

A-Engrossed
Senate Bill 1034

Ordered by the Senate May 30
Including Senate Amendments dated May 30

Sponsored by Senator MANNING JR, Representative EVANS; Senators KNOPP, SMITH DB

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.

Directs Department of Education to make biennial transfer to Oregon Military Department from State School Fund for purpose of paying costs of educational services provided through programs operated by military department for at-risk youth.

Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

1
2 Relating to the payment of costs for educational services provided by programs operated by the
3 military; creating new provisions; amending ORS 327.008; and declaring an emergency.

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

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

6 327.008. (1)(a) There is established a State School Fund in the General Fund.

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

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

14 (d) The State School Fund is continuously appropriated to the Department of Education for the
15 purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 327.356 to
16 327.359, 336.575, 336.580, 336.635, 343.243, 343.533, 343.941 and 343.961.

17 (2) There shall be apportioned from the State School Fund to each school district a State School
18 Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant
19 and a transportation grant and a high cost disabilities grant minus local revenue, computed as pro-
20 vided in ORS 327.011 and 327.013.

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

27 (4) There shall be apportioned from the State School Fund to each education service district a

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.

1 State School Fund grant as calculated under ORS 327.019.

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

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

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

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

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

17 (10) Each fiscal year, the Department of Education shall transfer to the Pediatric Nursing Fa-
18 cility Account established in ORS 327.022 the amount necessary to pay the costs of educational
19 services provided to students admitted to pediatric nursing facilities as provided in ORS 343.941.

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

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

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

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

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

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

31 (c) For each biennium, the amounts identified in this subsection shall be adjusted by the same
32 percentage by which the instructions furnished to state agencies by the Governor under ORS 291.204
33 direct the state agencies to adjust their agency budget requests for special payments under ORS
34 291.216 (6)(a)(C).

35 (13) Each biennium, the Department of Education shall transfer \$12.5 million from the State
36 School Fund to the Statewide English Language Learner Program Account established under ORS
37 327.344.

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

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

45 (16) Each biennium, the Department of Education may expend up to \$150,000 from the State

1 School Fund for the administration of a program to increase the number of speech-language
2 pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

3 (17) Each biennium, the Department of Education shall transfer \$2 million from the State School
4 Fund for deposit to the Healthy School Facilities Fund established under ORS
5 332.337. Notwithstanding ORS 332.337, the department may expend moneys received in the Healthy
6 School Facilities Fund under this subsection only as grants for costs associated with testing for el-
7 evated levels of lead in water used for drinking or food preparation.

8 (18) Each biennium, the Department of Education shall transfer an amount not to exceed
9 \$5,595,000 for the purpose of making tampons and sanitary pads available as provided by ORS
10 326.545.

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

13 **(20) Each biennium, the Department of Education shall transfer to the Oregon Military**
14 **Department the amount necessary to pay the costs of educational services provided to stu-**
15 **dents admitted to programs operated by the military department for at-risk youth, as de-**
16 **scribed in ORS 396.360, that are outstanding after any General Fund appropriations and the**
17 **calculation of available federal funds for the programs.**

18 **SECTION 2. The amendments to ORS 327.008 by section 1 of this 2023 Act apply to State**
19 **School Fund distributions commencing with the 2023-2024 distributions.**

20 **SECTION 3. This 2023 Act being necessary for the immediate preservation of the public**
21 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
22 **July 1, 2023.**