

HB 2448 A STAFF MEASURE SUMMARY

House Committee On Revenue

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/13

WHAT THE MEASURE DOES:

Increases the amount of money from the State School Fund transferred to the High Cost Disabilities Account from \$55 million per school year to \$200 million per school year. Applies to the State School Fund distributions commencing with the 2025-2026 school year distributions. Takes effect upon passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Some students with disabilities require educational services that cost more than the double weight that the student receives under Oregon's K-12 school funding formula. The High Cost disability factor is actual cost above \$30,000 per student with disability to help compensate for above-average costs.

A school district's High Cost Disabilities grant is the sum of the approved disability costs for each special education student that exceeds \$30,000 per year. The school district can add Education Service District (ESD) special education costs incurred for the same student for the student's total special education cost.

The Legislature imposed a cap on total High Cost Disabilities grants of \$18 million per year starting in 2007-08. The cap increased to \$35 million a year in 2015-16. Starting from 2020-21, this grant cap is \$55 million per year. If eligible costs exceed the cap, grants are prorated. Grants are typically lower than actual costs, often substantially lower.