

Senate Bill 1555

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Joint Interim Committee on Public Education Appropriation)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Changes the method that is used to prepare a report on the amount of state money that is used to fund public education. (Flesch Readability Score: 62.1).

Directs the Joint Interim Committee on Ways and Means to use a cost model for the purpose of calculating the sum of moneys sufficient to meet the state's system of public education quality goals. Modifies the public education quality goals for the purpose of the cost model and makes related changes specifying when a school district is a standard school district.

Abolishes a joint committee related to the appropriation of moneys for public education.

Abolishes the Quality Education Commission.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the constitutional requirements for public education appropriations; creating new pro-
3 visions; amending ORS 326.726, 327.006, 327.158, 327.161, 327.162, 327.185, 327.297, 328.205,
4 329.045, 329.085, 329.155, 329.496, 332.155, 334.217, 335.090, 336.580, 336.665, 339.297, 339.343,
5 339.356 and 343.328; repealing ORS 171.857, 327.290, 327.497, 327.500, 327.502, 327.506, 329.015
6 and 329.025; and declaring an emergency.

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

REVISED METHOD FOR PREPARING A REPORT ON PUBLIC EDUCATION APPROPRIATIONS

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12 **SECTION 1.** For the purpose of Article VIII, section 8, of the Oregon Constitution, the
13 Legislative Assembly declares that the quality goals of public education in this state are:

14 (1) **Compliance by every school district of this state with the requirements of a standard**
15 **school district, as prescribed by ORS 327.158.**

16 (2) **That every teacher in the public schools of this state be:**

17 (a) **Licensed or registered as provided by statute; and**

18 (b) **Qualified to teach the subject or grade level the teacher is teaching.**

19 (3) **Satisfaction of the statewide targets for the metrics identified in ORS 327.165 (2)(a)(A)**
20 **to (G).**

21 **SECTION 2.** (1) **As required by Article VIII, section 8, of the Oregon Constitution, the**
22 **Legislative Assembly shall publish a report related to the funding of public education in this**
23 **state.**

24 (2) **The report required under this section must either:**

25 (a) **Demonstrate that the sum of all moneys appropriated by the Legislative Assembly**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 during the odd-numbered year regular session for the biennium beginning July 1 of that year
 2 is sufficient to meet the state's system of public education quality goals identified in section
 3 1 of this 2026 Act; or

4 (b) If the sum of all moneys appropriated by the Legislative Assembly during the odd-
 5 numbered year regular session for the biennium beginning July 1 of that year is not suffi-
 6 cient to meet the state's system of public education quality goals identified in section 1 of
 7 this 2026 Act, identify:

8 (A) The reasons for the insufficiency;

9 (B) The extent of the insufficiency; and

10 (C) The impact of the insufficiency on the ability of the state's system of public education
 11 to meet the quality goals.

12 (3) The report described in subsection (2) of this section shall be prepared by the Joint
 13 Interim Committee on Ways and Means. The committee shall determine the amount suffi-
 14 cient to meet the state's system of public education quality goals by using the cost model
 15 and cost estimate updates in the manner described in section 3 of this 2026 Act.

16 (4) The report required by this section must be published within 180 days after
 17 adjournment sine die of the odd-numbered year regular session of the Legislative Assembly.

18 **SECTION 3.** (1) The Joint Interim Committee on Ways and Means shall use the cost
 19 model and cost estimate updates developed as provided in this section for the purpose of
 20 preparing the report described in section 2 of this 2026 Act.

21 (2) Except as provided in subsection (6) of this section, the committee shall:

22 (a) Use the cost model for the biennium for which the cost model is developed under a
 23 contract described in subsection (3) of this section; and

24 (b) Use the cost estimate updates in the manner described in subsection (7) of this sec-
 25 tion for the biennia following the biennium described in paragraph (a) of this subsection until
 26 a new cost model is developed.

27 (3) The Legislative Policy and Research Director shall enter into a contract with a public
 28 or private entity for the purpose of developing a cost model. The cost model shall be used
 29 to:

30 (a) Identify the resources necessary to meet the state's system of public education
 31 quality goals described in section 1 of this 2026 Act; and

32 (b) Identify the cost to provide the resources identified in paragraph (a) of this subsection
 33 by:

34 (A) Using formulas established by statute to provide funding for specialized educational
 35 settings, including funding for students in a long term care or treatment facility, a hospital
 36 program, a detention or corrections program and any other statewide program identified by
 37 the Legislative Fiscal Officer in consultation with the Legislative Policy and Research Di-
 38 rector.

39 (B) Considering research, evidence and the professional judgment of currently practicing
 40 educators in this state.

41 (C) Developing prototypes of schools and school districts that take into account:

42 (i) The variations in the sizes and geographic locations of the schools and school districts
 43 of this state;

44 (ii) Student populations for which additional amounts are distributed as provided by ORS
 45 327.013 (1)(c); and

1 (iii) The fixed costs of schools and school districts in this state.

2 (D) Prioritizing resources in case of limited funding.

3 (4) The cost model developed under this section must include a mechanism that allows
4 for cost estimate updates to be made as described in subsection (7) of this section.

5 (5) The entity with which the director enters into a contract under subsection (3) of this
6 section must:

7 (a) Provide to the director all documentation used to develop the cost model. The doc-
8 umentation must clearly and thoroughly describe:

9 (A) The goals, program components and base assumptions used to develop the cost
10 model; and

11 (B) The resource specifications used for each school and school district prototype.

12 (b) Provide to the Department of Education the documentation described in paragraph
13 (a)(B) of this subsection. The department shall make the documentation:

14 (A) Available to the school districts of this state; and

15 (B) Publicly available on the department's website.

16 (6)(a) The director must enter into a contract for the development of a cost model at
17 least once every eight years.

18 (b) The contract must:

19 (A) Be entered into at least 18 months prior to the date by which the cost model must
20 be completed as described in subparagraph (B) of this paragraph; and

21 (B) Require the cost model to be completed no later than February 1 of the year prior
22 to the year in which the report required by section 2 of this 2026 Act will be published.

23 (c) Notwithstanding the timeline prescribed by paragraph (a) of this subsection:

24 (A) The Legislative Assembly may require the director to enter into a contract sooner
25 than every eight years as long as the timelines prescribed by paragraph (b) of this subsection
26 can be met.

27 (B) The director is not required to enter into a contract if the Legislative Assembly does
28 not provide funding for the contract.

29 (7)(a) For biennia described in subsection (2)(b) of this section, the Oregon Department
30 of Administrative Services shall update the cost estimates of the cost model using the
31 mechanism described in subsection (4) of this section. The cost estimate updates shall take
32 into consideration inflation and other costs in a manner that is consistent with the process
33 by which the Governor's budget is prepared.

34 (b) Cost estimate updates made by the department as provided by this subsection must
35 be prepared and provided to the Joint Interim Committee on Ways and Means no later than
36 June 1 of the year prior to the year in which the report required by section 2 of this 2026
37 Act will be published.

38 (8) All agencies of state government, as defined in ORS 174.111, are directed to assist the
39 Joint Interim Committee on Ways and Means and the Oregon Department of Administrative
40 Services in the performance of the duties of the committee and department under this sec-
41 tion and, to the extent permitted by laws relating to confidentiality, to furnish information
42 that the committee and department consider necessary for the purposes of this section.

43 **SECTION 4.** (1) Sections 1 to 3 of this 2026 Act apply to reports prepared on and after
44 November 1, 2029.

45 (2) The Legislative Policy and Research Officer shall begin the process to first enter into

1 a contract described in section 3 of this 2026 Act within one week after the effective date of
2 this 2026 Act to ensure completion of the cost model no later than February 1, 2028.

3 (3) The Joint Interim Committee on Ways and Means shall first use a cost model as de-
4 scribed in section 3 of this 2026 Act for the report published after November 1, 2029.

5 (4) The Oregon Department of Administrative Services shall first use the cost estimate
6 updates, as described in section 3 (7) of this 2026 Act, no later than June 1, 2030, for the re-
7 port published after November 1, 2031.

8 (5) For the report published after November 1, 2027, the Oregon Department of Admin-
9 istrative Services shall make adjustments to the costs provided in the report adopted No-
10 vember 19, 2025, by taking into consideration inflation and other costs in a manner that is
11 consistent with the process by which the Governor's budget is prepared.

12 STANDARD SCHOOL DISTRICTS

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15 **SECTION 5.** ORS 327.158 is amended to read:

16 327.158. [(1) All school districts are presumed to maintain a standard school district until the
17 school district has been found to be deficient by the Superintendent of Public Instruction, pursuant to
18 standards and rules of the State Board of Education.]

19 (1) All school districts of this state are expected to fully comply with the requirements
20 of state and federal law to be considered a standard school district.

21 (2) A school district is presumed to be a standard school district unless the Superinten-
22 dent of Public Instruction has found the school district to be in noncompliance with a state
23 or federal law or with a standard established by the State Board of Education by rule.

24 [(2)] (3) If [any deficiencies are not corrected] a school district does not come into compliance
25 before the beginning of the school year next following the date of the finding of [deficiency] non-
26 compliance and if an extension has not been granted under subsection [(3)] (4) of this section, the
27 Superintendent of Public Instruction may withhold portions of State School Fund moneys otherwise
28 allocated to the school district for operating expenses until [such deficiencies are corrected] the
29 school district comes into compliance unless the withholding would create an undue hardship,
30 as determined pursuant to rules of the State Board of Education.

31 [(3)(a)] (4)(a) Within 90 days of the finding of [deficiency] noncompliance, a school district
32 [found not to be in compliance] shall submit a plan, acceptable to the Superintendent of Public In-
33 struction, for [meeting standardization requirements] coming into compliance. A team of Depart-
34 ment of Education staff shall contact the school district and offer technical assistance. When an
35 acceptable plan for [meeting standardization requirements] coming into compliance has been sub-
36 mitted, the Superintendent of Public Instruction may allow an extension of time before withholding
37 moneys, not to exceed 12 months, if the superintendent determines that [such deficiencies cannot be
38 corrected or removed] compliance cannot be achieved before the beginning of the next school year.

39 (b) Notwithstanding paragraph (a) of this subsection, the Superintendent of Public Instruction
40 may not grant an extension of time if a school district could [correct the deficiency] come into
41 compliance through merger.

42 (c) For the period of the extension of time under this subsection, the school district shall be
43 considered a conditionally standard school district.

44 [(4)(a)] (5)(a) Regardless of whether the Superintendent of Public Instruction has granted a
45 school district an extension of time under subsection [(3)] (4) of this section and except as provided

1 in paragraph (b) of this subsection, a school district that fails to submit a plan for [*meeting stand-*
 2 *ardization requirements*] **coming into compliance** within the time specified by the superintendent
 3 may not receive further State School Fund moneys until a plan acceptable to the superintendent is
 4 submitted.

5 (b) Pursuant to rules adopted by the State Board of Education, the Superintendent of Public
 6 Instruction may extend the time specified for submitting a plan if the superintendent determines that
 7 a human-created disaster or a natural disaster affects the ability of the school district to comply
 8 with the date requirement.

9 **SECTION 6.** ORS 326.726 is amended to read:

10 326.726. (1) The Department of Education shall designate a dyslexia specialist for the department
 11 to provide school districts with support and resources that are necessary to:

12 (a) Assist students with dyslexia and their families; and

13 (b) Comply with the requirements of this section.

14 (2) Each school district shall ensure that at least one kindergarten through grade five teacher
 15 in each kindergarten through grade five school has received training related to dyslexia. The
 16 training must comply with the requirements described in subsection (3) of this section.

17 (3) For the purpose of subsection (2) of this section, a training opportunity related to dyslexia
 18 must:

19 (a) Comply with the knowledge and practice standards of an international organization on
 20 dyslexia;

21 (b) Enable the teacher to understand and recognize dyslexia; and

22 (c) Enable the teacher to implement instruction that is systematic, explicit and evidence-based
 23 to meet the educational needs of students with dyslexia.

24 (4) The department shall annually develop a list of training opportunities related to dyslexia that
 25 satisfy the requirements described in subsection (3) of this section. The list must:

26 (a) Be developed in collaboration with the Teacher Standards and Practices Commission to en-
 27 sure that the training opportunities also satisfy professional development requirements; and

28 (b) Include at least one opportunity that is provided entirely online.

29 (5) Each school district shall ensure that every student is screened for risk factors of dyslexia
 30 using a screening test identified by the department when the student is in:

31 (a) Kindergarten, if the student first enrolls at a public school in this state for kindergarten; or

32 (b) First grade, if the student first enrolls in a public school in this state for first grade.

33 (6) For the purpose of subsection (5) of this section, the department shall:

34 (a) Identify screening tests that are cost effective. The tests administered to students in
 35 kindergarten must take into account the following factors:

36 (A) Phonological awareness;

37 (B) Rapid naming skills;

38 (C) The correspondence between sounds and letters; and

39 (D) Family history of difficulty in learning to read, if the student shows risk factors for reading
 40 difficulties, including dyslexia.

41 (b) Provide guidance for notifications to be sent by school districts to parents of students who
 42 are identified as having risk factors for reading difficulties, including dyslexia.

43 (7) The department shall develop guidance regarding best practices for assisting students who
 44 are identified through screening or through parental input as showing risk factors or being at risk
 45 for reading difficulties, including dyslexia. The department shall make the guidance available to

1 school districts.

2 (8)(a) A school district [*that does not comply*] **is not in noncompliance** with the requirements
3 of subsection (2) of this section [*and that does not secure*] **if the school district secures** a waiver
4 from the department within the time required by the State Board of Education by rule [*is considered*]
5 *nonstandard under ORS 327.158*].

6 (b) The board shall adopt by rule the criteria for a waiver from the requirements of subsection
7 (2) of this section to address instances when noncompliance is outside the control of the school
8 district.

9 **SECTION 7.** ORS 327.006 is amended to read:

10 327.006. As used in ORS 327.006 to 327.173, 327.348, 327.356 to 327.359 and 327.731.

11 (1) "Aggregate days membership" means the sum of days present and absent, according to the
12 rules of the State Board of Education, of all resident pupils when school is actually in session during
13 a certain period. The aggregate days membership of kindergarten pupils shall be calculated on the
14 basis of a half-day program for half-day kindergarten and on the basis of a full-day program for
15 full-day kindergarten.

16 (2)(a) "Approved transportation costs" means those costs as defined by rule of the State Board
17 of Education and is limited to those costs attributable to transporting or room and board provided
18 in lieu of transporting:

19 (A) Elementary school students who live at least one mile from school;

20 (B) Secondary school students who live at least 1.5 miles from school;

21 (C) Any student required to be transported for health or safety reasons, according to supple-
22 mental plans from districts that have been approved by the state board identifying students who are
23 required to be transported for health or safety reasons, including special education;

24 (D) Preschool children with disabilities requiring transportation for early intervention services
25 provided pursuant to ORS 343.224 and 343.533;

26 (E) Students who require payment of room and board in lieu of transportation;

27 (F) A student transported from one school or facility to another school or facility when the
28 student attends both schools or facilities during the day or week; and

29 (G) Students participating in school-sponsored field trips that are extensions of classroom
30 learning experiences.

31 (b) "Approved transportation costs" does not include the cost of constructing boarding school
32 facilities.

33 (3) "Average daily membership" or "ADM" means the aggregate days membership of a school
34 during a certain period divided by the number of days the school was actually in session during the
35 same period. However, if a district school board adopts a class schedule that operates throughout
36 the year for all or any schools in the district, average daily membership shall be computed by the
37 Department of Education so that the resulting average daily membership will not be higher or lower
38 than if the board had not adopted such schedule.

39 (4) "Kindergarten" means a kindergarten program that conforms to the standards and rules
40 adopted by the State Board of Education.

41 (5) "Net operating expenditures" means the sum of expenditures of a school district in
42 kindergarten through grade 12 for administration, instruction, attendance and health services, op-
43 eration of plant, maintenance of plant, fixed charges and tuition for resident students attending in
44 another district, as determined in accordance with the rules of the State Board of Education, but
45 net operating expenditures does not include transportation, food service, student body activities,

1 community services, capital outlay, debt service or expenses incurred for nonresident students.

2 (6)(a) "Resident pupil" means any pupil:

3 (A) Whose legal school residence is within the boundaries of a school district reporting the pu-
4 pil, if the district is legally responsible for the education of the pupil, except that "resident pupil"
5 does not include a pupil who pays tuition or for whom the parent pays tuition or for whom the
6 district does not pay tuition for placement outside the district; or

7 (B) Whose legal residence is not within the boundaries of the district reporting the pupil but
8 who attends school in the district with the written consent of the district school board where the
9 school is located as provided by ORS 339.133 (5)(a).

10 (b) A pupil is not considered to be a resident pupil under paragraph (a)(A) of this subsection if
11 the pupil is attending school in another school district pursuant to a contract under ORS 339.125
12 and in the prior year was considered to be a resident pupil in another school district under para-
13 graph (a)(B) of this subsection. The pupil shall continue to be considered a resident of another
14 school district under paragraph (a)(B) of this subsection.

15 (c) A pupil is not considered to be a resident pupil under paragraph (a)(B) of this subsection if
16 the pupil is attending school in a school district pursuant to ORS 339.133 (5)(a) and in the prior year
17 was considered to be a resident pupil under paragraph (a)(A) of this subsection because the pupil
18 was attending school in another school district pursuant to a contract under ORS 339.125. The pupil
19 shall continue to be considered a resident pupil under paragraph (a)(A) of this subsection.

20 (d) "Resident pupil" includes a pupil who is:

21 (A) Admitted to a school district under ORS 339.115 (7); or

22 (B) Considered a resident under ORS 339.133 (5)(b).

23 [(7) "Standard school" means a school meeting the standards set by the rules of the State Board
24 of Education.]

25 [(8)] (7) "Tax" and "taxes" includes all taxes on property, excluding exempt bonded indebt-
26 edness, as those terms are defined in ORS 310.140.

27 **SECTION 8.** ORS 327.161 is amended to read:

28 327.161. (1) [Any] **Every** school district [that does not] **must** offer education programs in
29 kindergarten through grade 12 [shall be considered nonstandard under ORS 327.158]. A school dis-
30 trict may satisfy the requirements of this section by offering half-day kindergarten or full-day
31 kindergarten.

32 (2) Notwithstanding subsection (1) of this section, a school district is not [considered to be non-
33 standard under ORS 327.158] **in noncompliance with this section** if the school district:

34 (a) Is not required to merge under section 2 (3) or (4), chapter 393, Oregon Laws 1991.

35 (b) Meets all of the following requirements:

36 (A) The school district offered education programs in kindergarten through grade 12 on Sep-
37 tember 1, 1996;

38 (B) After September 1, 1996, a majority of the board of the school district voted not to offer
39 education programs in grades 9 through 12; and

40 (C) The school district merges with a unified school district and the merger takes effect under
41 ORS 330.103 within one year after the vote of the board under this paragraph.

42 (c) Is a union high school district, as defined in ORS 330.005.

43 **SECTION 9.** ORS 327.162 is amended to read:

44 327.162. (1) The State Board of Education shall adopt by rule requirements for the process that
45 a school district must use when the **school** district receives a complaint pertaining to whether [a

1 *school in the district is a standard school as defined in ORS 327.006]* **the school district is in**
 2 **compliance with a state or federal law or with a standard, as prescribed by ORS 327.158.**

3 (2) The rules adopted by the board shall require school districts to establish and implement a
 4 process for the prompt resolution of a complaint and shall require the process to:

5 (a) Have specific timelines for the completion of the process by both the district and the person
 6 making the complaint;

7 (b) Have a specific time period within which the district must make a final decision on a com-
 8 plaint, after which the final decision on the complaint may be appealed to the Superintendent of
 9 Public Instruction; and

10 (c) Recognize that if a district does not provide a written decision within the specific time pe-
 11 riod, failure to provide such a decision will be regarded as the district's final decision.

12 **SECTION 10.** ORS 328.205 is amended to read:

13 328.205. (1) Common and union high school districts may contract a bonded indebtedness for any
 14 one or more of the following purposes for the district:

15 (a) To acquire, construct, reconstruct, improve, repair, equip or furnish a school building or
 16 school buildings or additions thereto;

17 (b) To fund or refund the removal or containment of asbestos substances in school buildings and
 18 for repairs made necessary by such removal or containment;

19 (c) To acquire or to improve all property, real and personal, to be used for district purposes,
 20 including school buses;

21 (d) To fund or refund outstanding indebtedness; and

22 (e) To provide for the payment of the debt.

23 (2) [*However, when a common or union high school district is found under ORS 327.158 not to be*
 24 *a standard school or when a school district is operating a conditionally standard school under ORS*
 25 *327.158 (3), the school district]* **Notwithstanding subsection (1) of this section, a school district**
 26 **that has been found to be in noncompliance under ORS 327.158** may contract a bond-
 27 edness only for the purposes enumerated in subsection (1) of this section that are approved by the
 28 Superintendent of Public Instruction pursuant to rules of the State Board of Education.

29 (3) The school district may use the proceeds received from the sale of school district bonds to
 30 pay for any costs incurred by the school district in authorizing, issuing, carrying or repaying the
 31 bonds, including, but not limited to, attorney, consultant, paying agent, trustee or other professional
 32 fees and the cost of publishing notices of bond elections, printing such bonds and advertising such
 33 bonds for sale.

34 **SECTION 11.** ORS 329.496 is amended to read:

35 329.496. (1)(a) Every public school student in kindergarten through grade five, and every public
 36 school student in grade six at a school that teaches kindergarten through grade six, shall participate
 37 in physical education for the entire school year for at least 150 minutes during each school week.

38 (b) Except as provided by paragraph (a) of this subsection, every public school student in grades
 39 six through eight shall participate in physical education for at least an average of 150 minutes
 40 during each school week, as calculated over the duration of a school year.

41 (c) Notwithstanding the time requirements established by paragraphs (a) and (b) of this sub-
 42 section, the State Board of Education shall adopt rules that prorate the time requirements for:

43 (A) School weeks with scheduled school closures, including closures for holidays, inservice days
 44 and days scheduled for parent-teacher conferences;

45 (B) School weeks with unscheduled school closures, including closures for inclement weather

1 and emergencies;

2 (C) School weeks with out-of-school activities that occur during usual school hours, including
3 field trips and outdoor school programs;

4 (D) Part-time school programs, including half-day kindergarten; and

5 (E) Irregular class schedules, including class schedules based on a four-day week.

6 (d) School districts and public charter schools are not required to comply with the time re-
7 quirements established by paragraphs (a) and (b) of this subsection for school years during the
8 biennium in which the total amounts appropriated or allocated to the State School Fund and avail-
9 able for distribution to school districts are less than the amounts determined to be needed for school
10 districts through the State School Fund under the tentative budget prepared as provided by ORS
11 291.210. After the beginning of a biennium, a school district or a public charter school may cease
12 to comply with the time requirements established by paragraphs (a) and (b) of this subsection if the
13 amounts appropriated or allocated to the State School Fund and available for distribution to school
14 districts are less than the amounts determined to be needed for distribution through the State
15 School Fund, as calculated under ORS 291.210.

16 (2) School districts and public charter schools shall offer instruction in physical education that
17 meets the academic content standards for physical education adopted by the State Board of Educa-
18 tion under ORS 329.045. The instruction shall be a sequential, developmentally appropriate curric-
19 ulum that is designed, implemented and evaluated to help students develop the knowledge, motor
20 skills, self-management skills, attitudes and confidence needed to adopt and maintain physical ac-
21 tivity throughout their lives.

22 (3)(a) School districts and public charter schools shall devote at least 50 percent of physical
23 education class time to actual physical activity in each school week, with as much class time as
24 possible spent in moderate physical activity.

25 (b)(A) For the purpose of satisfying the time requirements established by subsection (1)(a) of this
26 section, school districts and public charter schools may provide up to 45 minutes of activities during
27 each school week that:

28 (i) Meet the academic content standards for physical education adopted by the State Board of
29 Education under ORS 329.045;

30 (ii) Are provided for students by a teacher whose license allows the teacher to provide instruc-
31 tion in physical education to those students, even if the teacher does not have a physical education
32 endorsement; and

33 (iii) Have been reviewed by a licensed teacher with a physical education endorsement.

34 (B) The Department of Education shall:

35 (i) Review and, as appropriate, approve activities that are developed by nonprofit professional
36 organizations representing health and physical education educators if the activities meet the re-
37 quirements of subparagraph (A) of this paragraph; and

38 (ii) Make available to school districts and public charter schools a list of activities approved
39 as provided by this subparagraph.

40 (C) School districts and public charter schools may provide activities that meet the requirements
41 of subparagraph (A) of this paragraph even if the activities are not approved as provided by sub-
42 paragraph (B) of this paragraph.

43 (4)(a) Notwithstanding subsections (1) and (3) of this section, a student with disabilities shall
44 have suitably adapted physical education incorporated as part of the individualized education pro-
45 gram developed for the student under ORS 343.151.

1 (b) Notwithstanding subsections (1) and (3) of this section, a student who does not have an in-
 2 dividualized education program but has chronic health problems, other disabling conditions or other
 3 special needs that preclude the student from participating in regular physical education instruction
 4 shall have suitably adapted physical education incorporated as part of an individualized health plan
 5 developed for the student by the school district or public charter school.

6 (5) School districts and public charter schools shall assess school curricula at regular intervals
 7 to measure the attainment of the minimum number of minutes that students are required to partic-
 8 ipate in physical education under this section.

9 (6)(a) All teachers of physical education for public school students in kindergarten through
 10 grade eight shall be adequately prepared and shall regularly participate in professional development
 11 activities to effectively deliver the physical education program.

12 (b)(A) Notwithstanding any licensing or endorsement requirements established by the Teacher
 13 Standards and Practices Commission, a teacher with an elementary multiple subject endorsement
 14 may instruct students in activities described in subsection (3)(b) of this section if the activities are
 15 reviewed by a licensed teacher with a physical education endorsement.

16 (B) A teacher described in this paragraph may provide instruction in activities described in
 17 subsection (3)(b) of this section to students who are not regularly taught by the teacher as long as
 18 the instruction in the activities to students who are not regularly taught by the teacher does not
 19 exceed 45 minutes during each school week. Nothing in this subparagraph allows a school district
 20 to employ a teacher for the sole purpose of providing instruction in activities described in sub-
 21 section (3)(b) of this section.

22 *[(7) A school district that does not comply with the requirements of this section is considered to*
 23 *be nonstandard under ORS 327.158.]*

24 **(7) A school district is not in noncompliance with the requirements of this section if the**
 25 **school district secures a waiver from the Superintendent of Public Instruction under sub-**
 26 **section (8) of this section.**

27 (8)(a) *[Notwithstanding subsection (7) of this section and]* Pursuant to rules adopted by the State
 28 Board of Education, the Superintendent of Public Instruction may grant a waiver of the require-
 29 ments of this section to a school district or a public charter school if the superintendent finds that
 30 the school district or public charter school is unable to meet the requirements because of a
 31 human-created disaster or a natural disaster.

32 (b) A waiver granted under this subsection may be:

33 (A) In whole or in part of the requirements prescribed by this section; and

34 (B) Granted for only one school year, but may be renewed for subsequent school years based
 35 on rules adopted by the board if the school district or public charter school continues to be im-
 36 pacted by the disaster.

37 **SECTION 12.** ORS 332.155 is amended to read:

38 332.155. A district school board:

39 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,
 40 junior high schools, career and technical education schools, gymnasiums, houses for teachers and
 41 other employees and like buildings, and locate, buy and lease lands for all school purposes. Leases
 42 authorized by this subsection include lease-purchase agreements under which the district may ac-
 43 quire ownership of the leased property at a nominal price. Leases and lease-purchase agreements
 44 may be for a term of up to 30 years.

45 (2) May contract for the removal or containment of asbestos substances in school buildings and

1 for repairs made necessary by the removal or containment. Contracts authorized by this section may
2 be for a term exceeding one year.

3 (3) May construct or cooperate in the construction of facilities for educator preparation pro-
4 viders on state or district owned lands, for any public university listed in ORS 352.002 that is in or
5 contiguous to the district, and to expend district funds for those activities.

6 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a
7 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-
8 trict is expressly agreed to have been established to reflect the savings resulting from the exemption
9 from taxation, and the district is entitled to ownership of the property at a nominal or other price
10 that is stated or determinable by the terms of the agreement and was not intended to reflect the true
11 value of the property.

12 (5) May lease, sell and convey all property of the district as may not, in the judgment of the
13 district school board, be required for school purposes.

14 (6) May sell property of the district in transactions whereby the district has the right to lease,
15 occupy or reacquire the property following the sale or have facilities constructed on the property
16 or furnished to the specifications of the district. The construction or furnishing of the facilities shall
17 be subject to:

18 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

19 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

20 (c) ORS 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

21 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to
22 meeting the requirements of a standard school **district as prescribed by ORS 327.158** and may
23 furnish other supplies, equipment, apparatus and services as the board considers advisable.

24 (8) May construct, purchase or lease in cooperation with other school districts or community
25 college districts facilities for secondary career and technical education programs for pupils of more
26 than one district and may furnish or cooperate in furnishing supplies and equipment for the facili-
27 ties, to be financed in the same manner as other school buildings and supplies are financed.

28 (9) May purchase real property upon a contractual basis when the period of time allowed for
29 payment under the contract does not exceed 30 years.

30 (10) May purchase relocatable classrooms and other relocatable structures in installment
31 transactions in which deferred installments of the purchase price are payable over not more than
32 10 years from the date the property is delivered to the district for occupancy and are secured by a
33 security interest in such property. Transactions under this subsection may take the form of, but are
34 not limited to, lease-purchase agreements.

35 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the
36 district.

37 (12) May enter into transactions that are expected to reduce the cost to the district for school
38 facilities, including:

39 (a) Entering into an agreement or taking any other action to allow the district to use state or
40 federal tax credits or state or federal funding sources;

41 (b) Entering into a lease or sublease, partnership agreement or other contract for property that
42 is financed with general obligation bond proceeds or other district funds; or

43 (c) Loaning or otherwise contributing general obligation bond proceeds or other district funds
44 to transactions authorized by this subsection.

45 **SECTION 13.** ORS 335.090 is amended to read:

1 335.090. (1) The high school education of all children of school age resident within a school
 2 district that does not operate a high school or that is not a component part of a union high school
 3 district shall be the responsibility of the district.

4 (2) The district shall pay the tuition of all pupils resident within the district who are qualified
 5 to attend and are attending a [standard] public high school either within or outside the state.

6 (3) The district shall provide for transportation to the nearest [standard] public high school
 7 which pupils may attend. Reasonable board and room may be furnished instead of transportation
 8 if desired. If the district arranges for the attendance of pupils at a [standard] public high school
 9 other than the nearest one pupils may attend, then the district shall provide for transportation to
 10 the [standard] public high school which the pupils are attending.

11 (4) The estimated cost of tuition and transportation or board and room instead of transportation
 12 shall be included in and be a part of the budget and shall be levied as provided in ORS 335.095.

13 **SECTION 14.** ORS 336.580 is amended to read:

14 336.580. (1) Every child at a youth care center, as defined in ORS 420.855, is entitled to receive
 15 appropriate education suited to the needs of the child in the least restrictive environment in which
 16 the child can function until the child is no longer of compulsory school age or receives a high school
 17 diploma or an equivalent.

18 (2)(a) Except as provided by paragraph (b) of this subsection, the school district in which the
 19 youth care center is located shall develop an educational plan for the children in the youth care
 20 center in consultation with the director of the center. The plan shall be approved annually by the
 21 school district board.

22 (b) For children placed at a youth care center within a detention facility, as defined in ORS
 23 419A.004, the children shall receive educational services through the Juvenile Detention Education
 24 Program as described in ORS 326.695.

25 (3) The Superintendent of Public Instruction shall have the authority to enforce the provisions
 26 of ORS 336.575 and 339.137 and this section. *[If a district fails to comply, the superintendent shall find*
 27 *the district deficient and shall apply the penalty provided in ORS 327.158.]*

28 (4) The State Board of Education shall adopt rules to implement this section.

29 **SECTION 15.** ORS 336.665 is amended to read:

30 336.665. (1) *[The Superintendent of Public Instruction shall find a school district to be deficient*
 31 *within the meaning of ORS 327.158 if the district fails to]* **A school district must** cause the proposal
 32 of alternative programs to be made under ORS 339.250 (5)(h) or (7)(c)(B).

33 (2) The failure to cause the proposal of alternative programs *[shall not be]* **is not** grounds for
 34 a civil action against the school district.

35 **SECTION 16.** ORS 339.297 is amended to read:

36 339.297. (1) Each entity that has jurisdiction over a public education program must prepare and
 37 submit to the Department of Education an annual report detailing the use of restraint and seclusion
 38 for the preceding school year, including, at a minimum:

39 (a) The total number of incidents involving restraint.

40 (b) The total number of incidents involving seclusion.

41 (c) The total number of seclusions in a locked room.

42 (d) The total number of rooms available for use by the public education program for seclusion
 43 of a student and a description of the dimensions and design of the rooms.

44 (e) The total number of students placed in restraint.

45 (f) The total number of students placed in seclusion.

1 (g) The total number of incidents that resulted in injuries or death to students or personnel as
 2 a result of the use of restraint or seclusion.

3 (h) The number of students who were placed in restraint or seclusion more than 10 times in the
 4 course of a school year and an explanation of what steps have been taken by the public education
 5 program to decrease the use of restraint and seclusion for each student.

6 (i) The number of incidents in which the personnel of the public education program administer-
 7 ing restraint or seclusion were not trained as provided by ORS 339.300.

8 (j) The demographic characteristics of all students upon whom restraint or seclusion was im-
 9 posed, including race, ethnicity, gender, disability status, migrant status, English proficiency and
 10 status as economically disadvantaged, unless the demographic information would reveal personally
 11 identifiable information about an individual student.

12 (2)(a) Each entity that has jurisdiction over a public education program shall make its annual
 13 report about restraint and seclusion available to:

14 (A) The public at the entity's main office and the website of the entity;

15 (B) The board or governing body overseeing the entity;

16 (C) If the entity is an education service district, the component school districts of the education
 17 service district; and

18 (D) If the entity is a public charter school, the sponsor of the public charter school.

19 (b) Parents and guardians of students in a public education program shall be advised at least
 20 once each school year about how to access the report.

21 *[(3) A public education provider that does not comply with the requirement to submit a report to
 22 the Department of Education under subsection (1) of this section or to make the report available as
 23 described in subsection (2) of this section is considered nonstandard under ORS 327.158.]*

24 **SECTION 17.** ORS 339.343 is amended to read:

25 339.343. (1) This section shall be known and may be cited as Adi's Act.

26 (2) In accordance with rules adopted by the State Board of Education in consultation with the
 27 Oregon Health Authority, each school district shall adopt a policy requiring a comprehensive dis-
 28 trict plan on student suicide prevention for students in kindergarten through grade 12.

29 (3) A plan required under this section must include:

30 (a) Procedures relating to suicide prevention, intervention and activities that reduce risk and
 31 promote healing after a suicide;

32 (b) Identification of the school officials responsible for responding to reports of suicidal risk;

33 (c) A procedure by which a person may request a school district to review the actions of a
 34 school in responding to suicidal risk;

35 (d) Methods to address the needs of high-risk groups, including:

36 (A) Youth bereaved by suicide;

37 (B) Youth with disabilities, mental illness or substance use disorders;

38 (C) Youth experiencing homelessness or out-of-home settings, such as foster care; and

39 (D) Lesbian, gay, bisexual, transgender, queer and other minority gender identities and sexual
 40 orientations;

41 (e) A description of, and materials for, any training to be provided to school employees as part
 42 of the plan, which must include:

43 (A) When and how to refer youth and their families to appropriate mental health services; and

44 (B) Programs that can be completed through self-review of suitable suicide prevention materials;

45 and

1 (f) Any other requirement prescribed by the State Board of Education by rule, based on con-
 2 sultations with state and national suicide prevention organizations, suicide experts and school-based
 3 mental health providers, and based on reviews of national models.

4 (4) A school district may consult with state or national suicide prevention organizations, the
 5 Department of Education, school-based mental health professionals, parents, guardians, school em-
 6 ployees, students, administrators and school board associations when developing the plan required
 7 under this section.

8 (5) The plan required under this section:

9 (a) Must be written to ensure that a school employee acts only within the authorization and
 10 scope of the employee's credentials or licenses. Nothing in this section shall be construed as au-
 11 thORIZING or encouraging a school employee to diagnose or treat mental illness unless the employee
 12 is specifically licensed and employed to do so.

13 (b) Must be:

14 (A) Made available annually to the community of the school district, including students of the
 15 school district, parents and guardians of students of the school district, and employees and volun-
 16 teers of the school district.

17 (B) Readily available at the school district office and on the school district website, if applicable.

18 *[(6) A school district that does not comply with the requirements of this section is considered to*
 19 *be nonstandard under ORS 327.158.]*

20 **SECTION 18.** ORS 339.356 is amended to read:

21 339.356. (1) Each school district shall adopt a policy prohibiting harassment, intimidation or
 22 bullying and prohibiting cyberbullying. School districts shall develop the policy after consultation
 23 with parents, guardians, school employees, volunteers, students, administrators and community rep-
 24 resentatives.

25 (2) School districts must include in the policy:

26 (a) A statement prohibiting harassment, intimidation or bullying and prohibiting cyberbullying.

27 (b) Definitions of "harassment," "intimidation" or "bullying" and of "cyberbullying" that are
 28 consistent with ORS 339.351.

29 (c) Definitions of "protected class" that are consistent with ORS 174.100 and 339.351.

30 (d) A statement of the scope of the policy, including a notice that the policy applies to behavior
 31 at school-sponsored activities, on school-provided transportation and at any official school bus stop.

32 (e) A description of the type of behavior expected from each student.

33 (f) A procedure that is uniform throughout the school district for reporting an act of harassment,
 34 intimidation or bullying or an act of cyberbullying. A procedure established under this paragraph
 35 shall:

36 (A) Identify by job title the school officials responsible for receiving such a report at a school.

37 (B) Require a school employee to report an act of harassment, intimidation or bullying or an act
 38 of cyberbullying to a person identified under subparagraph (A) of this paragraph.

39 (C) Require the school official identified under subparagraph (A) of this paragraph to notify the
 40 parents or guardians of a student who was subjected to an act of harassment, intimidation or
 41 bullying or an act of cyberbullying and the parents or guardians of a student who may have con-
 42 ducted an act of harassment, intimidation or bullying or an act of cyberbullying. Notification must
 43 occur with involvement and consideration of the needs and concerns of the student who was sub-
 44 jected to an act of harassment, intimidation or bullying or an act of cyberbullying. For the purposes
 45 of this subparagraph:

1 (i) Notification is not required under this subparagraph if the school official reasonably believes
2 notification could endanger the student who was subjected to an act of harassment, intimidation or
3 bullying or an act of cyberbullying or if all of the following occur:

4 (I) The student who was subjected to an act of harassment, intimidation or bullying or an act
5 of cyberbullying requests that notification not be provided to the student's parents or guardians;

6 (II) The school official determines that notification is not in the best interest of the student who
7 was subjected to an act of harassment, intimidation or bullying or an act of cyberbullying; and

8 (III) The school official informs the student that federal law may require the student's parents
9 or guardians to have access to the student's education record, including any requests made as pro-
10 vided by this sub-subparagraph.

11 (ii) If the school official does not make the determination described in sub-subparagraph (i)(II)
12 of this subparagraph, the school official must inform the student of that determination prior to pro-
13 viding notification.

14 (iii) When notification is provided under this subparagraph, the notification must occur:

15 (I) Within a reasonable period of time; or

16 (II) Promptly, for acts that caused physical harm to the student.

17 (D) Identify any remedial action that may be imposed on a school employee for failure to make
18 a report as required by subparagraph (B) of this paragraph.

19 (E) Allow a student or volunteer to report an act of harassment, intimidation or bullying or an
20 act of cyberbullying voluntarily and anonymously to a person identified under subparagraph (A) of
21 this paragraph. Nothing in this subparagraph may be construed to permit remedial action solely on
22 the basis of an anonymous report.

23 (g) A procedure that is uniform throughout the school district for prompt investigation of a re-
24 port of an act of harassment, intimidation or bullying or an act of cyberbullying. A procedure es-
25 tablished under this paragraph shall identify by job title the school officials responsible for
26 investigating such a report.

27 (h) A procedure by which a person may request a school district to review the actions of a
28 school in responding to a report of an act of harassment, intimidation or bullying or an act of
29 cyberbullying or investigating such a report.

30 (i) A statement of the manner in which a school and a school district will respond after an act
31 of harassment, intimidation or bullying or an act of cyberbullying is reported, investigated and, if
32 applicable, confirmed.

33 (j) A statement of the consequences and appropriate remedial action for a person found to have
34 committed an act of harassment, intimidation or bullying or an act of cyberbullying.

35 (k) A statement prohibiting reprisal or retaliation against any person who reports an act of
36 harassment, intimidation or bullying or an act of cyberbullying and stating the consequences and
37 appropriate remedial action for a person who engages in such reprisal or retaliation.

38 (L) A statement of the consequences and appropriate remedial action for a person found to have
39 falsely accused another of having committed an act of harassment, intimidation or bullying or an
40 act of cyberbullying as a means of reprisal or retaliation, as a means of harassment, intimidation
41 or bullying or as a means of cyberbullying.

42 (m) A statement of how the policy is to be publicized within the district. At a minimum, a school
43 district shall make the policy:

44 (A) Annually available to parents, guardians, school employees and students in a student or
45 employee handbook; and

1 (B) Readily available to parents, guardians, school employees, volunteers, students, administra-
 2 tors and community representatives at each school office or at the school district office and, if
 3 available, on the website for a school or the school district.

4 (n) The identification by job title of school officials and school district officials responsible for
 5 ensuring that the policy is implemented.

6 *[(3) A school district that does not comply with the requirements of this section is considered non-*
 7 *standard under ORS 327.158.]*

8 **SECTION 19.** ORS 343.328 is amended to read:

9 343.328. (1)(a) A parent or a foster parent may, at any time, revoke consent for the placement
 10 of a student with a disability on an abbreviated school day program.

11 (b) Consent for the abbreviated school day program placement shall be considered revoked if,
 12 at any time, the parent or the foster parent revokes the consent, in writing, to an abbreviated school
 13 day program placement or makes a written objection to the abbreviated school day program place-
 14 ment.

15 (c) Upon receipt of a written revocation or objection to the abbreviated school day program
 16 placement, the school district superintendent shall ensure that, within five school days or by a later
 17 date specified in a written notice provided by the parent or foster parent, the student has meaningful
 18 access to the same number of hours of instruction and educational services that are provided to the
 19 majority of other students who are in the same grade within the student's resident school district.

20 (d) Notwithstanding paragraph (c) of this subsection, a parent or foster parent of a student may
 21 allow the school district superintendent to have an extension of an additional five school days to
 22 ensure that the student has meaningful access to the same number of hours of instruction and edu-
 23 cational services that are provided to the majority of other students who are in the same grade
 24 within the student's resident school district if:

25 (A) The parent or foster parent provides written consent for the extension;

26 (B) The parent or foster parent has not previously provided written consent for an extension for
 27 the student during the school year;

28 (C) The written consent states that the parent or foster parent understands that the parent or
 29 foster parent is not required to give consent for the extension and that the refusal to give consent
 30 for the extension will not result in adverse actions being taken against the student; and

31 (D) The school district provides to the parent or foster parent, in writing and in a language and
 32 format accessible to the parent or foster parent, the specific reasons why the extension is needed.

33 (e) If a school district fails to provide meaningful access before the expiration of an extension
 34 allowed under paragraph (d) of this subsection, any calculations of compensatory education that
 35 must be provided by the school district will be made as though an extension had not been allowed.

36 (f) If a student is on an abbreviated school day program on the last day of the school year and
 37 the student's parent or foster parent makes a written objection to the abbreviated school day pro-
 38 gram placement or revokes consent for the abbreviated school day program placement at least 14
 39 calendar days prior to the beginning of the next school year, the student shall, beginning on the first
 40 day of the new school year, be provided with meaningful access to the same number of hours of in-
 41 struction and educational services that are provided to the majority of other students who are in
 42 the same grade within the student's resident school district.

43 (2)(a) When the Department of Education receives a complaint or otherwise has cause to believe
 44 a school district is not in compliance with ORS 343.322 (7) and 343.324 (5), the department must in-
 45 itiate an investigation and inform the school district of any noncompliance within 30 calendar days

1 of receiving the complaint or having cause to believe the school district is not in compliance.

2 (b) If a complaint described in paragraph (a) of this subsection relates to a specific student and
3 is submitted by the student's parent or foster parent, the Superintendent of Public Instruction is not
4 required to conduct an investigation and shall:

5 (A) Presume that consent for the abbreviated school day program placement has been revoked.

6 (B) Immediately, and in no case no more than two business days after receipt of the complaint,
7 order the school district to provide to the student, within five school days, meaningful access to the
8 same number of hours of instruction and educational services that are provided to the majority of
9 other students who are in the same grade within the student's resident school district. For the
10 purpose of this subparagraph, "business day" has the meaning given that term in ORS 192.311.

11 (C) Find the school district is not in compliance with ORS 343.322 (7) and 343.324 (5) if the
12 school district fails to comply with the order described in subparagraph (B) of this paragraph and
13 the parent or foster parent has not granted written consent for an extension as described in sub-
14 section (1)(d) of this section.

15 (c) If the superintendent finds that a school district is not in compliance with ORS 343.322 (7)
16 and 343.324 (5), either after an investigation or as provided by paragraph (b) of this subsection, the
17 superintendent shall:

18 (A) Enter an order that any students named in the complaint or identified in the course of an
19 investigation initiated under paragraph (a) of this subsection who are placed on an abbreviated
20 school day program in violation of ORS 343.322 (7) and 343.324 (5) be provided, within five school
21 days of the final order, with meaningful access to the same number of hours of instruction and ed-
22 ucational services that are provided to the majority of other students who are in the same grade
23 within the student's resident school district.

24 (B) If the school district fails to comply with the order described in subparagraph (A) of this
25 paragraph within five school days, find the school district [*nonstandard*] **to be in noncompliance**
26 under ORS 327.158 or 334.217 until all students subject to the order and placed on an abbreviated
27 school day program in violation of ORS 343.322 (7) and 343.324 (5) are provided with meaningful
28 access to the same number of hours of instruction and educational services that are provided to the
29 majority of other students who are in the same grade within the student's resident school district.

30 (C) If the school district fails to comply with the order described in subparagraph (A) of this
31 paragraph within 10 school days and notwithstanding any timelines or process requirements of ORS
32 327.158 or 334.217, immediately withhold State School Fund moneys that otherwise would be dis-
33 tributed to the school district. Amounts withheld must be calculated based on the weighted average
34 daily membership attributable to the students subject to the order, as calculated under ORS 327.013,
35 and the percentage of the school year that the students were placed on an abbreviated school day
36 program in violation of ORS 343.322 (7) and 343.324 (5).

37 (D) Require the school district to provide compensatory education to the students subject to the
38 order that is equivalent to at least one hour of direct instruction for every two hours of instruction
39 that were lost due to an abbreviated school day program placement in violation of ORS 343.322 (7)
40 and 343.324 (5).

41 (3) The failure of a school district superintendent to restore meaningful access to a student
42 within the time required by ORS 343.326 (3)(b)(B) or subsection (1)(c) or (d) of this section or to
43 comply with an order issued under subsection (2)(c) of this section to restore meaningful access to
44 all students subject to the order may be grounds for discipline by the Teacher Standards and Prac-
45 tices Commission under ORS 342.175. If the commission receives a complaint concerning a failure

1 described in this subsection, the commission shall take into consideration the responsive efforts and
 2 actions of the superintendent to restore meaningful access to the student or students.

3 **SECTION 20.** ORS 334.217 is amended to read:

4 334.217 (1) **All education service districts of this state are expected to fully comply with**
 5 **the requirements of state and federal law to be considered a standard education service dis-**
 6 **trict.**

7 [(1)] (2) **In addition to the requirements prescribed by subsection (1) of this section,** the
 8 State Board of Education by rule shall establish standards to determine the adequacy of services
 9 and facilities provided by the education service districts. In establishing [*such*] **the** standards, the
 10 state board shall consider the most economic method of providing services and facilities, the quality
 11 of the services and facilities according to the best educational standards, and the needs of the stu-
 12 dents.

13 [(2)] (3) When the Superintendent of Public Instruction determines pursuant to rule that an ed-
 14 ucation service district is [*nonstandard*] **not in compliance with a state or federal law or with**
 15 **a standard,** the district [*designated nonstandard*] shall file a plan to [*meet standards*] **come into**
 16 **compliance** over a specified period of time. The Superintendent of Public Instruction may accept,
 17 reject or modify the plan and order the [*nonstandard*] district to comply with the plan as approved
 18 by the superintendent. Once a plan is approved, the district shall be conditionally standard until
 19 [*all deficiencies are corrected*] **the district comes into compliance.** If a district [*corrects all defi-*
 20 *ciencies*] **comes into compliance,** the district shall be designated as standard. The district shall
 21 have 180 days from the date the plan is accepted to [*make all corrections*] **come into compliance.**
 22 After that time, the Superintendent of Public Instruction may impose sanctions on the district if the
 23 district has not [*made the necessary corrections*] **come into compliance.**

24 [(3)] (4) The state board shall establish by rule appropriate sanctions for noncompliance. The
 25 sanctions may include:

- 26 (a) Mandatory merger of the [*nonstandard*] education service district with a contiguous educa-
- 27 tion service district that is standard;
- 28 (b) The sanctions described in ORS 342.173, if applicable;
- 29 (c) The withholding of funds from the State School Fund;
- 30 (d) The removal of the superintendent of the education service district;
- 31 (e) The temporary governance of the education service district by the state board; or
- 32 (f) Dissolution of the education service district.

33 **SECTION 21.** ORS 334.217, as amended by section 32, chapter 406, Oregon Laws 2025, is
 34 amended to read:

35 334.217. (1) **All education service districts of this state are expected to fully comply with**
 36 **the requirements of state and federal law to be considered a standard education service dis-**
 37 **trict.**

38 [(1)] (2) **In addition to the requirements prescribed by subsection (1) of this section,** the
 39 State Board of Education by rule shall establish and enforce standards to determine the adequacy
 40 of services and facilities provided by the education service districts. In establishing [*such*] **the**
 41 standards, the state board shall:

- 42 (a) Consider the most economic method of providing services and facilities, the quality of the
- 43 services and facilities according to the best educational standards, and the needs of the students;
- 44 and
- 45 (b) Provide a process for a person who resides in the district, or a parent or guardian of a stu-

1 dent who attends school in the district, to file a complaint about noncompliance with **a state or**
 2 **federal law or with** a standard.

3 [(2)] (3) When the Superintendent of Public Instruction determines pursuant to rule that an ed-
 4 ucation service district is [*nonstandard*] **not in compliance with a state or federal law or with**
 5 **a standard**, the district [*designated nonstandard*] shall file a plan to [*meet standards*] **come into**
 6 **compliance** over a specified period of time. The Superintendent of Public Instruction may accept,
 7 reject or modify the plan and order the [*nonstandard*] district to comply with the plan as approved
 8 by the superintendent. Once a plan is approved, the district shall be conditionally standard until
 9 [*all deficiencies are corrected*] **the district comes into compliance**. If a district [*corrects all defi-*
 10 *ciencies*] **comes into compliance**, the district shall be designated as standard. The district shall
 11 have 180 days from the date the plan is accepted to [*make all corrections*] **come into compliance**.
 12 After that time, the Superintendent of Public Instruction may impose sanctions on the district if the
 13 district has not [*made the necessary corrections*] **come into compliance**.

14 [(3)] (4) The state board shall establish by rule appropriate sanctions for noncompliance. The
 15 sanctions may include:

- 16 (a) Mandatory merger of the [*nonstandard*] education service district with a contiguous educa-
 17 tion service district that is standard;
- 18 (b) The sanctions described in ORS 342.173, if applicable;
- 19 (c) The withholding of funds from the State School Fund;
- 20 (d) The removal of the superintendent of the education service district;
- 21 (e) The temporary governance of the education service district by the state board; or
- 22 (f) Dissolution of the education service district.

23 **SECTION 22. The amendments to ORS 326.726, 327.006, 327.158, 327.161, 327.162, 328.205,**
 24 **329.496, 332.155, 334.217, 335.090, 336.580, 336.665, 339.297, 339.343, 339.356 and 343.328 by**
 25 **sections 5 to 21 of this 2026 Act become operative on July 1, 2026.**

26
 27 **ABOLISHMENT OF OUTDATED METHOD FOR PREPARING A**
 28 **REPORT ON PUBLIC EDUCATION APPROPRIATIONS**
 29

30 **SECTION 23. ORS 171.857, 327.290, 327.497, 327.500, 327.502, 327.506, 329.015 and 329.025 are**
 31 **repealed on January 1, 2027.**

32 **SECTION 24.** ORS 327.185 is amended to read:

33 327.185. (1) As used in this section, “eligible applicant” means any of the following entities:

- 34 (a) Common school districts and union high school districts.
- 35 (b) The Youth Corrections Education Program or the Juvenile Detention Education Program.
- 36 (c) Public charter schools that are not virtual public charter schools, as defined in ORS 338.005,
 37 and that have a student population of which:

38 (A) At least 35 percent of the student population is composed of students from the following
 39 student groups:

- 40 (i) Economically disadvantaged, as described in ORS 327.164 (11)(a);
- 41 (ii) Racial or ethnic groups that have historically experienced academic disparities, as described
 42 in ORS 327.164 (11)(b); or
- 43 (iii) Students with disabilities, as described in ORS 327.164 (11)(c); and

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

1 (i) The percentage of all students in the school district who are economically disadvantaged, if
 2 eligibility is determined based on the percentage of students who are economically disadvantaged;

3 (ii) The percentage of all students in the school district who are from racial or ethnic groups
 4 that have historically experienced academic disparities, if eligibility is determined based on the
 5 percentage of students who are from those racial or ethnic groups; or

6 (iii) The percentage of all students in the school district who are disabled, if eligibility is de-
 7 termined based on the percentage of students who are disabled.

8 (d) The Oregon School for the Deaf.

9 (e) The school district or education service district that is providing the educational services for
 10 an eligible day treatment program or an eligible residential treatment program for which payment
 11 of the costs of education is provided as described in ORS 343.961 (2).

12 (2)(a) Eligible applicants may apply for a grant from the Student Investment Account to receive
 13 a distribution under ORS 327.190.

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

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

17 (a) If the eligible applicant is a school district, determine whether the school district will allow
 18 public charter schools sponsored by, or located within, the school district to participate in the grant
 19 application and the grant agreement.

20 (b) If the eligible applicant is a public charter school, determine whether the public charter
 21 school intends to apply for a grant and provide notice of that intent to the school district in which
 22 the public charter school is located and to the Department of Education.

23 (4)(a) If an eligible applicant is a school district and decides to include public charter schools
 24 in the grant application and grant agreement, the school district must provide all public charter
 25 schools sponsored by, or located within, the school district the opportunity to participate in the
 26 grant application and grant agreement.

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

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

31 (i) The ADMw of the public charter school may not be used in the calculation of the school
 32 district ADMw for grants distributed under ORS 327.195; and

33 (ii) The public charter school is not entitled to any grant moneys distributed under ORS 327.195.

34 (C) If a public charter school participates in a grant application and grant agreement under this
 35 subsection:

36 (i) The public charter school and school district shall enter into an agreement for the distrib-
 37 ution of moneys or the provision of services, including any accountability measures required of the
 38 public charter school by the school district;

39 (ii) The ADMw of the public charter school shall be used in the calculation of the school district
 40 ADMw for grants distributed under ORS 327.195; and

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

43 (5)(a) For the purpose of preparing a grant application, an eligible applicant must determine:

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

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

3 (b) An eligible applicant shall make the determinations required under paragraph (a) of this
4 subsection by:

5 (A) Engaging in strategic planning; and

6 (B) Considering the [*recommendations of the Quality Education Commission established under*
7 *ORS 327.500 and*] recommendations from the advisory groups formed by the Department of Educa-
8 tion for the purposes of the statewide education plans developed and implemented by the depart-
9 ment.

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

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

12 (B) An analysis of the potential academic impact, both for the students of the eligible applicant
13 and for student groups identified in ORS 327.164 (11), from the allowed uses that would be funded
14 by grant moneys; and

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

16 (b) The strategic planning required under subsection (5) of this section must take into consid-
17 eration:

18 (A) Input from the community of the eligible applicant, including school employees, students
19 from student groups identified in ORS 327.164 (11) and parents of those students; and

20 (B) Data collected by the eligible applicant to enable the eligible applicant to make equity-based
21 decisions.

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

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

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

29 (A) Meet students' mental and behavioral health needs;

30 (B) Increase academic achievement for students of the eligible applicant; and

31 (C) Reduce academic disparities for student groups identified in ORS 327.164 (11) who are served
32 by the eligible applicant, and identify which of those student groups will benefit from the allowed
33 uses that are being funded with grant moneys.

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

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

36 (A) Provision of the plan at the main office of the eligible applicant and on the eligible
37 applicant's website;

38 (B) Oral presentation of the plan by an administrator of the eligible applicant to the governing
39 body of the eligible applicant; and

40 (C) Opportunity for the public to comment on the plan at an open meeting.

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

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

- 1 (a) A completed needs assessment, as described in ORS 329.095;
 2 (b) The plan developed under subsection (7) of this section; and
 3 (c) Budget estimates for each of the allowed uses identified in the plan developed under sub-
 4 section (7) of this section that will be funded by grant moneys.

5 **SECTION 25.** ORS 327.297 is amended to read:

6 327.297. (1) In addition to those moneys distributed through the State School Fund, the Depart-
 7 ment of Education shall award grants to school districts, education service districts, the Youth
 8 Corrections Education Program and the Juvenile Detention Education Program for activities that
 9 relate to increases in student achievement, including:

10 (a) Early childhood support including establishing, maintaining or expanding quality
 11 prekindergarten programs;

12 (b) Class size reduction with an emphasis on the reduction of kindergarten through grade three
 13 class sizes;

14 (c) Increases in instructional time including summer programs and before- and after-school pro-
 15 grams;

16 (d) Mentoring, teacher retention and professional development;

17 (e) Remediation, alternative learning and student retention;

18 (f) Services to at-risk youth;

19 (g) Programs to improve a student achievement gap between student groups identified by cul-
 20 ture, poverty, language and race and other student groups;

21 (h) Vocational education programs;

22 (i) Literacy programs;

23 (j) School library programs; and

24 (k) Other research-based student improvement strategies approved by the State Board of Edu-
 25 cation.

26 (2)(a) Each school district, each education service district, the Youth Corrections Education
 27 Program and the Juvenile Detention Education Program may apply to the Department of Education
 28 for a grant.

29 (b) The department shall review and approve applications based on criteria established by the
 30 State Board of Education. [*In establishing the criteria, the State Board of Education shall consider the*
 31 *recommendations of the Quality Education Commission established under ORS 327.500.*]

32 (c) The applications shall include the activities to be funded and the goals of the district or
 33 program for increases in student performance. The applications shall become part of the local dis-
 34 trict continuous improvement plan described in ORS 329.095.

35 (3)(a) Notwithstanding ORS 338.155 (9), the Department of Education may not award a grant
 36 under this section directly to a public charter school.

37 (b) A school district that receives a grant under this section may transfer a portion of the grant
 38 to a public charter school based on the charter of the school or any other agreement between the
 39 school district and the public charter school.

40 (c) A public charter school that receives grant funds under this subsection shall use those funds
 41 for the activities specified in subsection (1) of this section.

42 (4)(a) The amount of each grant for a program or school district = the program's or school
 43 district's ADMw \times (the total amount available for distribution to programs and school districts as
 44 grants in each fiscal year \div the total ADMw of all programs and school districts that receive a
 45 grant).

1 (b) The amount of each grant for an education service district = the education service district's
 2 ADMw × (the total amount available for distribution to education service districts as grants in
 3 each fiscal year ÷ the total ADMw of all education service districts that receive a grant).

4 (c) As used in this subsection, "ADMw" means:

5 (A) For a school district, the extended weighted average daily membership as calculated under
 6 ORS 327.013, 338.155 (1) and 338.165 (2);

7 (B) For the Youth Corrections Education Program, the extended weighted average daily mem-
 8 bership as calculated under ORS 327.026;

9 (C) For the Juvenile Detention Education Program, the extended weighted average daily mem-
 10 bership as calculated under ORS 327.026; and

11 (D) For an education service district, the sum of the ADMw of the school districts located
 12 within the territory of the education service district.

13 (5) Each district or program shall deposit the grant amounts it receives under this section in a
 14 separate account, and shall apply amounts in that account to pay for activities described in the
 15 district's or program's application.

16 (6) The State Board of Education may adopt any rules necessary for the administration of the
 17 grant program.

18 **SECTION 26.** ORS 329.045 is amended to read:

19 329.045. (1)(a) In order to achieve the [*goals contained in ORS 329.025*] **implementation of the**
 20 **state educational standards established under ORS 326.051 (1)(a)**, the State Board of Education
 21 shall regularly and periodically review and revise its Common Curriculum Goals, performance indi-
 22 cators and diploma requirements.

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

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

27 (B) Ensure that any revisions to the academic content standards for science, health, history,
 28 geography, economics and civics include standards that address the causes and effects of climate
 29 change and strategies for mitigating, adapting to and strengthening community resilience to those
 30 causes and effects.

31 (C) Involve teachers and other educators, parents of students and other citizens and shall pro-
 32 vide ample opportunity for public comment.

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

36 (i) Students with instruction in core academic subjects, including mathematics, science, language
 37 arts, history, geography, economics, civics, higher education and career path skills, personal finan-
 38 cial education, the arts and world languages;

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

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

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

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

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

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

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

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

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

12 **SECTION 27.** ORS 329.045, as amended by section 1, chapter 202, Oregon Laws 2019, section
13 6, chapter 178, Oregon Laws 2021, section 1, chapter 328, Oregon Laws 2023, section 7, chapter 564,
14 Oregon Laws 2023, and section 2, chapter 445, Oregon Laws 2025, is amended to read:

15 329.045. (1)(a) In order to achieve the [*goals contained in ORS 329.025*] **implementation of the**
16 **state educational standards established under ORS 326.051 (1)(a)**, the State Board of Education
17 shall regularly and periodically review and revise its Common Curriculum Goals, performance indi-
18 cators and diploma requirements.

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

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

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

25 (i) Are Native American;

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

27 (iii) Are women;

28 (iv) Have disabilities;

29 (v) Are immigrants or refugees; or

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

31 (C) Ensure that any revisions to the academic content standards for science, health, history,
32 geography, economics and civics include standards that address the causes and effects of climate
33 change and strategies for mitigating, adapting to and strengthening community resilience to those
34 causes and effects.

35 (D) Involve teachers and other educators, parents of students and other citizens and shall pro-
36 vide ample opportunity for public comment.

37 (E) Encourage increased learning time. As used in this subparagraph, "increased learning
38 time" means a schedule that encompasses a longer school day, week or year for the purpose of in-
39 creasing the total number of school hours available to provide:

40 (i) Students with instruction in core academic subjects, including mathematics, science, language
41 arts, history, geography, economics, civics, higher education and career path skills, personal finan-
42 cial education, the arts and world languages;

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

45 (iii) Students with the opportunity to participate in enrichment activities that contribute to a

1 well-rounded education, including learning opportunities that may be based on service, experience
2 or work and that may be provided through partnerships with other organizations; and

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

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

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

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

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

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

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

16 **SECTION 28.** ORS 329.085 is amended to read:

17 329.085. (1) *[To facilitate the attainment and successful implementation of educational standards*
18 *under ORS 326.051 (1)(a) and 329.025]* **To ensure that a school district is a standard school**
19 **district as described in ORS 327.158**, the State Board of Education or its designee shall assess the
20 effectiveness of each public school, public charter school and school district. The findings of the
21 assessment shall be reported to the school or school district within six months.

22 (2) The board shall establish the standards, including standards of accessibility to educational
23 opportunities, upon which the assessment is based.

24 (3) On a periodic basis, the board shall review school and school district standards and credit
25 and performance requirements. The board shall seek public input in this process.

26 **SECTION 29.** ORS 329.155 is amended to read:

27 329.155. (1) As used in this section:

28 (a) "Families" means groups of individuals related by blood, marriage or adoption, or individuals
29 whose functional relationships are similar to those found in such associations. The family's purpose
30 is the security, support, nurturance, love, transmission of values and facilitation of each member's
31 growth and development, and is the primary social unit affecting a child's well-being.

32 (b) "Services" means education and all other programs and services addressing one or more of
33 a child's basic needs.

34 (c) "Young children" means children prenatal through six years of age.

35 (2) State agencies that administer education programs and other programs that provide services
36 for children and families shall:

37 (a) Evaluate the effectiveness of the program as related to the principles stated in ORS [329.025
38 and] 417.305 in the earliest stages of the budget process, including components within programs as
39 appropriate;

40 (b) Articulate ways in which the program is:

41 (A) An effective component of agency and state priorities, goals and strategies that have been
42 established by the Early Learning Council; and

43 (B) Relevant to research and professional standards;

44 (c) Establish plans, interagency partnerships and implementation practices;

45 (d) Use the information generated by applicable state advisory groups and governing boards in

1 the program assessment of needs and decisions as to service delivery in a given community; and

2 (e) Identify barriers to improving program capability to serve the needs of young children and
3 make related recommendations, if any, to the Early Learning Council.

4 (3) The processes listed in subsection (2) of this section are for the purpose of generating
5 interagency coordination so as to serve to the greatest extent possible young children and their
6 families in a comprehensive and developmentally appropriate fashion. The information generated by
7 these processes shall be considered as a contribution to subsequent budget decisions by state and
8 local agencies, the Oregon Department of Administrative Services and the Legislative Assembly.

9
10 **MISCELLANEOUS**

11
12 **SECTION 30. The unit captions used in this 2026 Act are provided only for the conven-**
13 **ience of the reader and do not become part of the statutory law of this state or express any**
14 **legislative intent in the enactment of this 2026 Act.**

15 **SECTION 31. This 2026 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2026 Act takes effect**
17 **on its passage.**

18 _____