

HB 2009-1
(LC 4520)
3/6/25 (HRS/ps)

Requested by Representative FAHEY

**PROPOSED AMENDMENTS TO
HOUSE BILL 2009**

1 In line 2 of the printed bill, after “education” insert “; creating new pro-
2 visions; amending ORS 327.016, 327.021, 327.026, 327.029, 327.095, 327.180,
3 327.185, 327.190, 327.201, 327.208, 327.222, 327.224, 327.235, 327.254, 327.362,
4 327.837, 329.095, 329.485, 336.680 and 338.155 and section 2, chapter 6, Oregon
5 Laws 2024; repealing ORS 327.214 and 337.065; and declaring an emergency”.

6 Delete lines 4 through 8 and insert:
7

8 **“PERFORMANCE GROWTH METRICS**
9

10 **“SECTION 1. Sections 2 to 6 of this 2025 Act are added to and made**
11 **a part of ORS 327.006 to 327.133.**

12 **“SECTION 2. As used in sections 2 to 6 of this 2025 Act:**

13 **“(1) ‘Disaggregated’ means separated based on student group.**

14 **“(2) ‘Eighth-grade mathematics proficiency rate’ means the per-**
15 **centage of students in the eighth grade who are determined to be**
16 **proficient or above in mathematics, as determined under rules adopted**
17 **by the State Board of Education.**

18 **“(3) ‘Five-year completion rate’ means the percentage of students**
19 **who received a high school diploma, a modified diploma or an extended**
20 **diploma or who received a certificate for passing an approved high**
21 **school equivalency test such as the General Educational Development**

1 test (GED) within five years of the student beginning the ninth grade.

2 “(4) ‘High school diploma’ means a diploma that is awarded to a
3 student upon satisfaction of the requirements prescribed by ORS
4 329.451 (2).

5 “(5) ‘Local metric rate’ means the percentage of students who meet
6 or exceed an indicator of a measurable student performance outcome.

7 “(6) ‘Ninth-grade on-track rate’ means the percentage of students
8 who, at the end of the summer following the year the students began
9 ninth grade, completed one quarter of the credits required for high
10 school graduation.

11 “(7) ‘On-time graduation rate’ means the percentage of students
12 who received a high school diploma or a modified diploma within four
13 years of the students beginning the ninth grade.

14 “(8) ‘Regular attendance rate’ means the percentage of students
15 who are absent, as determined by Department of Education policy, for
16 less than 10 percent of the school days for which the students are en-
17 rolled.

18 “(9) ‘Regular early-grade attendance rate’ means the percentage of
19 students in kindergarten through grade two who are absent, as deter-
20 mined by Department of Education policy, for less than 10 percent of
21 the school days for which the students are enrolled.

22 “(10) ‘School district’ means:

23 “(a) A common school district or a union high school district;

24 “(b) An education service district;

25 “(c) A public charter school;

26 “(d) An approved recovery school;

27 “(e) The Youth Corrections Education Program; or

28 “(f) The Juvenile Detention Education Program.

29 “(11) ‘Student group’ means the following student groups:

30 “(a) Economically disadvantaged students, as determined based on

1 rules adopted by the State Board of Education;

2 “(b) Students from racial or ethnic groups that have historically
3 experienced academic disparities, as determined under rules adopted
4 by the State Board of Education;

5 “(c) Students with disabilities;

6 “(d) Students who are English language learners;

7 “(e) Students who are foster children, as defined in ORS 30.297;

8 “(f) Students who are homeless, as determined under rules adopted
9 by the State Board of Education; and

10 “(g) Any other student groups that have historically experienced
11 academic disparities, as determined by the State Board of Education
12 by rule.

13 “(12) ‘Third-grade reading proficiency rate’ means the percentage
14 of students in the third grade who are determined to be proficient or
15 above in English language arts, as determined under rules adopted by
16 the State Board of Education.

17 **“SECTION 3. (1) Each school district that receives moneys from the
18 State School Fund shall measure outcomes of the students of the
19 school district as provided by this section.**

20 **“(2)(a) The State Board of Education shall develop statewide targets
21 for the following metrics:**

22 **“(A) On-time graduation rate;**

23 **“(B) Five-year completion rate;**

24 **“(C) Ninth-grade on-track rate;**

25 **“(D) Eighth-grade mathematics proficiency rate;**

26 **“(E) Third-grade reading proficiency rate;**

27 **“(F) Regular attendance rate;**

28 **“(G) Regular early-grade attendance rate; and**

29 **“(H) Local metric rates.**

30 **“(b) For the purpose of this subsection:**

1 “(A) The board shall develop a list of no more than three local
2 metrics; and

3 “(B) Each school district shall select one local metric from the list
4 developed under subparagraph (A) of this paragraph.

5 “(3) Based on the statewide metric targets developed under sub-
6 section (2) of this section, the Department of Education shall establish
7 metric targets for similar school districts, as determined by the de-
8 partment. The metric targets for similar school districts shall include:

9 “(a) On-time graduation rates, including:

10 “(A) The overall on-time graduation rate.

11 “(B) Gaps in disaggregated on-time graduation rates.

12 “(b) Five-year completion rates, including:

13 “(A) The overall five-year completion rate.

14 “(B) Gaps in disaggregated five-year completion rates.

15 “(c) Ninth-grade on-track rates, including:

16 “(A) The overall ninth-grade on-track rate.

17 “(B) Gaps in disaggregated ninth-grade on-track rates.

18 “(d) Eighth-grade mathematics proficiency rates, including:

19 “(A) The overall eighth-grade mathematics proficiency rate.

20 “(B) Gaps in disaggregated eighth-grade mathematics proficiency
21 rates.

22 “(e) Third-grade reading proficiency rates, including:

23 “(A) The overall third-grade reading proficiency rate.

24 “(B) Gaps in disaggregated third-grade reading proficiency rates.

25 “(f) Regular attendance rates, including:

26 “(A) The overall regular attendance rate.

27 “(B) Gaps in disaggregated regular attendance rates.

28 “(g) Regular early-grade attendance rates, including:

29 “(A) The overall regular early-grade attendance rate.

30 “(B) Gaps in disaggregated regular early-grade attendance rates.

1 **“(h) Local metric rates, including:**
2 **“(A) The overall local metric rate.**
3 **“(B) Gaps in disaggregated local metric rates.**
4 **“(4) The department shall collaborate with each school district to**
5 **develop performance growth targets for the school district to meet the**
6 **metric targets for similar school districts established under subsection**
7 **(3) of this section. The performance growth targets must:**
8 **“(a) Be based on data available for longitudinal analysis; and**
9 **“(b) Be developed based on guidance established by the department.**
10 **“(5) When developing performance growth targets, the department**
11 **and school district shall:**
12 **“(a) Review disaggregated student data;**
13 **“(b) Apply a process adopted by the department for the purpose of**
14 **strategically developing equitable policies and programs; and**
15 **“(c) Identify which student groups are most at risk of not meeting**
16 **performance growth targets.**
17 **“(6)(a) The department shall make available technical assistance to**
18 **school districts to assist school districts in meeting performance**
19 **growth targets. The technical assistance must include identifying and**
20 **implementing best practices for meeting performance growth targets.**
21 **“(b) For the purpose of providing technical assistance under this**
22 **subsection, the department may enter into a contract with any entities**
23 **the department determines are qualified to provide the technical as-**
24 **sistance.**
25 **“SECTION 4. The requirements of section 3 of this 2025 Act related**
26 **to the development of performance growth targets first apply to the**
27 **2026-2027 school year.**
28 **“SECTION 5. (1) Each year, each school district that receives**
29 **moneys from the State School Fund shall review the school district’s**
30 **progress toward meeting the performance growth targets developed as**

1 provided by section 3 of this 2025 Act.

2 “(2) Results of the school district’s review of progress made toward
3 meeting performance growth targets must be:

4 “(a) Made available at the main office of the school district and on
5 the school district’s website.

6 “(b) Presented to the governing body of the school district at an
7 open meeting, following:

8 “(A) Oral presentation of the results by an administrator of the
9 school district to the governing body of the school district; and

10 “(B) Opportunity for the public to comment on the results at an
11 open meeting.

12 “(c) Provided to the Department of Education.

13 “(3)(a) Based on information received under subsection (2) of this
14 section, the department shall determine each year whether the school
15 district met the performance growth targets developed for the school
16 district as provided by section 3 of this 2025 Act.

17 “(b) In addition to determinations made under paragraph (a) of this
18 subsection, the department may establish a procedure for conducting
19 performance audits on a random basis or based on just cause as al-
20 lowed under rules adopted by the State Board of Education and con-
21 sistent with ORS 327.141.

22 “(4) If a school district does not meet the performance growth tar-
23 gets developed as provided by section 3 of this 2025 Act:

24 “(a) After two years of not meeting the performance growth tar-
25 gets, the school district must accept coaching and support from the
26 department. Through the coaching, the department shall advise and
27 counsel a school district on how to meet performance growth targets
28 and shall assist a school district with ongoing professional develop-
29 ment and peer collaboration.

30 “(b) After three or more years of not meeting the performance

1 growth targets, the school district must participate in intensive
2 coaching as provided by ORS 327.222. A school district that participates
3 in intensive coaching shall receive additional funding based on rules
4 adopted by the State Board of Education. The school district must use
5 the additional funding as prescribed by the department based on rule
6 of the board.

7 “(c) After four or more years of not meeting the performance
8 growth targets, the school district shall, in addition to participating
9 in intensive coaching as described in paragraph (b) of this subsection,
10 authorize the department to prescribe the uses of up to 25 percent of
11 the moneys available to the school district from:

12 “(A) The State School Fund as follows:

13 “(i) For a common school district or a union high school district,
14 the amount received as a general purpose grant under ORS 327.013.

15 “(ii) For an education service district, the amount received under
16 ORS 327.019.

17 “(iii) For a public charter school, the amount received under ORS
18 338.155.

19 “(iv) For an approved recovery school, the amount received under
20 ORS 327.029.

21 “(v) For the Youth Corrections Education Program, the amount
22 received under ORS 327.026.

23 “(vi) For the Juvenile Detention Education Program, the amount
24 received under ORS 327.026.

25 “(B) Grants awarded from the Student Investment Account under
26 ORS 327.195.

27 “(5) For the purpose of providing coaching under this section, the
28 department may enter into a contract with any entities the depart-
29 ment determines are qualified to provide the coaching.

30 “(6) The department may find a school district to be nonstandard

1 **if the school district does not comply with the provision prescribed by**
2 **subsection (4) of this section and may impose sanctions authorized**
3 **under ORS 327.103 or 334.217 or as otherwise allowed under rule of the**
4 **State Board of Education.**

5 **“SECTION 6. (1) The review of a school district’s progress toward**
6 **meeting performance growth targets under section 5 (3) of this 2025**
7 **Act shall first be made based on the 2026-2027 school year and a school**
8 **district may first be required to accept coaching and support under**
9 **section 5 (4)(a) of this 2025 Act for the 2028-2029 school year.**

10 **“(2) Notwithstanding subsection (1) of this section, the Department**
11 **of Education may take into consideration a school district’s partic-**
12 **ipation in an intensive program under ORS 327.222 prior to the effec-**
13 **tive date of this 2025 Act, and may require the school district to**
14 **participate in coaching or intensive coaching as provided by section 5**
15 **(4) of this 2025 Act prior to the 2028-2029 school year.**

16 **“SECTION 7. ORS 327.222, 327.224 and 327.235 are added to and made**
17 **a part of sections 2 to 6 of this 2025 Act.**

18 **“SECTION 8. ORS 327.222 is amended to read:**

19 **“327.222. (1) The Department of Education shall establish an intensive**
20 **coaching program for school districts [*with the highest needs in this state*]**
21 **that do not meet performance growth targets for three or more years,**
22 **as described in section 5 of this 2025 Act.**

23 **“[(2)(a) *The department shall identify and select school districts to partic-***
24 ***ipate in the intensive program. The department may not select a public charter***
25 ***school under this section.*]**

26 **“[(b) *A school district that agrees to participate in the intensive program***
27 ***must participate in the program for at least four years.*]**

28 **“[(3) *A school district that agrees to participate in the intensive program***
29 ***shall be eligible for additional funding from the Statewide Education Initi-***
30 ***atives Account. The additional funding shall be based on rules adopted by the***

1 *State Board of Education and shall be calculated based on the ADMw of the*
2 *school district, as calculated under ORS 327.195.]*

3 “[4] (2) A school district that [*agrees to participate*] **participates** in the
4 intensive **coaching** program shall:

5 “(a) Commit to regular student success plan meetings to monitor prac-
6 tices;

7 “(b) Use data to track student progress;

8 “(c) Ensure school employees receive appropriate professional develop-
9 ment and training;

10 “(d) Create safe and inclusive learning environments;

11 “(e) Improve school and school district practices and structures to support
12 teaching and learning; and

13 “(f) Improve the skills of the members of the school board.

14 “[5] (3) For the purpose of assisting school districts participating in the
15 intensive **coaching** program, the department shall establish student success
16 teams. Student success teams shall be composed of personnel with expertise
17 in school and school district improvement strategies, including the use of
18 differentiated instruction and inclusionary practices. A student success team
19 is not a government body and is not subject to any statute or rule applicable
20 to a public body.

21 “[6](a) (4)(a) Under the intensive **coaching** program, student success
22 teams shall:

23 “(A) Advise and counsel school districts on how to improve performance
24 outcomes; and

25 “(B) Develop recommendations for meeting performance growth targets.

26 “(b) School district boards and superintendents of school districts partic-
27 ipating in an intensive **coaching** program must:

28 “(A) Accept all recommendations of the student success teams related to
29 the use of **State School Fund moneys**, Student Investment Account grant
30 moneys and additional funding received under this section. A school district

1 that does not accept the recommendations made under this subparagraph is
2 not eligible for additional funding under this section.

3 “(B) Consider, and may accept, all recommendations of the student suc-
4 cess teams not described in subparagraph (A) of this paragraph.

5 “(c) A school district that receives recommendations under this subsection
6 must issue a report that:

7 “(A) Describes the recommendations;

8 “(B) Identifies the recommendations that will be implemented and the
9 timelines for implementing the recommendations; and

10 “(C) Identifies the recommendations that will not be implemented and an
11 explanation for why the recommendations will not be implemented.

12 “(d) The report required under paragraph (c) of this subsection must be:

13 “(A) Made available at the school district’s main office and on the school
14 district’s website; and

15 “(B) Distributed to the school district community, including employees
16 of the school district and families of the students of the school district.

17 **“SECTION 9.** ORS 327.224 is amended to read:

18 “327.224. (1) The Student Success Teams Account is established in the
19 State Treasury, separate and distinct from the General Fund.

20 “(2) The Student Success Teams Account shall consist of:

21 “(a) Moneys transferred to the account from the Statewide Education In-
22 itiatives Account;

23 “(b) Moneys appropriated or otherwise transferred to the Student Success
24 Teams Account by the Legislative Assembly; and

25 “(c) Other amounts deposited into the account from any source.

26 “(3) Moneys in the Student Success Teams Account are continuously ap-
27 propriated to the Department of Education for the purpose of funding the
28 intensive **coaching** program for school districts [*with the highest needs*] es-
29 tablished under ORS 327.222, including funding any costs incurred for stu-
30 dent success teams under that program.

1 **“SECTION 10.** ORS 327.235 is amended to read:

2 “327.235. The Department of Education shall make a report to the com-
3 mittees of the Legislative Assembly related to education no later than Feb-
4 ruary 1 of each year regarding the implementation of ORS 327.175 to 327.235
5 **and sections 2 to 5 of this 2025 Act.** The report must include an annual
6 performance review of **each school district and, if applicable,** each eligible
7 applicant, as defined in ORS 327.185. The report must:

8 “(1) **For eligible applicants for a grant awarded from the Student**
9 **Investment Account under ORS 327.195,** identify whether the eligible ap-
10 plicant received a grant under ORS 327.175 to 327.235.

11 “(2) For **school districts and** grant recipients, include a comparison of
12 the **school district’s or** grant recipient’s progress toward meeting perform-
13 ance growth targets compared with the actual performance growth targets
14 [*established*] **developed** by the department for the following:

15 “(a) On-time graduation rates and five-year completion rates, including
16 the overall rate and disaggregated student group rates;

17 “(b) Ninth-grade on-track rates, including the overall rate and disaggre-
18 gated student group rates;

19 “(c) **Eighth-grade mathematics proficiency rates and** third-grade
20 reading proficiency rates, including the overall rate and disaggregated stu-
21 dent group rates;

22 “(d) Regular attendance rates **and regular early-grade attendance**
23 **rates,** including the overall rate and disaggregated student group rates;
24 [*and*]

25 “(e) **Local metrics rates, including the overall rate and the disag-**
26 **gregated student group rates; and**

27 “*[(e)]* (f) Any optional local metrics or any targets related to student
28 mental and behavioral health needs established by the State Board of Edu-
29 cation **for purposes of ORS 327.175 to 327.235.**

30 **“SECTION 11.** (1) **The amendments to ORS 327.235 by section 10 of**

1 **this 2025 Act become operative on January 1, 2028.**

2 **(2) The Department of Education shall make the first report re-**
3 **quired under ORS 327.235, as amended by section 10 of this 2025 Act,**
4 **no later than February 1, 2028, based on the 2026-2027 school year.**

5 **“SECTION 12.** ORS 327.095 is amended to read:

6 “327.095. (1)(a) Except as provided in paragraph (b) of this subsection **and**
7 **subject to any amounts withheld as provided by section 5 (4) of this**
8 **2025 Act**, funds due school districts under ORS 327.008 and 327.013 shall be
9 paid approximately 16-2/3 percent on July 15, approximately eight and one-
10 third percent on the 15th day of each of the months of August, September,
11 October, November, December, January, February, March and April and the
12 balance on May 15. An equitable apportionment based on the most recent
13 data available shall be made on the installment dates prior to May 15. If
14 such payments are too high or too low, appropriate adjustments shall be
15 made in the May 15 payments.

16 “(b) Pursuant to rules adopted by the State Board of Education, the Su-
17 perintendent of Public Instruction may specify an alternative date for mak-
18 ing an apportionment if a human-created disaster or a natural disaster
19 affects the ability of the Department of Education to make an apportionment
20 by a specified date.

21 “(2)(a) Except as provided in paragraph (b) of this subsection, if the re-
22 ports required by ORS 327.133 have not been received from a school district
23 when due, no further apportionments shall be made to the school district
24 until the reports are filed.

25 “(b) Pursuant to rules adopted by the State Board of Education, the Su-
26 perintendent of Public Instruction may waive a reporting date or specify an
27 alternative date for providing reports if a human-created disaster or a na-
28 tural disaster affects the ability of the school district to provide the reports
29 by a specified date.

30 “(3) If the combined estimated level of ADMw under ORS 327.013 (1)(c)

1 of all school districts is less than the statewide projected level of ADMw,
2 the Department of Education may:

3 “(a) Adjust the distributions to school districts on the installment dates
4 to reflect the difference; and

5 “(b) Set aside an amount of the funds appropriated to the State School
6 Fund for the fiscal year until the May 15 distribution.

7 **“SECTION 13.** ORS 327.021 is amended to read:

8 “327.021. (1)(a) Except as provided in paragraph (b) of this subsection **and**
9 **subject to any amounts withheld as provided by section 5 (4) of this**
10 **2025 Act**, the Superintendent of Public Instruction shall distribute funds
11 payable to education service districts from the State School Fund following
12 the same percentages and dates specified for school districts under ORS
13 327.095.

14 “(b) Pursuant to rules adopted by the State Board of Education, the su-
15 perintendent may specify an alternative date for making a distribution if a
16 human-created disaster or a natural disaster affects the ability of the De-
17 partment of Education to make a distribution by a specified date.

18 “(2) The Department of Education may require reports from education
19 service districts of projected and estimated data necessary for the calculation
20 of the State School Fund grant amount.

21 “(3) The Department of Education may adjust distributions to an educa-
22 tion service district to reflect the difference between the amount payable to
23 the education service district and the amount actually distributed to the
24 education service district based on audited data and data received from re-
25 ports from education service districts.

26 **“SECTION 14.** ORS 327.026, as amended by section 24, chapter 95, Oregon
27 Laws 2024, is amended to read:

28 “327.026. (1) The State Board of Education shall adopt by rule definitions
29 and procedures to be applied to the computation of State School Fund allo-
30 cations for students enrolled in the Youth Corrections Education Program

1 and the Juvenile Detention Education Program, as those terms are defined
2 in ORS 326.695. The computations shall be equivalent to students enrolled
3 in common and union high school districts.

4 “(2)(a) **Subject to any amounts withheld as provided by section 5 (4)**
5 **of this 2025 Act**, the Youth Corrections Education Program shall receive
6 from the State School Fund for each school year a special State School Fund
7 grant, consisting of a general purpose grant that is equal to the Youth Cor-
8 rections Education Program extended ADMw multiplied by Funding Per-
9 centage and further multiplied by Statewide Target per ADMw Grant. For
10 the purpose of the calculation made under this paragraph:

11 “(A) ADMw equals ADM multiplied by 2.0 multiplied by the additional
12 per student weight, as calculated in ORS 327.013 (1)(c)(A)(i).

13 “(B) Extended ADMw equals ADMw or ADMw of the prior year, which-
14 ever is greater.

15 “(b) Notwithstanding paragraph (a) of this subsection, the Youth Cor-
16 rections Education Program may not receive moneys under this section from
17 the State School Fund for any youth in the program who:

18 “(A) Has received a high school diploma; or

19 “(B) Is 21 years of age or older.

20 “(3) **Subject to any amounts withheld as provided by section 5 (4)**
21 **of this 2025 Act**, the Juvenile Detention Education Program shall receive
22 from the State School Fund for each school year a special State School Fund
23 grant, consisting of a general purpose grant that is equal to the Juvenile
24 Detention Education Program extended ADMw multiplied by Funding Per-
25 centage and further multiplied by Statewide Target per ADMw Grant. For
26 the purpose of the calculation made under this subsection:

27 “(a) ADMw equals ADM multiplied by 1.5.

28 “(b) Extended ADMw equals ADMw or ADMw of the prior year, which-
29 ever is greater.

30 “(4) Funds allocated to the Youth Corrections Education Program and the

1 Juvenile Detention Education Program from the State School Fund shall be
2 deposited in the Juvenile Justice Education Fund. The amount of funds to
3 be allocated shall be adjusted in the year following the distribution to reflect
4 the actual ADMw of students in the Youth Corrections Education Program
5 and the Juvenile Detention Education Program in the same manner as for
6 the school districts under ORS 327.101.

7 **“SECTION 15.** ORS 327.029 is amended to read:

8 “327.029. (1) The State Board of Education shall adopt by rule definitions
9 and procedures to be applied to the computation of the State School Fund
10 allocations and Statewide Education Initiatives Account allocations to be
11 used for approved recovery schools, as defined in ORS 336.680. When adopt-
12 ing rules, the board must collaborate with the advisory committee estab-
13 lished by ORS 336.685.

14 “(2) For allocations made from the State School Fund **and subject to any**
15 **amounts withheld as provided by section 5 (4) of this 2025 Act**, each
16 approved recovery school shall receive for each school year a special State
17 School Fund grant, consisting of a general purpose grant that is equal to the
18 amount that the school district in which the approved recovery school is
19 located would receive for the student. The amount that the school district
20 would receive for the student shall:

21 “(a) Be based on the school district’s general purpose grant per ADM as
22 calculated under ORS 327.013; and

23 “(b) Include any additional amounts attributable to the student under
24 ORS 327.013 (1)(c), subject to any applicable limitations under ORS 327.013
25 (1)(c)(C).

26 “(3) For allocations made from the Statewide Education Initiatives Ac-
27 count, the rules adopted under this section shall provide, to the greatest
28 extent practicable but subject to the discretion of the board **and subject to**
29 **any amounts withheld as provided by section 5 (4) of this 2025 Act**, that
30 allocations shall be in an amount necessary to pay the difference between:

1 “(a) The actual cost for providing education to students at the approved
2 recovery school; and

3 “(b) The amounts received for providing education to students at the ap-
4 proved recovery school from allocations made from the State School Fund
5 under subsection (2) of this section.

6 “(4) Funds allocated to approved recovery schools from the State School
7 Fund and the Statewide Education Initiatives Account shall remain with the
8 Department of Education and shall be adjusted in the year following the
9 distribution to reflect the actual ADMw of students in the approved recovery
10 schools in the same manner as for school districts under ORS 327.101.

11 “**SECTION 16.** ORS 338.155 is amended to read:

12 “338.155. (1)(a) Students of a public charter school shall be considered to
13 be residents of the school district in which the public charter school is lo-
14 cated for purposes of distribution of the State School Fund.

15 “(b) All amounts to be distributed from the State School Fund for public
16 charter schools shall first be distributed to the school district in which the
17 public charter school is located.

18 “(c) For the purpose of determining the amounts to be distributed to a
19 school district from the State School Fund for a public charter school, the
20 district extended ADMw described in ORS 327.013 shall be calculated:

21 “(A) Except as provided by subparagraph (B) or (C) of this paragraph, as
22 though the students enrolled at a public charter school are students enrolled
23 at the public schools of the school district in which the public charter school
24 is located.

25 “(B) By not including any portion of the ADM of the public charter
26 school for the previous school year if the public charter school ceased to
27 operate because of dissolution or closure or because of termination or
28 nonrenewal of a charter.

29 “(C) By calculating the current school year’s ADMw separately for a
30 virtual public charter school and for the school district if the school district,

1 without consideration of the ADM of the virtual public charter school, had
2 a decrease in ADM or ADMw compared to the previous school year.

3 “(2) A school district shall contractually establish, with any public char-
4 ter school that is sponsored by the board of the school district, payment for
5 provision of educational services to the public charter school’s students. The
6 payment shall equal an amount per weighted average daily membership
7 (ADMw) of the public charter school that is at least equal to:

8 “(a) Eighty percent of the amount of the school district’s General Purpose
9 Grant per ADMw as calculated under ORS 327.013 for students who are en-
10 rolled in kindergarten through grade eight; and

11 “(b) Ninety-five percent of the amount of the school district’s General
12 Purpose Grant per ADMw as calculated under ORS 327.013 for students who
13 are enrolled in grades 9 through 12.

14 “(3) A school district shall contractually establish, with any public char-
15 ter school that is sponsored by the State Board of Education and that is
16 within the boundaries of the school district, payment for provision of edu-
17 cational services to the public charter school’s students. The payment shall
18 equal an amount per weighted average daily membership (ADMw) of the
19 public charter school that is at least equal to:

20 “(a) Ninety percent of the amount of the school district’s General Purpose
21 Grant per ADMw as calculated under ORS 327.013 for students who are en-
22 rolled in kindergarten through grade eight; and

23 “(b) Ninety-five percent of the amount of the school district’s General
24 Purpose Grant per ADMw as calculated under ORS 327.013 for students who
25 are enrolled in grades 9 through 12.

26 “(4) The estimated amount of each school district’s General Purpose
27 Grant per ADMw shall be determined each year by the Department of Edu-
28 cation and made available to all school districts.

29 “(5) The school district in which the public charter school is located shall
30 transfer an amount per weighted average daily membership (ADMw) of the

1 public charter school that is equal to 50 percent of the amount of the school
2 district's General Purpose Grant per ADMw as calculated under ORS 327.013
3 that is not paid to the public charter school through a contract created
4 pursuant to subsection (3) of this section to the Department of Education.

5 “(6) The department may use any moneys received under this section for
6 activities related to public charter schools.

7 “(7) A school district and a public charter school may negotiate to es-
8 tablish a payment for the provision of educational services to the public
9 charter school's students that is more than the minimum amounts specified
10 in subsection (2) or (3) of this section.

11 “(8) **Subject to any amounts withheld as provided by section 5 (4)**
12 **of this 2025 Act**, a school district shall send payment to a public charter
13 school based on a contract negotiated under this section within 10 days after
14 receiving payments from the State School Fund pursuant to ORS 327.095.

15 “(9)(a) A public charter school may apply for any grant that is available
16 to school districts or nonchartered public schools from the Department of
17 Education. The department shall consider the application of the public
18 charter school in the same manner as an application from a school district
19 or nonchartered public school.

20 “(b) The department shall award any grant that is available to school
21 districts based solely on the weighted average daily membership (ADMw) of
22 the school district directly to the public charter school. This paragraph does
23 not apply to any grant from the State School Fund.

24

25 **“ALIGNMENT WITH OTHER PROGRAMS**

26

27 **“SECTION 17.** ORS 327.180 is amended to read:

28 “327.180. (1) In addition to those moneys distributed through the State
29 School Fund, the Department of Education shall award grants from the
30 Student Investment Account. Grants shall be distributed as provided under

1 ORS 327.195.

2 “(2) The purposes of grants distributed under ORS 327.195 shall be to:

3 “(a) Meet students’ mental or behavioral health needs; and

4 “(b) Increase academic achievement for students, including reducing aca-
5 demic disparities for **each student group identified in section 2 (11) of**
6 **this 2025 Act.**[:]

7 “[*(A) Economically disadvantaged students, as determined based on rules*
8 *adopted by the State Board of Education;*]

9 “[*(B) Students from racial or ethnic groups that have historically experi-*
10 *enced academic disparities, as determined under rules adopted by the State*
11 *Board of Education;*]

12 “[*(C) Students with disabilities;*]

13 “[*(D) Students who are English language learners;*]

14 “[*(E) Students who are foster children, as defined in ORS 30.297;*]

15 “[*(F) Students who are homeless, as determined under rules adopted by the*
16 *State Board of Education; and]*

17 “[*(G) Any other student groups that have historically experienced academic*
18 *disparities, as determined by the State Board of Education by rule.]*

19 “(3) Grant moneys received under ORS 327.195 may be used by a grant
20 recipient only for:

21 “(a) Increasing instructional time, which may include:

22 “(A) More hours or days of instructional time;

23 “(B) Summer programs;

24 “(C) Before-school or after-school programs; or

25 “(D) Technological investments that minimize class time used for assess-
26 ments administered to students.

27 “(b) Addressing students’ health or safety needs, which may include:

28 “(A) Social-emotional learning and development;

29 “(B) Student mental and behavioral health;

30 “(C) Improvements to teaching and learning practices or organizational

1 structures that lead to better interpersonal relationships at the school;

2 “(D) Student health and wellness;

3 “(E) Trauma-informed practices;

4 “(F) School health professionals and assistants; or

5 “(G) Facility improvements directly related to improving student health

6 or safety.

7 “(c) Reducing class sizes, which may include increasing the use of in-

8 structional assistants, by using evidence-based criteria to ensure appropriate

9 student-teacher ratios or staff caseloads.

10 “(d) Expanding availability of and student participation in well-rounded

11 learning experiences, which may include:

12 “(A) Developmentally appropriate and culturally responsive early literacy

13 practices and programs in prekindergarten through third grade;

14 “(B) Culturally responsive practices and programs in grades six through

15 eight, including learning, counseling and student support that is connected

16 to colleges and careers;

17 “(C) Broadened curricular options at all grade levels, including access to:

18 “(i) Art, music and physical education classes;

19 “(ii) Science, technology, engineering and mathematics education;

20 “(iii) Career and technical education, including career and technical stu-

21 dent organization programs and payment of student fees, costs and instruc-

22 tors of those programs;

23 “(iv) Electives that are engaging to students;

24 “(v) Accelerated college credit programs, including dual credit programs,

25 International Baccalaureate programs and advanced placement programs;

26 “(vi) Dropout prevention programs and transition supports;

27 “(vii) Life skills classes; or

28 “(viii) Talented and gifted programs; or

29 “(D) Access to licensed educators with a library media endorsement.

30 **SECTION 18.** ORS 327.185 is amended to read:

1 “327.185. (1) As used in this section, ‘eligible applicant’ means any of the
2 following entities:

3 “(a) Common school districts and union high school districts.

4 “(b) The Youth Corrections Education Program or the Juvenile Detention
5 Education Program.

6 “(c) Public charter schools that are not virtual public charter schools, as
7 defined in ORS 338.005, and that have a student population of which:

8 “(A) At least 35 percent of the student population is composed of students
9 from the following student groups:

10 “(i) Economically disadvantaged, as described in [*ORS 327.180 (2)(b)(A)*]
11 **section 2 (11)(a) of this 2025 Act;**

12 “(ii) Racial or ethnic groups that have historically experienced academic
13 disparities, as described in [*ORS 327.180 (2)(b)(B)*] **section 2 (11)(b) of this**
14 **2025 Act;** or

15 “(iii) Students with disabilities, as described in [*ORS 327.180 (2)(b)(C)*]
16 **section 2 (11)(c) of this 2025 Act;** and

17 “(B) The percentage of the students from student groups identified under
18 subparagraph (A) of this paragraph is greater than or equal to:

19 “(i) The percentage of all students in the school district who are eco-
20 nomically disadvantaged, if eligibility is determined based on the percentage
21 of students who are economically disadvantaged;

22 “(ii) The percentage of all students in the school district who are from
23 racial or ethnic groups that have historically experienced academic dispari-
24 ties, if eligibility is determined based on the percentage of students who are
25 from those racial or ethnic groups; or

26 “(iii) The percentage of all students in the school district who are disa-
27 bled, if eligibility is determined based on the percentage of students who are
28 disabled.

29 “(2)(a) Eligible applicants may apply for a grant from the Student In-
30 vestment Account to receive a distribution under ORS 327.190.

1 “(b) Notwithstanding ORS 338.155 (9), a public charter school that is not
2 an eligible applicant may not apply for a grant under this section.

3 “(3) Prior to preparing a grant application, an eligible applicant must:

4 “(a) If the eligible applicant is a school district, determine whether the
5 school district will allow public charter schools sponsored by, or located
6 within, the school district to participate in the grant application and the
7 grant agreement.

8 “(b) If the eligible applicant is a public charter school, determine whether
9 the public charter school intends to apply for a grant and provide notice of
10 that intent to the school district in which the public charter school is lo-
11 cated and to the Department of Education.

12 “(4)(a) If an eligible applicant is a school district and decides to include
13 public charter schools in the grant application and grant agreement, the
14 school district must provide all public charter schools sponsored by, or lo-
15 cated within, the school district the opportunity to participate in the grant
16 application and grant agreement.

17 “(b)(A) A public charter school is not required to participate in the grant
18 application and grant agreement of a school district.

19 “(B) If a public charter school does not participate in a grant application
20 and grant agreement under this subsection:

21 “(i) The ADMw of the public charter school may not be used in the cal-
22 culation of the school district ADMw for grants distributed under ORS
23 327.195; and

24 “(ii) The public charter school is not entitled to any grant moneys dis-
25 tributed under ORS 327.195.

26 “(C) If a public charter school participates in a grant application and
27 grant agreement under this subsection:

28 “(i) The public charter school and school district shall enter into an
29 agreement for the distribution of moneys or the provision of services, in-
30 cluding any accountability measures required of the public charter school

1 by the school district;

2 “(ii) The ADMw of the public charter school shall be used in the calcu-
3 lation of the school district ADMw for grants distributed under ORS 327.195;
4 and

5 “(iii) The public charter school is entitled to any grant moneys or services
6 provided for in the agreement entered into under this subparagraph.

7 “(5)(a) For the purpose of preparing a grant application, an eligible ap-
8 plicant must determine:

9 “(A) Which of the allowed uses identified in ORS 327.180 (3) the eligible
10 applicant will fund with grant moneys; and

11 “(B) Which of the eligible uses identified under subparagraph (A) of this
12 paragraph the eligible applicant will designate to meeting student mental
13 and behavioral health needs.

14 “(b) An eligible applicant shall make the determinations required under
15 paragraph (a) of this subsection by:

16 “(A) Engaging in strategic planning; and

17 “(B) Considering the recommendations of the Quality Education Commis-
18 sion established under ORS 327.500 and recommendations from the advisory
19 groups formed by the Department of Education for the purposes of the
20 statewide education plans developed and implemented by the department.

21 “(6)(a) The strategic planning required under subsection (5) of this section
22 must include:

23 “(A) A completed needs assessment, as described in ORS 329.095;

24 “(B) An analysis of the potential academic impact, both for the students
25 of the eligible applicant and for student groups identified in [ORS 327.180
26 (2)(b)] **section 2 (11) of this 2025 Act**, from the allowed uses that would be
27 funded by grant moneys; and

28 “(C) The creation of budgets for the allowed uses that would be funded
29 by grant moneys.

30 “(b) The strategic planning required under subsection (5) of this section

1 must take into consideration:

2 “(A) Input from the community of the eligible applicant, including school
3 employees, students from student groups identified in [*ORS 327.180 (2)(b)*]
4 **section 2 (11) of this 2025 Act** and parents of those students; and

5 “(B) Data collected by the eligible applicant to enable the eligible appli-
6 cant to make equity-based decisions.

7 “(7) Based on the strategic planning described in subsection (6) of this
8 section, the eligible applicant shall develop a four-year plan for the use of
9 grant moneys. The plan must be updated every two years and must:

10 “(a) Identify which allowed uses identified in *ORS 327.180 (3)* will be
11 funded with grant moneys and which of those uses will be designated to meet
12 student mental and behavioral health needs.

13 “(b) Describe how the allowed uses identified under paragraph (a) of this
14 subsection will be used to:

15 “(A) Meet students’ mental and behavioral health needs;

16 “(B) Increase academic achievement for students of the eligible applicant;
17 and

18 “(C) Reduce academic disparities for student groups identified in [*ORS*
19 *327.180 (2)(b)*] **section 2 (11) of this 2025 Act** who are served by the eligible
20 applicant, and identify which of those student groups will benefit from the
21 allowed uses that are being funded with grant moneys.

22 “(c) Include the budgets for the allowed uses to be funded with grant
23 moneys.

24 “(d) Be approved by the governing body of the eligible applicant at an
25 open meeting, following:

26 “(A) Provision of the plan at the main office of the eligible applicant and
27 on the eligible applicant’s website;

28 “(B) Oral presentation of the plan by an administrator of the eligible ap-
29 plicant to the governing body of the eligible applicant; and

30 “(C) Opportunity for the public to comment on the plan at an open

1 meeting.

2 “(e) Be a part of the local district continuous improvement plan described
3 in ORS 329.095, if the eligible applicant is a school district.

4 “(8) To apply for a grant, an eligible applicant must submit an application
5 every two years in a format and according to timelines prescribed by the
6 Department of Education. The application must include:

7 “(a) A completed needs assessment, as described in ORS 329.095;

8 “(b) The plan developed under subsection (7) of this section; and

9 “(c) Budget estimates for each of the allowed uses identified in the plan
10 developed under subsection (7) of this section that will be funded by grant
11 moneys.

12 **“SECTION 19.** ORS 327.190 is amended to read:

13 “327.190. *[(1) As used in this section:]*

14 “*[(a) ‘Disaggregated’ means separated based on the student groups identi-
15 fied in ORS 327.180 (2)(b).]*

16 “*[(b) ‘Five-year completion rate’ means the percentage of students who re-
17 ceived a high school diploma, a modified diploma or an extended diploma or
18 who received a certificate for passing an approved high school equivalency test
19 such as the General Educational Development test (GED) within five years of
20 the student beginning the ninth grade.]*

21 “*[(c) ‘High school diploma’ means a diploma that is awarded to a student
22 upon satisfaction of the requirements prescribed by ORS 329.451 (2).]*

23 “*[(d) ‘Ninth-grade on-track rates’ means the percentage of students who, at
24 the end of the summer following the year the students began ninth grade,
25 completed one quarter of the credits required for high school graduation.]*

26 “*[(e) ‘On-time graduation rate’ means the percentage of students who re-
27 ceived a high school diploma or a modified diploma within four years of the
28 students beginning the ninth grade.]*

29 “*[(f) ‘Regular attendance rates’ means the percentage of students who are
30 absent, as determined by Department of Education policy, for less than 10*

1 *percent of the school days for which the students are enrolled.]*

2 “[(g) ‘Third-grade reading proficiency rate’ means the percentage of stu-
3 dents in the third grade who are determined to be proficient or above in Eng-
4 lish language arts, as determined under rules adopted by the State Board of
5 Education.]

6 “[(2)] (1) The Department of Education shall review all applications for
7 grants from the Student Investment Account that comply with the require-
8 ments prescribed by ORS 327.185.

9 “[(3)] (2) If an application complies with the requirements of ORS 327.185,
10 the department shall:

11 “(a) **If the grant applicant has developed performance growth tar-**
12 **gets as provided by section 3 of this 2025 Act, confirm the applicable**
13 **performance growth targets; or**

14 “(b) **If the grant applicant has not developed performance growth**
15 **targets under section 3 of this 2025 Act,** collaborate with the grant [*re-*
16 *ipient*] **applicant** to develop applicable [*longitudinal*] performance growth
17 targets **that are in alignment with section 3 of this 2025 Act.** [*The lon-*
18 *gitudinal performance growth targets must:*]

19 “[*(a) Be based on data available for longitudinal analysis;*]

20 “[*(b) Be developed based on guidance established by the department; and*]

21 “[*(c) Use the following applicable metrics:*]

22 “[*(A) On-time graduation rates and five-year completion rates, including:*]

23 “[*(i) The overall on-time graduation rate and five-year completion rate.*]

24 “[*(ii) Gaps in disaggregated on-time graduation rates and five-year com-*
25 *pletion rates.*]

26 “[*(B) Ninth-grade on-track rates, including:*]

27 “[*(i) The overall ninth-grade on-track rate.*]

28 “[*(ii) Gaps in disaggregated ninth-grade on-track rates.*]

29 “[*(C) Third-grade reading proficiency rates, including:*]

30 “[*(i) The overall third-grade reading proficiency rate.*]

1 “[(ii) *Gaps in disaggregated third-grade reading proficiency rates.*]
2 “[(D) *Regular attendance rates, including:*]
3 “[(i) *The overall regular attendance rate.*]
4 “[(ii) *Gaps in disaggregated regular attendance rates.*]
5 “[(4)] (3) In addition to the metrics [*identified*] **confirmed or developed**
6 in subsection [(3)] (2) of this section, the following may be used to develop
7 applicable performance growth targets:
8 “(a) Local metrics; and
9 “(b) Targets related to student mental and behavioral health needs, as
10 established by the State Board of Education by rule.
11 “[(5) *When developing performance growth targets, the department and*
12 *grant recipient shall:*]
13 “[(a) *Review disaggregated student data;*]
14 “[(b) *Apply a process adopted by the department for the purpose of strate-*
15 *gically developing equitable policies and programs; and*]
16 “[(c) *Identify which student groups identified in ORS 327.180 (2)(b) are*
17 *most at risk of not meeting performance growth targets.*]
18 “[(6)(a)] (4)(a) After **confirming or** developing performance growth tar-
19 gets, the department and grant [*recipient*] **applicant** shall enter into a grant
20 agreement. The grant agreement must include applicable performance growth
21 targets for measuring the academic growth of the students of the grant re-
22 cipient.
23 “(b) A grant agreement is not valid until approved by the governing body
24 of the grant [*recipient*] **applicant** at an open meeting following:
25 “(A) Provision of the plan at the main office of the grant recipient and
26 on the grant recipient’s website;
27 “(B) Oral presentation of the plan by an administrator of the grant re-
28 cipient to the governing body of the grant recipient; and
29 “(C) Opportunity for the public to comment on the plan at an open
30 meeting.

1 “[7] (5) Any agreements between a public charter school and a grant
2 recipient that is a school district shall become part of the grant agreement.

3 **“SECTION 20.** ORS 327.201 is amended to read:

4 “327.201. (1)(a) Each year, each recipient of a grant from the Student In-
5 vestment Account shall[:]

6 “[A] conduct a financial audit of the use of grant moneys that is pre-
7 pared in accordance with the Municipal Audit Law. [; and]

8 “[B] *Review the grant recipient’s progress toward meeting the performance*
9 *growth targets in the grant agreement.*]

10 “(b) Results of the financial audit [*and progress review*] must be:

11 “(A) Made available at the main office of the grant recipient and on the
12 grant recipient’s website.

13 “(B) Presented to the governing body of the grant recipient at an open
14 meeting, following:

15 “(i) Oral presentation of the results by an administrator of the grant re-
16 cipient to the governing body of the grant recipient; and

17 “(ii) Opportunity for the public to comment on the results at an open
18 meeting.

19 “(C) Forwarded to the Department of Education.

20 “(2)(a) Based on information received under subsection (1) of this section,
21 the department shall determine each year whether grant moneys received by
22 a grant recipient were used as provided by the grant agreement.

23 “(b) If a grant recipient did not use grant moneys as provided by the grant
24 agreement, the department shall:

25 “(A) Collaborate with the grant recipient to identify and implement spe-
26 cific interventions;

27 “(B) Provide technical assistance to the grant recipient as described in
28 ORS 327.208; [*or*]

29 **“(C) Direct amounts of future grant distributions for specific in-**
30 **vestments; or**

1 “[(C)] **(D)** Deduct amounts from future grant distributions.

2 “(c) If amounts are to be deducted from future grant distributions under
3 paragraph [(b)(C)] **(b)(D)** of this subsection, the grant recipient may appeal
4 to the State Board of Education for review as provided by the board by rule.

5 “(d) If a grant recipient fails to commit to spending all available grant
6 moneys, the department may deduct amounts not committed from future
7 grant distributions.

8 “[(3)(a) *The department shall determine each biennium if a grant recipient
9 does not meet performance growth targets identified in the grant agreement.*]

10 “[(b) *If a grant recipient does not meet the performance growth targets:*]

11 “[(A) *The grant recipient may submit an explanation for the reasons why
12 the performance growth targets were not met; and*]

13 “[(B) *The department may:*]

14 “[(i) *Take into consideration the explanation submitted by the grant recip-
15 ient;*]

16 “[(ii) *Require the grant recipient to enter into a coaching program described
17 in ORS 327.214; or*]

18 “[(iii) *Direct the expenditure of grant moneys.*]

19 “[(4) *Each grant recipient must conduct a performance review every four
20 years, as required by standards adopted by the board by rule.*]

21 “[(5)(a)] **(3)** Based on a review of the information received under sub-
22 section (1) of this section, the department may require a grant recipient to
23 conduct a financial audit on a specific funding area or multiple funding
24 areas.

25 “[(b) *The department may establish a procedure for conducting performance
26 audits on a random basis or based on just cause as allowed under rules
27 adopted by the board.*]

28 “**SECTION 21.** ORS 327.208 is amended to read:

29 “327.208. (1) The Department of Education shall make available technical
30 assistance to eligible applicants, as defined in ORS 327.185, and to recipients

1 of a grant from the Student Investment Account. The technical assistance
2 shall include the provision of assistance with:

3 “(a) Strategic planning for the use of grant moneys;

4 “(b) Developing an application for a grant from the Student Investment
5 Account; **and**

6 “[*(c) Identifying and implementing best practices for meeting performance*
7 *growth targets; and*]

8 “[*(d)*] **(c)** Identifying and implementing promising practices related to a
9 grant agreement.

10 “(2) When providing technical assistance, the department shall:

11 “(a) Apply a process adopted by the department to strategically develop
12 equitable policies and programs; and

13 “(b) Ensure that technical assistance is based on the eligible applicant’s
14 or grant recipient’s specific needs and demographics.

15 “(3) For the purpose of providing technical assistance under this section,
16 the department may enter into contracts with entities the department deter-
17 mines are qualified to provide the technical assistance.

18 “**SECTION 22.** ORS 327.254, as amended by section 25, chapter 95, Oregon
19 Laws 2024, is amended to read:

20 “327.254. (1) The Department of Education shall use moneys in the State-
21 wide Education Initiatives Account to provide funding for statewide educa-
22 tion initiatives, including:

23 “(a) Funding the High School Graduation and College and Career Read-
24 iness Act at the levels prescribed by ORS 327.856;

25 “(b) Expanding school breakfast and lunch programs;

26 “(c) Operating youth reengagement programs or providing youth reen-
27 gagement services;

28 “(d) Establishing and maintaining the Statewide School Safety and Pre-
29 vention System under ORS 339.341;

30 “(e) Developing and providing statewide equity initiatives, including any

1 statewide education plan developed and implemented by the department;

2 “(f) Providing summer learning programs at schools that are considered
3 high poverty under Title I of the federal Elementary and Secondary Educa-
4 tion Act of 1965;

5 “(g) Funding early warning systems to assist students in graduating from
6 high school, as described in ORS 327.367;

7 “(h) Developing and implementing professional development programs and
8 training programs, including programs that increase educator diversity and
9 retain diverse educators;

10 “(i) Planning for increased transparency and accountability in the public
11 education system of this state;

12 “(j) Providing additional funding to school districts participating in the
13 intensive **coaching** program under ORS 327.222;

14 “(k) Providing technical assistance, including costs incurred for:

15 “(A) The coaching [*program*] **and support** described in [*ORS 327.214*]
16 **section 5 of this 2025 Act**; and

17 “(B) The intensive **coaching** program described in ORS 327.222, including
18 costs for student success teams;

19 “(L) Funding public charter schools, as described in ORS 327.362;

20 “(m) Funding the Early Literacy Success School Grant program, as pro-
21 vided by ORS 327.833;

22 “(n) Funding the Early Literacy Success Community Grant program, as
23 established by ORS 327.843;

24 “(o) Funding any additional amounts for approved recovery schools, as
25 provided by rules of the State Board of Education adopted under ORS
26 327.029;

27 “(p) Funding education service districts, as described in subsection (2) of
28 this section;

29 “(q) Funding the Youth Corrections Education Program and the Juvenile
30 Detention Education Program through the Juvenile Justice Education Fund

1 established under section 22, chapter 95, Oregon Laws 2024, when necessary
2 as provided by section 23, chapter 95, Oregon Laws 2024; and

3 “(r) Funding costs incurred by the department in implementing this sec-
4 tion and ORS 327.175 to 327.235 and 327.274.

5 “(2)(a) The amount of a distribution to an education service district under
6 this section shall be made as provided by paragraph (b) of this subsection
7 after calculating the following for each education service district:

8 “(A) One percent of the total amount available for distribution to educa-
9 tion service districts in each biennium.

10 “(B) The education service district’s $ADMw \times$ (the total amount avail-
11 able for distribution to education service districts in each biennium \div the
12 total $ADMw$ of all education service districts that receive a distribution).

13 “(b) The amount of the distribution to an education service district shall
14 be the greater of the amounts calculated under paragraph (a) of this sub-
15 section, except that, for distributions made as provided by paragraph (a)(B)
16 of this subsection, the total amount available for distribution to education
17 service districts shall be the amount remaining after any distributions re-
18 quired under paragraph (a)(A) of this subsection have been made.

19 “(c) For purposes of this subsection, $ADMw$ equals the $ADMw$ as calcu-
20 lated under ORS 327.013, except that the additional amount allowed for stu-
21 dents who are in poverty families, as determined under ORS 327.013
22 (1)(c)(A)(v)(I), shall be 0.5.

23 “(d) An education service district shall use moneys received under this
24 section as provided by a plan developed by the school districts located within
25 the education service district. A school district that declines to participate
26 in the development of the plan or that has withdrawn from an education
27 service district as provided by ORS 334.015 is not entitled to any moneys
28 distributed to the education service district under this subsection.

29 “(e) A plan developed under this subsection must:

30 “(A) Align with and support the meeting of performance growth targets

1 established for recipients of moneys under ORS 327.195 that are located
2 within the education service district;

3 “(B) Include the provision, to recipients of moneys under ORS 327.195 that
4 are located within the education service district, of technical assistance in
5 developing, implementing and reviewing a plan for receiving a grant from the
6 Student Investment Account;

7 “(C) Provide for coordination with the department in administering and
8 providing technical assistance to recipients of moneys under ORS 327.195
9 that are located within the education service district, including coordinating
10 any coaching [*programs*] **and support** established under [*ORS 327.214*] **sec-**
11 **tion 5 of this 2025 Act**; and

12 “(D) Be adopted and amended as provided for local service plans under
13 ORS 334.175 and approved by the department.

14 “(f) For the purposes of paragraph (e) of this subsection, recipients of
15 moneys under ORS 327.195 that are located within the education service
16 district include, as applicable:

17 “(A) Common school districts and union high school districts;

18 “(B) Any charter school that is an eligible applicant, as defined in ORS
19 327.185; and

20 “(C) The Youth Corrections Education Program or the Juvenile Detention
21 Education Program.

22 “(g) Each education service district must submit an annual report to the
23 department that:

24 “(A) Describes how the education service district spent moneys received
25 under this subsection; and

26 “(B) Includes an evaluation of the education service district’s compliance
27 with the plan from the superintendent of each school district that partic-
28 ipated in the development of the plan.

29 “(3) The State Board of Education shall adopt rules necessary for the
30 distribution of moneys under this section.

1 **“SECTION 23.** ORS 327.362 is amended to read:

2 “327.362. (1) As used in this section:

3 “(a) ‘ADMw’ means weighted average daily membership, as calculated
4 under ORS 327.013.

5 “(b) ‘Eligible public charter school’ means a public charter school that is
6 not a virtual public charter school, as defined in ORS 338.005, and that has
7 a student population of which at least 65 percent of the total student popu-
8 lation is composed of students from the following combined student groups:

9 “(A) Racial or ethnic groups that have historically experienced academic
10 disparities, as described in [*ORS 327.180 (2)(b)(B)*] **section 2 (11)(b) of this**
11 **2025 Act**; and

12 “(B) Students with disabilities, as described in [*ORS 327.180 (2)(b)(C)*]
13 **section 2 (11)(c) of this 2025 Act.**

14 “(2) In addition to those moneys distributed through the State School
15 Fund, the Department of Education shall award grants under this section to
16 eligible public charter schools from the Statewide Education Initiatives Ac-
17 count.

18 “(3) The amount of a grant awarded to an eligible public charter school
19 under this section = the public charter school’s ADMw × the difference
20 between:

21 “(a) The amount of the General Purpose Grant per ADMw for the school
22 district that has contractually established payment for the provision of edu-
23 cational services to the public charter school’s students under ORS 338.155
24 (2) or (3); and

25 “(b) The amount of the General Purpose Grant per ADMw that the public
26 charter school receives under a contract for the provision of educational
27 services to the public charter school’s students under ORS 338.155 (2) or (3).

28 “(4) The purpose of grants distributed under this section shall be to in-
29 crease academic achievement, including reducing academic disparities, for:

30 “(a) Students from racial or ethnic groups that have historically experi-

1 enced academic disparities, as determined under rules adopted by the State
2 Board of Education; and

3 “(b) Students with disabilities.

4 “(5) Any eligible public charter school may apply for and receive a grant
5 as provided by this section. A grant application must:

6 “(a) Describe how grant moneys will be used to advance the purpose de-
7 scribed in subsection (4) of this section.

8 “(b) Specify the supports that will be:

9 “(A) Provided to students with a disability; or

10 “(B) Used to enhance special education and related services that are
11 provided by a school district under ORS 338.165 to the students of the public
12 charter school.

13 “(c) Identify any applicable longitudinal performance growth targets for
14 the public charter school that have been established:

15 “(A) Under contract between the public charter school and the sponsor
16 of the public charter school; or

17 “(B) By the public charter school or the school district in which the
18 public charter school is located for purposes of grants from the Student In-
19 vestment Account, as provided by ORS 327.190.

20 “(d) Be submitted based on the timelines and forms prescribed by the de-
21 partment.

22 “(6)(a) If the department determines that a grant application complies
23 with the requirements prescribed under this section, the department shall
24 enter into a grant agreement with the eligible public charter school.

25 “(b) A grant agreement must include longitudinal performance growth
26 targets for the public charter school. If the grant application identified lon-
27 gitudinal performance growth targets, those targets shall be included in the
28 grant agreement. If the grant application did not identify longitudinal per-
29 formance growth targets, the public charter school shall collaborate with the
30 department to develop longitudinal performance growth targets. Longitudi-

1 nal performance growth targets must:

2 “(A) Be based on data available for longitudinal analysis; and

3 “(B) Use the following applicable metrics:

4 “(i) Third-grade reading proficiency rates, as defined in [ORS 327.190]

5 **section 2 of this 2025 Act;**

6 “(ii) Regular attendance rates, as defined in [ORS 327.190] **section 2 of**
7 **this 2025 Act;** and

8 “(iii) Any other metrics identified by the department in collaboration with
9 the public charter school.

10 “(7) After the department and the public charter school have entered into
11 a grant agreement, the department shall award a grant to the public charter
12 school in the amount calculated under subsection (3) of this section. A grant
13 recipient shall deposit grant moneys received under this section into a sep-
14 arate account and shall apply the amounts in that account as provided by
15 the grant agreement.

16 “(8)(a) Each year, each grant recipient must submit to the department a
17 description of:

18 “(A) How grant moneys received under this section were used to advance
19 the purpose described in subsection (4) of this section and to meet perform-
20 ance growth targets in the grant agreement; and

21 “(B) Progress made by the grant recipient toward meeting the perform-
22 ance growth targets in the grant agreement.

23 “(b) A grant recipient shall provide the information required under this
24 subsection based on the timelines and forms prescribed by the department.
25 To the greatest extent practicable, the department shall accept the informa-
26 tion described in this subsection in the manner that it is made available by
27 a public charter school to the sponsor of the public charter school.

28 “(9) To the greatest extent practicable, any requirements prescribed by
29 the department or the board under this section in relation to an application,
30 a grant agreement or the submission of information under subsection (8) of

1 this section shall reduce any redundancies between a grant awarded under
2 this section and a grant awarded from the Student Investment Account. Re-
3 duction in redundancies includes accepting for the purposes of grants
4 awarded under this section any applicable forms or information submitted
5 by the public charter school to the department or a school district for the
6 purposes of a grant awarded from the Student Investment Account.

7 “(10) A public charter school and a school district may not consider
8 moneys received by the public charter school under this section when es-
9 tablishing payment for the provision of educational services to the public
10 charter school’s students under ORS 338.155 (2) or (3).

11 “(11) Prior to February 1 of each year, the department shall submit to the
12 appropriate interim legislative committees a report related to the grants
13 awarded under this section. The report must describe:

14 “(a) The public charter schools that applied for the grants and the public
15 charter schools that received the grants;

16 “(b) The longitudinal performance growth targets included in grant
17 agreements, as provided by subsection (6)(b) of this section; and

18 “(c) Progress made toward meeting longitudinal performance growth tar-
19 gets, as reported under subsection (8)(a) of this section.

20 “(12) The State Board of Education shall adopt any rules necessary for
21 the distribution of grants under this section.

22 “**SECTION 24.** ORS 329.095 is amended to read:

23 “329.095. (1)(a) The Department of Education shall require school districts
24 and schools to conduct self-evaluations and to periodically update their local
25 district continuous improvement plans. Except as provided by paragraph
26 (b)(C) of this subsection, the department may not require school districts or
27 schools to conduct self-evaluations or to update their local district contin-
28 uous improvement plans more frequently than biennially.

29 “(b) The department may require a school district to:

30 “(A) File, periodically, or at the department’s request, its local district

1 continuous improvement plan with the department;

2 “(B) Notify the department of any substantial changes, as defined by rule
3 of the State Board of Education, to the school district; or

4 “(C) Update its local district continuous improvement plan when there
5 has been a substantial change, as defined by rule of the board, to the school
6 district.

7 “(c) The self-evaluation process conducted as provided by this subsection
8 shall involve the public in the setting of local goals. The school districts
9 shall ensure that representatives from the demographic groups of their
10 school population are invited to participate in the development of local dis-
11 trict continuous improvement plans to achieve the goals.

12 “(2) As part of setting local goals, school districts shall undertake a
13 communications process that involves parents, students, teachers, school
14 employees, the educational equity advisory committee and community repre-
15 sentatives to explain and discuss the local goals and their relationship to
16 programs under this chapter.

17 “(3) At the request of the school district, department staff shall provide
18 ongoing technical assistance in the development and implementation of the
19 local district continuous improvement plan.

20 “(4) The local district continuous improvement plan shall include:

21 “(a) Goals to implement the following:

22 “(A) A rigorous curriculum aligned with state standards;

23 “(B) High-quality instructional programs;

24 “(C) Short-term and long-term professional development plans;

25 “(D) Programs and policies that achieve a safe educational environment;

26 “(E) A plan for family and community engagement;

27 “(F) Staff leadership development;

28 “(G) High-quality data systems;

29 “(H) Improvement planning that is data-driven;

30 “(I) Education service plans for students who have or have not exceeded

1 all of the academic content standards; and

2 “(J) A strong school library program;

3 “(b) A review of demographics, student performance, staff characteristics

4 and student access to, and use of, educational opportunities;

5 “(c) A description of district efforts to achieve local efficiencies and ef-

6 forts to make better use of resources; and

7 “(d) A needs assessment, which shall:

8 “(A) Be conducted in a manner that is inclusive of school employees,

9 students from student groups identified in [ORS 327.180 (2)(b)] **section 2 (11)**

10 **of this 2025 Act** and parents of those students.

11 “(B) Address the following priorities:

12 “(i) Reducing academic disparities for students from student groups iden-

13 tified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025 Act**;

14 “(ii) Meeting students’ mental or behavioral health needs;

15 “(iii) Providing equitable access to academic courses across the school

16 district or public charter school, with specific emphasis on access by stu-

17 dents from student groups identified in [ORS 327.180 (2)(b)] **section 2 (11)**

18 **of this 2025 Act**;

19 “(iv) Allowing teachers and staff to have sufficient time to:

20 “(I) Collaborate with other teachers and staff;

21 “(II) Review data on students’ grades, absences and discipline, based on

22 school and on grade level or course; and

23 “(III) Develop strategies to ensure that at-risk students stay on track to

24 graduate; and

25 “(v) Possible partnerships with other organizations, federally recognized

26 Indian tribes, school districts, education service districts, regional achieve-

27 ment collaboratives, post-secondary institutions of education, education

28 partners or nonprofit programs and community-based programs that have

29 demonstrated achievement of positive outcomes in work with students from

30 student groups identified in [ORS 327.180 (2)(b)] **section 2 (11) of this 2025**

1 **Act.**

2 **“SECTION 25.** ORS 336.680, as amended by section 45, chapter 95, Oregon
3 Laws 2024, is amended to read:

4 “336.680. (1) As used in this section, ‘approved recovery school’ means a
5 school that is under an agreement with the Department of Education to
6 provide students enrolled in the school with a holistic approach to:

7 “(a) Educational services for grades 9 through 12; and

8 “(b) Health care services related to recovery from substance use disorders.

9 “(2) The department shall provide or cause to be provided appropriate
10 education for students enrolled in an approved recovery school. For the
11 purpose of paying the costs of providing education to students enrolled in
12 an approved recovery school, the Superintendent of Public Instruction shall
13 make the following:

14 “(a) Payments from amounts available from the State School Fund under
15 ORS 327.029.

16 “(b) Payments from the Statewide Education Initiatives Account, as pro-
17 vided by rule adopted by the State Board of Education in collaboration with
18 the advisory committee convened under ORS 336.685. The rules adopted as
19 provided by this paragraph may include a minimum amount, a maximum
20 amount or both for approved recovery schools.

21 “(3) The Superintendent of Public Instruction may contract with a school
22 district, an education service district or a public charter school to provide
23 or cause to be provided appropriate education to students enrolled in an
24 approved recovery school. Unless otherwise specified, any educational ser-
25 vices provided under a contract entered into under this subsection shall be
26 paid as described in this section and not by any other state moneys distrib-
27 uted based on average daily membership that are available to the school
28 district, education service district or public charter school for the purpose
29 of providing educational services.

30 “(4) The State Board of Education shall adopt by rule the standards for

1 a recovery school to become and operate as an approved recovery school. The
2 standards must provide that:

3 “(a) The recovery school must align, to the extent identified by the board,
4 with standards for accreditation established by a nonprofit accrediting or-
5 ganization composed of representatives of recovery schools and individuals
6 who support the growth of recovery schools. The standards must include re-
7 quirements that:

8 “(A) The recovery school, in compliance with timelines established by the
9 department, be accredited by a nonprofit accrediting organization that es-
10 tablishes standards for recovery schools. Nothing in this subparagraph re-
11 quires the recovery school to be accredited at the time the superintendent
12 first enters into a contract with the recovery school.

13 “(B) Student enrollment in the recovery school is voluntary. No school
14 district or state or local agency may compel or otherwise require a student
15 to enroll in a recovery school. Students enrolled in an approved recovery
16 school may not be counted in determining the number of pupils in average
17 daily membership for purposes of ORS 334.175 (5).

18 “(C) All students who reside in this state and who meet the eligibility
19 criteria established under subsection (8) of this section may enroll in an ap-
20 proved recovery school if space is available. If space is not available, the
21 approved recovery school may prioritize for enrollment student groups iden-
22 tified in [*ORS 327.180 (2)(b)*] **section 2 (11) of this 2025 Act**.

23 “(D) The school district, education service district or public charter
24 school with which the department has entered into a contract for a recovery
25 school must agree to award high school diplomas, modified diplomas, ex-
26 tended diplomas and alternative certificates as provided by ORS 329.451 and
27 339.877. An entity that awards high school diplomas as provided by this
28 subparagraph:

29 “(i) May not impose requirements for a high school diploma that are in
30 addition to the requirements prescribed by ORS 329.451 (2)(a) or by rule of

1 the State Board of Education; and

2 “(ii) Must accept any credits previously earned by students in another
3 school or educational program in this state and apply those credits toward
4 the requirements prescribed by ORS 329.451 (2)(a) or by rule of the State
5 Board of Education.

6 “(E) Except as provided by subparagraphs (F) and (G) of this paragraph,
7 the recovery school must satisfy the same laws that apply to public charter
8 schools under ORS 338.115.

9 “(F) All administrators and teachers at the recovery school must be li-
10 censed by the Teacher Standards and Practices Commission.

11 “(G) An approved recovery school is not required to comply with the en-
12 rollment requirements prescribed by ORS 338.115 (1)(bb) or (5).

13 “(H) An approved recovery school must comply with the requirements of
14 the uniform budget and accounting system adopted by rule of the State Board
15 of Education under ORS 327.511.

16 “(b) Recovery schools will be approved, to the greatest extent practicable,
17 in a manner that:

18 “(A) Represents a geographic distribution across this state; and

19 “(B) Takes into consideration the needs for services by the community in
20 which the recovery school would be located.

21 “(5) Any school that provides the services of a recovery school may enter
22 into a contract with the superintendent to become an approved recovery
23 school, including schools already providing the services of a recovery school
24 and schools that are proposing to provide the services of a recovery school.

25 “(6) An approved recovery school may enter into agreements with other
26 entities, including community-based organizations and federally recognized
27 tribes of this state, for the purposes of providing educational and health care
28 services to students enrolled in the approved recovery school.

29 “(7)(a) The department shall be responsible for:

30 “(A) Identifying, locating and evaluating students enrolled in an approved

1 recovery school who may be in need of special education and related ser-
2 vices; and

3 “(B) Ensuring that eligible students receive special education and related
4 services.

5 “(b) For the purpose of this subsection, the department may enter into a
6 contract with a school district or an education service district.

7 “(8) The department shall establish eligibility criteria for students to en-
8 roll in an approved recovery school, based on input from the advisory com-
9 mittee convened under ORS 336.685 and based on research from a nonprofit
10 organization composed of representatives of recovery schools and individuals
11 who support the growth of recovery schools and other relevant organizations.

12 “(9) For the purposes of administering this section:

13 “(a) The State Board of Education shall adopt any necessary rules.

14 “(b) The department shall collaborate with the Oregon Health Authority,
15 the Youth Development Division, the Alcohol and Drug Policy Commission,
16 the Oregon Youth Authority, the Department of Human Services and local
17 public health and mental health authorities or providers and shall coordi-
18 nate, to the greatest extent practicable, funding of services provided in re-
19 lation to approved recovery schools.

20 “(10) Each biennium, the Department of Education shall prepare a report
21 on the progress, successes and challenges of approved recovery schools and
22 submit that report to:

23 “(a) The interim committees of the Legislative Assembly related to edu-
24 cation; and

25 “(b) The advisory committee convened under ORS 336.685.

26 “**SECTION 26.** Section 2, chapter 6, Oregon Laws 2024, is amended to
27 read:

28 “**Sec. 2.** (1) The Department of Education shall establish and administer
29 the Summer Learning Grant program.

30 “(2) Under the grant program, the department shall award grants for

1 summer learning programs that are provided to incoming kindergarten stu-
2 dents through outgoing grade 12 students. A summer learning program is
3 eligible for a grant if the program meets all three of the following require-
4 ments:

5 “(a) The program provides academic enrichment by:

6 “(A) Using a variety of learning strategies that align with academic con-
7 tent standards adopted under ORS 329.045 and focused on mathematics, sci-
8 ence, language arts or personal financial education and that, when
9 appropriate, assist with credit recovery; and

10 “(B) As appropriate, assisting with school readiness and providing tran-
11 sition supports prior to kindergarten, prior to middle school, through the
12 middle and high school grades or after high school graduation.

13 “(b) The program provides youth development by using a broad array of
14 well-rounded enrichment opportunities that:

15 “(A) Include hands-on, inquiry-based and project-based learning, which
16 may include access to the arts; and

17 “(B) Support students’ mental, emotional and social well-being.

18 “(c) The program provides equitable access, outreach and engagement by:

19 “(A) Using culturally and linguistically responsive approaches to student
20 academic success and well-being; and

21 “(B) Engaging families as partners in students’ academic success.

22 “(3) In addition to the requirements prescribed by subsection (2) of this
23 section, a summer learning program must be provided for a minimum of 80
24 total hours for each session of the program. Calculations made under this
25 subsection may include hours provided by an entity with which a partnership
26 has been entered, as described in subsection (4)(c) of this section.

27 “(4)(a) Any school district, education service district or public charter
28 school, or any combination thereof, may apply to receive a grant under this
29 section for a summer learning program.

30 “(b) The department shall award a grant to an applicant based on whether

1 the applicant meets the requirements for the grant. An application for a
2 grant must include:

3 “(A) A description of the summer learning program and how the program
4 satisfies the requirements described in subsections (2) and (3) of this section.

5 “(B) Documentation that the applicant has a plan for summer learning,
6 which may include:

7 “(i) A plan developed under ORS 327.185 to receive a grant from the
8 Student Investment Account;

9 “(ii) An early literacy success plan developed under ORS 327.831 to re-
10 ceive a grant under the Early Literacy Success School Grant program;

11 “(iii) A plan developed under ORS 327.883 to receive a grant under the
12 High School Graduation and College and Career Readiness Act; or

13 “(iv) A plan developed as required to receive federal funding, as identified
14 by the State Board of Education by rule.

15 “(C) A description of how the grant will be used with other funding
16 sources available to the applicant.

17 “(c)(A) An applicant for a grant may enter into a partnership with one
18 or more entities to provide a summer learning program that is funded by a
19 grant under this section.

20 “(B) Entities with which an applicant may enter into a partnership in-
21 clude a school district, an education service district, a federally recognized
22 Indian tribe in this state, a community-based organization, a unit of local
23 government as defined in ORS 190.003 or a local service district as defined
24 in ORS 174.116.

25 “(C) If an applicant applies for a grant based on a plan that includes a
26 partnership with an entity identified in subparagraph (B) of this paragraph,
27 the applicant must provide with the application a written letter of support
28 from the entity. The letter must include a description of services to be pro-
29 vided by the entity and the budget of the entity for the provision of those
30 services.

1 “(5)(a) The department shall award grants under this section based on a
2 formula established by the State Board of Education by rule.

3 “(b) When awarding grants, the department shall:

4 “(A) Prioritize funding for summer learning programs that serve student
5 groups that have historically experienced academic disparities, as [*described*
6 *in ORS 327.180 (2)(b)*] **identified in section 2 (11) of this 2025 Act.**

7 “(B) Encourage and support partnerships with entities identified in sub-
8 section (4)(c)(B) of this section to provide expanded learning opportunities
9 during nonschool hours.

10 “(c) The department shall establish the process and timelines for awarding
11 a grant under this section. The process must be communicated on the
12 department’s website and be easily accessible by applicants.

13 “(6)(a) Grants awarded under this section may be used for all expenses
14 related to:

15 “(A) Providing personnel and staffing for a summer learning program,
16 including professional development.

17 “(B) Providing summer learning, including curriculum, technology and
18 other supplies.

19 “(C) Contracting with third parties to provide a summer learning pro-
20 gram.

21 “(D) Providing incentives and removing barriers to student participation
22 in a summer learning program.

23 “(E) Providing facilities that will support and accommodate a summer
24 learning program.

25 “(F) Providing student transportation for a summer learning program.

26 “(G) Providing nutritious snacks and meals to participants of a summer
27 learning program.

28 “(H) Engaging family members in summer learning program activities.

29 “(b) As provided by rule of the State Board of Education, a recipient of
30 a grant received under this section may use a percentage of the grant moneys

1 for administrative expenses. The rules shall:

2 “(A) Provide for the use of grant moneys for the administrative expenses
3 of both the applicant and any entities with which the applicant has entered
4 into a partnership to provide a summer learning program; and

5 “(B) Limit the percentage of grant moneys that may be used for adminis-
6 trative expenses, as allowed under subparagraph (A) of this paragraph, to
7 no more than a total of 10 percent of the grant amount.

8 “(7) In administering the grant program, the department shall minimize
9 administrative barriers for grant recipients while retaining accountability
10 for resources allocated and spent. Recipients of a grant must provide to the
11 department a report that includes:

12 “(a) The number and demographics of students served by the summer
13 learning program;

14 “(b) Activities of the summer learning program;

15 “(c) Information regarding staffing levels of the summer learning program
16 and training provided to staff of the summer learning program;

17 “(d) A description of how activities of the summer learning program sup-
18 ported the requirements described in subsection (2) of this section; and

19 “(e) A report on three or more of the following outcome areas:

20 “(A) Perception surveys of the summer learning program, as provided by
21 students, staff and families;

22 “(B) Qualitative data and stories of impact for the summer learning pro-
23 gram;

24 “(C) Credits earned by participants of the summer learning program, if
25 applicable;

26 “(D) Participation of the summer learning program provider in site visits,
27 interviews or focus groups; or

28 “(E) Summer learning program evaluations by a third party.

29 “(8) The State Board of Education may adopt any rules necessary for the
30 administration of this section.

1 **“SECTION 27.** ORS 327.016 is amended to read:
2 “327.016. (1) The Department of Education shall prepare an annual report
3 that:
4 “(a) Identifies the total amounts that are:
5 “(A) Allocated to each school district from the State School Fund for
6 students eligible for and enrolled in an English language learner program
7 as provided by ORS 327.013 (1)(c)(A)(ii);
8 “(B) Expended from the amounts identified in subparagraph (A) of this
9 paragraph for students in average daily membership who are eligible for and
10 enrolled in an English language learner program; and
11 “(C) Expended as described in subparagraph (B) of this paragraph by
12 category of expenditure, as identified and defined by the State Board of Ed-
13 ucation by rule.
14 “(b) Summarizes the progress for each school district on meeting objec-
15 tives and the needs of students eligible for and enrolled in an English lan-
16 guage learner program, **including progress of English language learners**
17 **toward meeting performance growth targets developed as provided by**
18 **section 3 of this 2025 Act.**
19 “(c) Provides information on the demographics of students in English
20 language learner programs in each school district, including:
21 “(A) The average number of years students have been enrolled in an
22 English language learner program;
23 “(B) The average number of years the students have attended their cur-
24 rent schools;
25 “(C) The percentage of students who also receive special education and
26 related services; and
27 “(D) Any other information identified by the department.
28 “(2) The report prepared under subsection (1) of this section must:
29 “(a) Be made available on the department’s website by June 30 of each
30 year;

1 “(b) Be provided to each school district board by September 1 of each year
2 and made available at the school district’s main office and on the school
3 district’s website; and

4 “(c) Cover the school year ending June 30 of the prior year.

5 “(3) Prior to January 1 of each odd-numbered year, the department shall
6 submit to the interim legislative committees on education a summary of the
7 two most recent reports prepared under subsection (1) of this section.

8 **“SECTION 28. ORS 327.214 is repealed.**

9

10 **“INTERIM ASSESSMENTS**

11

12 **“SECTION 29. ORS 329.485 is amended to read:**

13 **“329.485. (1) As used in this section:**

14 **“(a) ‘Content-based assessment’ means testing of the understanding of a
15 student of a predetermined body of knowledge.**

16 **“(b) ‘Criterion-referenced assessment’ means testing of the knowledge or
17 ability of a student with respect to some standard.**

18 **“(c) ‘Performance-based assessment’ means testing of the ability of a stu-
19 dent to use knowledge and skills to create a complex or multifaceted product
20 or complete a complex task.**

21 **“(2)(a) The Department of Education shall implement statewide a valid
22 and reliable assessment system for all students that meets technical ade-
23 quacy standards. The assessment system shall include criterion-referenced
24 assessments including performance-based assessments, content-based assess-
25 ments, and other valid methods to measure the academic content standards
26 and to identify students who meet or exceed the standards.**

27 **“(b) The department shall develop the statewide assessment system in
28 mathematics, science, language arts, history, geography, economics and civ-
29 ics.**

30 **“(c) The statewide assessment system must include the provision**

1 **of an interim assessment to measure student performance growth**
2 **during the school year.**

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

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

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

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

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

19 “(4)(a) School districts and public charter schools shall implement the
20 statewide assessment system in mathematics, science and language arts **and**
21 **the interim assessment.** In addition, school districts and public charter
22 schools may implement the statewide assessment system in history, ge-
23 ography, economics and civics.

24 “(b) **School districts and public charter schools must review data**
25 **collected from interim assessments:**

26 “(A) **At least twice each school year, for the administrators of each**
27 **of the schools of the school district and for the administrators of each**
28 **public charter school; and**

29 “(B) **At least annually during a public meeting, for the superinten-**
30 **dent of the school district, the school district board and, if applicable,**

1 **the governing body of the public charter school.**

2 “[*(b)*] (c) School districts and public charter schools may choose to im-
3 plement the assessment system described in subsection (3) of this section.

4 “(5)(a) Each year the resident school district shall be accountable for de-
5 termining the student’s progress toward achieving the academic content
6 standards. Progress toward the academic content standards:

7 “(A) Shall clearly show the student and parents whether the student is
8 making progress toward meeting or exceeding the academic content stan-
9 dards at the student’s current grade level or course content level;

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

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

15 “(b) School districts shall determine the method and format for showing
16 student progress toward achieving the academic content standards. Commu-
17 nications on student progress shall include a reasonable number, as deter-
18 mined by the school district, of academic knowledge and skills in a content
19 area to enable parents and students to understand a student’s progress to-
20 ward meeting or exceeding the academic content standards. No more than
21 three indicators of academic knowledge and skills per content area reporting
22 category shall be required as provided by this section. A school district may
23 use more than three indicators of academic knowledge and skills per content
24 area reporting category if the school district implements a proficiency edu-
25 cation system as provided by ORS 329.119.

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

30 “(a) Shall clearly show the student and parents whether the student is

1 achieving course requirements at the student’s current grade level or course
2 content level;

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

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

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

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

19 “(a) An amount equal to the school district’s expenses from its local rev-
20 enues for each student in average daily membership, payable by the resident
21 school district in the same year; and

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

24 **“SECTION 30. (1) The amendments to ORS 329.485 by section 29 of
25 this 2025 Act become operative on July 1, 2026.**

26 **“(2) The amendments to ORS 329.485 by section 29 of this 2025 Act
27 first apply to the 2026-2027 school year.**

28

29 **“CURRICULA STANDARDS**

30

1 **“SECTION 31.** ORS 327.837 is amended to read:

2 “327.837. (1) Based on the reports submitted under ORS 327.835, the De-
3 partment of Education shall monitor a school district’s or a public charter
4 school’s progress toward achieving the goals established in the early literacy
5 success plan, as described in ORS 327.831 (3).

6 “(2) The department shall intervene when a school district or public
7 charter school does not meet the goals established in the early literacy suc-
8 cess plan.

9 “(3) When the department intervenes, as provided by subsection (2) of this
10 section, the department:

11 “(a) Shall assist the school district or the public charter school in devel-
12 oping a corrective action plan; [*and*]

13 “(b) May retain any or all of the amount the school district or public
14 charter school would have received as a distribution under ORS 327.833 and
15 may use a portion of the amount retained to prepare and assist the school
16 district or the public charter school in implementing the corrective action
17 plan[.];

18 **“(c) May require the school district or public charter school to**
19 **adopt textbooks or other instructional materials from the list of text-**
20 **books and other instructional materials adopted by the State Board**
21 **of Education under ORS 337.050 for early literacy; and**

22 **“(d) May require the school district or public charter school to**
23 **participate in school or school district training or improvement activ-**
24 **ities, as identified by the department.**

25 “(4) An intervention and corrective action plan shall continue until the
26 school district or public charter school makes sufficient and sustained
27 progress toward achieving the goals established in the early literacy success
28 plan. The department shall determine when sufficient and sustained progress
29 has been achieved.

30 “(5) If a school district or public charter school continues to fail to make

1 progress toward achieving the goals established in the early literacy success
2 plan, the department may take additional action, including not allowing for
3 the distribution to the school district or public charter school of any addi-
4 tional moneys under ORS 327.833.

5 **“SECTION 32. ORS 337.065 is repealed.**

6
7 **“REDUCTION OF REDUNDANCIES**

8
9 **“SECTION 33. (1) The Department of Education shall study the re-**
10 **porting requirements imposed on school districts, as defined in section**
11 **2 of this 2025 Act.**

12 **“(2) As part of the study conducted under this section, the depart-**
13 **ment shall identify:**

14 **“(a) Requirements for school districts to report to the department;**

15 **“(b) State reporting requirements that can be decreased in fre-**
16 **quency, eliminated or consolidated;**

17 **“(c) State reporting requirements that can be aligned with federal**
18 **reporting requirements, including any necessary changes to state**
19 **programs to align with federal programs; and**

20 **“(d) Statutory changes that would provide for the alignment of**
21 **grants, programs, planning, reporting and monitoring processes.**

22 **“(3) The department shall submit a report on the study conducted**
23 **under this section in the manner provided by ORS 192.245, and may**
24 **include recommendations for legislation, to the interim committees**
25 **of the Legislative Assembly related to education no later than De-**
26 **cember 15, 2026.**

27 **“SECTION 34. Section 33 of this 2025 Act is repealed on January 2,**
28 **2027.**

29
30 **“DISTRICT STANDARDS**

1 **“SECTION 35. (1) The Department of Education shall contract with**
2 **a public or private entity to review the administrative rule require-**
3 **ments that must be met for a school district to be considered standard**
4 **under ORS 327.103 or an education service district to be considered**
5 **standard under ORS 334.217.**

6 **“(2) When conducting the review under subsection (1) of this sec-**
7 **tion, the entity shall identify:**

8 **“(a) Standards that best support student outcomes and that should**
9 **be prioritized by the department and districts;**

10 **“(b) Standards that make less significant contributions to the sup-**
11 **port of student outcomes and can be removed; and**

12 **“(c) More effective methods for enforcing whether a district is**
13 **standard.**

14 **“(3) Beginning with the 2026-2027 school year, the department shall:**

15 **“(a) Enforce standards based on the review conducted under sub-**
16 **section (1) of this section; and**

17 **“(b) Provide a complaint process for a parent of a student of a dis-**
18 **trict to file a complaint about noncompliance with a standard. The**
19 **complaint process must provide for:**

20 **“(A) Investigation of the complaint within 90 days of the depart-**
21 **ment receiving the complaint; and**

22 **“(B) Resolution of the complaint within 120 days of the department**
23 **receiving the complaint.**

24 **“(4) The department shall submit a report on the review required**
25 **under this section in the manner provided by ORS 192.245, and may**
26 **include recommendations for legislation, to the interim committees**
27 **of the Legislative Assembly related to education no later than De-**
28 **cember 15, 2026.**

29 **“SECTION 36. Section 35 of this 2025 Act is repealed on January 2,**
30 **2027.**

1 "MISCELLANEOUS
2

3 "SECTION 37. The unit captions used in this 2025 Act are provided
4 only for the convenience of the reader and do not become part of the
5 statutory law of this state or express any legislative intent in the
6 enactment of this 2025 Act.

7 "SECTION 38. This 2025 Act being necessary for the immediate
8 preservation of the public peace, health and safety, an emergency is
9 declared to exist, and this 2025 Act takes effect on its passage."
10 _____