Department of Education a list of school districts certifying local option taxes for the current fiscal year and the local option tax rates for those districts. The amount of each local option equalization grant shall be calculated by the Department of Education.

(6) If the election authorizing the imposition of a local option tax is held after the start of a biennium in which the local option tax is to be imposed, the local option equalization grant for a fiscal year of that biennium shall be determined as otherwise prescribed in this section, but may not be paid to the school district until the first fiscal year of the next succeeding biennium.

**SECTION 6. The amendments to ORS 327.008, 327.011, 327.013, 327.019 and 327.336 by sections 1 to 5 of this 2023 Act apply to State School Fund distributions commencing with the 2023-2024 distributions.**

**SECTION 7.** ORS 326.545, as amended by section 12, chapter 81, Oregon Laws 2022, is amended to read:

326.545. (1) As used in this section:

(a) "Public education provider" means:

- (A) A school district;
- (B) A public charter school;
- (C) An education service district;
- (D) A community college; or
- (E) A public university listed in ORS 352.002.

(b) "Public school building" means a building used by a public education provider to provide educational services to students.

(c) "Student bathroom" means a bathroom that is accessible by students in kindergarten or above, including a gender-neutral bathroom, a bathroom designated for females and a bathroom designated for males.

(2) Each public education provider shall ensure that both tampons and sanitary pads are available at no cost to students through dispensers located in every student bathroom of every public school building.

(3) A public education provider, and any employee of a public education provider, is not liable in a criminal action or for civil damages as a result of a student's use of a tampon or sanitary pad made available under this section.

(4) The State Board of Education and the Higher Education Coordinating Commission shall adopt any rules necessary for the administration of this section. Rules adopted by the board and commission shall provide for:

- (a) The number of dispensers required in each student bathroom;
- (b) The types of products available in each student bathroom;

(c) The provision of tampons and sanitary pads in an alternate location when the public education provider does not have control of the student bathrooms used by the students of the public education provider;

(d) Modifications to or exemptions from the requirements of this section for student bathrooms that are not located in commonly accessible areas of the public school buildings of a community college or a public university; and

(e) Payments to public education providers for costs incurred under this section, including:

(A) For school districts, public charter schools and education service districts and subject to subparagraph (B) of this paragraph, distributions from amounts available under ORS 327.008 [(18)] (17) to be made based on the average daily membership, as defined in ORS 327.006, of the district or school;

(B) For education service districts, distributions to be made as provided by subparagraph (A) of this paragraph may not exceed 7.5 percent of the amounts available for distribution under ORS 327.008 [(18)] (17);

(C) For community colleges, distributions from the Community College Support Fund to be made based on the full-time equivalent student enrollment of the community college; and

(D) For public universities, distributions from a public university support fund established by the commission by rule.

**SECTION 8.** ORS 327.001 is amended to read:

327.001. (1) The Fund for Student Success is established in the State Treasury, separate and distinct from the General Fund.

(2) The Fund for Student Success shall consist of moneys appropriated by the Legislative Assembly, moneys transferred to the fund under ORS 317A.155 and moneys received as provided in subsection (3) of this section.

(3) The Department of Education, on behalf of the State of Oregon, may solicit and accept gifts, grants, donations and other moneys from public and private sources for the Fund for Student Success. Moneys received as provided in this subsection shall be deposited into the Fund for Student Success.

(4) Moneys in the Fund for Student Success are continuously appropriated to the department for:

(a) Transfer for each biennium to the State School Fund in the amount calculated by the Legislative Fiscal Officer and the Legislative Revenue Officer to be the sum of:



(A) At least \$40 million, for the purpose of a transfer under ORS 327.008 [(11)] (10) to the High Cost Disabilities Account established in ORS 327.348; and

(B) The amount of change in General Fund revenue to be collected in the biennium due to the amendments to ORS 316.037 by section 56, chapter 122, Oregon Laws 2019, and the operation of ORS 317A.100 to 317A.158.

(b) Retention as a reserve for cash flow and revenue shortfall purposes.

(c) Of the amount in the Fund for Student Success that is not dedicated for transfer as prescribed by paragraph (a) of this subsection or retained under paragraph (b) of this subsection, transfer to other education accounts as follows:

(A) At least 50 percent to the Student Investment Account established in ORS 327.175.

(B) Up to 30 percent to the Statewide Education Initiatives Account established in ORS 327.250.

(C) At least 20 percent to the Early Learning Account established in ORS 327.269.

(5) The department shall make the transfers prescribed by subsection (4) of this section on a periodic basis. The transfers must be in amounts that, based on the most recent data available to the department, ensure that the amounts and percentages identified in subsection (4) of this section are satisfied by the end of the biennium.

**SECTION 9.** ORS 329.488 is amended to read:

329.488. (1) The Department of Education shall contract with a nonprofit entity to administer a nationally normed assessment, in collaboration with the department, to all students in grade 10 who are enrolled in a public school. The purpose of the assessment is to predict the success of students on, and provide practice for students taking, college entrance exams.

(2) The department shall base the selection of the contractor under subsection (1) of this section on all of the following criteria:

(a) The contractor must be able to provide to the department statewide data containing the results of the assessment;

(b) The contractor shall provide an assessment that:

(A) Identifies students with high potential to excel in advanced placement (AP) or other honors courses based on a research-based correlation of scores on the grade 10 assessment to advanced placement examinations;

(B) Examines students in mathematics, reading and writing; and

(C) Provides results that can be used by Oregon's higher education institutions to recruit students to attend college;

(c) The contractor must be able to supply schools with an item-by-item analysis of student performance on the assessment; and

(d) The contractor must be able to make available to each student taking the assessment a free career assessment and online exploration of colleges and career opportunities.

(3)(a) In lieu of using the contractor selected by the department under subsection (1) of this section, a school district may apply to the department for a waiver to allow the district to enter into a contract with a different nonprofit entity for the purpose of administering a nationally normed assessment to all students in grade 10 who are enrolled in the public schools operated by the district. The department shall grant the waiver if:

(A) The district had entered into a contract with the entity for the 2007-2008 school year to administer a grade 10 assessment;

(B) The entity, in coordination with the district, administered a grade 10 assessment during the 2007-2008 school year;

(C) For the most recent school year in which the entity administered a grade 10 assessment, the entity met the criteria set forth in subsection (2) of this section as in effect for the school year in which the entity administered the assessment; and

(D) The entity plans to meet the criteria set forth in subsection (2) of this section as in effect for the school year for which the school district seeks a waiver.

(b) A waiver granted by the department under this subsection:

(A) Is valid for one school year; and

- (B) May be renewed each school year.
- (c) The department shall reimburse a school district for the cost of assessments allowed under this subsection from funds available to the department under ORS 327.008 [(14)] (13).
- (4) Notwithstanding subsections (1) and (3) of this section:
  - (a) The department may, under rules adopted by the State Board of Education, waive the assessment for specific groups of students; and
  - (b) Upon request from a student who is enrolled in a public school operated by a school district or the parent or guardian of the student, the school district shall waive the assessment for the student.

**SECTION 10. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 6 (2), chapter \_\_, Oregon Laws 2023 (Enrolled House Bill 5014), for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses, other than expenses described in sections 7 and 15, chapter \_\_, Oregon Laws 2023 (Enrolled House Bill 5014), from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds, corporate activity tax funds and federal funds, collected or received by the Department of Education, for operations, is increased by \$3,000,000 for the purpose of carrying out the provisions of this 2023 Act.**

**SECTION 11. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect July 1, 2023.**

**Passed by Senate June 20, 2023**

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Lori L. Brocker, Secretary of Senate

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Rob Wagner, President of Senate

**Passed by House June 23, 2023**

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Dan Rayfield, Speaker of House

**Received by Governor:**

.....M,....., 2023

**Approved:**

.....M,....., 2023

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2023

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Secretary of State