



OSBA/COSA LEGISLATIVE REPORT



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**OREGON SCHOOL BOARDS ASSOCIATION
CONFEDERATION OF OREGON SCHOOL ADMINISTRATORS**



Suite 400
1201 Court Street NE
Salem, OR 97301
503-588-2800
800-578-OSBA
www.osba.org

This 2017 OSBA/COSA Legislative Report describes the bills enacted by the 2017 Oregon Legislative Assembly that affect public schools. It was prepared jointly by the Oregon School Boards Association and the Confederation of Oregon School Administrators, whose continuing collaboration ensures that the interests of board members and school administrators are at the forefront when state laws affecting public education are enacted.

Oregon public schools are represented full time in Salem by Chuck Bennett and Morgan Allen from COSA and Lori Sattenspiel and Richard Donovan from OSBA.

We thank all those from school districts, education service districts, charter schools and community colleges around the state who work with our Salem team to represent the interests of Oregon public school students. Our special thanks go to the school district, ESD, charter school and community college board members and administrators who contacted their legislators in person and by letter, phone, email and text message. Their response to our calls to action and their effective delivery of messages from home kept the pressure on at the Capitol and made success possible for OSBA and COSA on several important issues.

We look forward to a successful session in 2018.

Sincerely,



CONFEDERATION
OF OREGON SCHOOL
ADMINISTRATORS

Suite 100
707 13th Street SE
Salem, OR 97301
503-581-3141

www.cosa.k12.or.us

A handwritten signature in black ink, appearing to read "Jim Green".

JIM GREEN
Executive Director
Oregon School
Boards Association

A handwritten signature in black ink, appearing to read "Craig Hawkins".

CRAIG HAWKINS
Executive Director
Confederation of Oregon
School Administrators

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2017 LONG SESSION IN REVIEW

The Oregon Legislature's final gavel dropped July 7 as legislators left behind a 6-month session characterized by partisanship and an inability to find solutions to some of the most troubling problems facing the state, including a revamping of the state's tax code.

At the same time, legislators approved a record \$8.2 billion State School Fund despite facing a state General Fund shortfall of \$1.4 billion for all current service spending. Lawmakers also allocated \$170 million for Measure 98 programs, adding flexibility for small districts and language that allows up to 15 percent of the funds to go into eighth-grade programs. Outdoor School programs created under Measure 99 received \$24 million. Legislators also allocated \$6.2 million to help address chronic absenteeism, \$1.8 million to develop a Native American curriculum for districts and \$6 million to fund the African American Education Plan.

The state continued its commitment to school capital programs with \$100 million in state bond proceeds to fund the Oregon School Capital Improvement Matching Program and an additional \$100 million for the Seismic Rehabilitation Grant Program.

For the first time in many sessions, no major new programs, mandates, policies or task forces were approved. This is a dramatic turnaround from recent sessions that created all manner of new mandatory programs. That doesn't mean there weren't proposals, such as making classroom size a mandatory subject of collective bargaining, mandating districts bill Medicaid for services, and mandatory staffing ratios for specialty services like nursing, social workers and counselors.

There were no successful changes to the state funding formula despite bills that included a 100 percent pass-through of state funds to charter schools and a new weight for talented and gifted program participants. Issues emerged that are expected to come up in future sessions — including mental health services and trauma informed care — along with continued efforts to lengthen the school year, lower class sizes and make progress on a range of equity-related issues.

Legislators worked closely with school advocates to reduce the impact of existing mandates as well. The most notable change was the decision to postpone and then take several years to phase in the physical education mandate that was passed a decade ago. Significant changes made to the dyslexia mandate will make it more workable for districts and of service to students.

Throughout the session, legislators consistently cited information developed by the Oregon Rising project and its coalition of school administrators, board members, teachers, parents and public school supporters. The arguments made by the broad-based coalition set the tone for future sessions in which legislators promised a continued effort to find a source of stable, adequate revenue for the State School Fund. This biennium's budget goal was \$8.4 billion in the State School Fund, which was consistently the amount that set the debate over school funding targets. It will continue to be the goal as legislators go into their short session in February and review revenue projections.

SELECT TASK FORCE BILLS

WORK GROUPS & TASK FORCES

BILL	TOPIC	DESCRIPTION OF WORK	RELEVANT DATES
HB 2845	Ethnic Studies	Directs the Oregon Department of Education to convene advisory group to develop statewide ethnic studies standards for adoption into social studies standards. ODE to provide staff and support.	6/15/18: Shall convene by this date.
			9/15/19: Report due to Legislature
			9/15/20: Board shall adopt standards
			7/1/21: District implementation deadline
HB 3358	English Learners	Directs ODE to convene advisory group to advise ODE on English language learner programs. Group shall meet at least four times each year. ODE to provide staff and support.	Ongoing statutory advisory group
HB 3412	Assessments and Hard-of-Hearing Students	Establishes Task Force on Assessments of Children Who Are Deaf or Hard of Hearing. ODE to provide staff and support.	1/1/18: Report due to Legislature
SB 4	Physical Education	Phases in number of required physical education minutes. For the purpose of developing recommendations, ODE shall collaborate with advocates for PE, representatives of school districts, educators and interested stakeholders. ODE to provide staff and support.	11/15/18: Recommendations due to Legislature
SB 231	Post-Secondary Student Mental Health	Study how mental health issues and substance abuse disorders impact college students, including in the areas of student recruitment, retention and program completion. Higher Education Coordinating Commission to provide staff and support.	11/1/18: Recommendations due to Legislature

BILL SUMMARIES

(by category)

OPERATIONS

House Bill 2005 (Chapter 197), effective Oct. 6, 2017, creates provisions and amends sections of ORS 652 and 659A. The “Equal Pay Law” prohibits employers from paying people less based on race, color, religion, gender, sexual orientation, national origin, marital status, disability or age. Employers can be proactive in establishing an equal pay work environment by performing an equal-pay analysis, which may provide some protections against lawsuits under certain circumstances.

HB 2038 (Chapter 609), effective Aug. 2, 2017, amends ORS 336.431. HB 2800 (2011) created the Farm to School program, which awards grants to school districts to purchase Oregon food products or agriculture-based educational activities. HB 2038 appropriates approximately \$5.6 million to continue the Farm to School program. It also expands the list of organizations that may apply for competitive grants.

HB 2101 (Chapter 654), effective Oct. 6, 2017, creates provisions. The bill creates a 15-member “Oregon Sunshine Committee” that is charged with reviewing exemptions from Oregon’s public records law, and it establishes a Public Records Subcommittee of the Legislative Counsel Committee. The Department of Justice is provided two limited-duration positions to staff and support the work of the committees, including reviewing the more than 500 exemptions and making other recommendations to improve or change public records law. The bill also requires future legislation that impacts public records to include an “open government impact statement” prepared by the Legislative Counsel.

HB 2257 (Chapter 5), effective March 20, 2017, amends ORS 337.065. The State Board of Education maintains administrative rules for adding instructional materials to its list of items approved for use in Oregon schools. Prior to HB 2257, state law required the Oregon Department of Education to collect a fee when publishers submit materials for the board’s consideration. HB 2257 allows ODE to waive that fee for materials that are in the public domain or have been released under an intellectual property license permitting free use.

HB 2278 (Chapter 26), effective Oct. 6, 2017, creates provisions and amends statutes. The bill allows the budget of a municipal corporation (whose definition includes local government entities such as school districts and education service districts) to include estimated requirements to pay the debt service on bonds approved at a May election. Districts are allowed, on or after July 1 and before Sept. 15, to adopt any necessary ordinance or resolution imposing and categorizing the tax levy necessary to pay the bond debt service. County assessors are required to accept these estimates of taxes to be imposed as part of a timely filing for budget purposes or allow the district governing body to submit a supplemental budget to account for the bonds.

HB 2391 (Chapter 538), effective Oct. 6, 2017, creates provisions and amends statutes. The “hospital provider tax” bill creates assessments on providers of health care services. The bill estimates raising \$550 million in the 2017-19 biennium, which will be used in the Medicaid budget to prevent cuts to the program. Specifics of the bill include:

- Establishing the Health System Fund.
- Increasing the current hospital assessment to 6 percent.
- Transferring money from certain funds to the Health System Fund.
- Discontinuing the Hospital Transformation Performance Program.
- Creating a new rural hospital assessment of 4 percent.
- Creating a new managed care/insurer premium assessment rate of 1.5 percent.

The 1.5 percent assessment on insurers could be passed onto school districts, which would increase premiums in future contracts.

HB 2457 (Chapter 98), effective July 1, 2017, creates provisions and amends ORS 350.075. In 2015, the Legislature passed HB 2870, which broadly authorized the Higher Education Coordinating Commission to investigate any student complaint filed against a higher education institution. HB 2457 updates the statutes created by HB 2870 (2015) to provide more specific direction about how the complaint process should be handled.

HB 2648 (Chapter 137), effective May 24, 2017, amends Section 5, Chapter 68, Oregon Laws 2016. School districts receive money for schools that provide trauma support services to decrease absenteeism. Certain professions qualify school districts to receive money: school nurses, school counselors, school psychologists and clinical psychologists. HB 2648 adds social workers to the list of qualifying professions.

HB 2687 (Chapter 657), effective Aug. 8, 2017, creates provisions. The bill directs the Office of Emergency Management and the Oregon Homeland Security Council to develop and administer a grant program to distribute emergency preparedness equipment to local governments and other recipients. There may ultimately be funds available for education entities.

HB 2763 (Chapter 662), effective Jan. 1, 2018, creates provisions and amends ORS 342.122 and 342.127. The bill appropriates \$1.7 million to the Teacher Standards and Practices Commission to reimburse teachers seeking and obtaining national board certifications. The commission has authority to hire 1.0 FTE to process the reimbursements and prepare a report for the Legislature by April 1, 2020, summarizing outcomes and the statistics of the certifications as well as recommend funding levels for this program.

HB 2880 (Chapter 269), effective Jan. 1, 2018, amends ORS 186.110. The bill expands the definition of public building for the purpose of displaying the Oregon state flag and the National League of Families POW/MIA flag to include school districts. This addition of flags would be for buildings constructed on or after Jan. 1, 2016. Buildings constructed on or after Jan. 1, 2018, shall include sufficient infrastructure to properly display the flags simultaneously with the U.S. flag.

HB 2956 (Chapter 399), effective June 20, 2017, creates provisions and amends ORS 417.827 and Section 2, Chapter 773, Oregon Laws 2015. The bill requires the Early Learning Council to complete an evaluation of Early Learning Hubs each biennium, and it eliminates current annual status reports on the work of the hubs. The new evaluations must be completed by March 15 of odd-numbered

years and submitted to relevant legislative committees on early learning and education. A progress report is due March 15, 2018.

HB 3029 (Chapter 379), effective July 1, 2017, amends ORS 339.030. In Oregon, with some exceptions, children must begin regularly attending school by age 6. HB 3029 permits children whose sixth birthday would otherwise require that they begin attending school to be exempted from the attendance requirement for one year if parents or legal guardians notify the school district that they will delay enrollment to meet the child's needs for cognitive, social or physical development. The bill's goal is to give children with special needs additional time at home to develop school readiness concepts and capabilities.

HB 3047 (Chapter 502), effective June 29, 2017, creates provisions and amends ORS 837.340 and 837.365. This bill affects users of unmanned aircraft systems (drones), including school district programs that use drones. Changes to the rules for the use of drones include:

- Exempting some educational institutions from agency notifications before flying a drone.
- Allowing law enforcement to use drones to acquire accident scene information.
- Providing some exemptions for use of nonlethal projectiles for purposes other than to injure or kill persons or animals.
- Creating an offense for intentionally operating a drone over private property to harass or annoy the owner.
- Requiring liability insurance for \$1 million if operating a drone under an exception in the law.

HB 3267 (Chapter 433), effective Jan. 1, 2018, amends ORS 329.451. The Oregon State Board of Education establishes requirements for completion of a standard high school diploma. Currently, the board requires students to complete 24 credits to graduate from high school with a standard diploma. School districts and public charter schools may add additional graduation requirements. HB 3267 requires school districts and public charter schools to waive these extra requirements for foster youths, children from homeless families, runaways, children of military parents or migrant workers, and children enrolled in youth corrections or juvenile detention education programs.

HB 3289 (Chapter 404), effective Jan. 1, 2018, creates provisions. Competency-based education describes a type of student advancement that is proficiency-based, rather than based on the passage of time. HB 3289 requires the Higher Education Coordinating Commission to submit an annual report to the Legislature describing progress in providing competency-based education in public post-secondary institutions.

HB 3353 (Chapter 407), effective Oct. 6, 2017, creates provisions. In 2015, the Legislature enacted Senate Bill 660, which directed the Oregon Health Authority to expand dental screenings to students attending elementary or middle schools where at least 40 percent of all students are eligible to receive assistance under the U.S Department of Agriculture's National School Lunch Program. HB 3353 allows a school district to conduct a dental screening for an entire class and to provide a written notice with an opportunity for parents or guardians to opt out of the screening. Previously, parents and guardians were required to supply written permission before the screening was conducted.

HB 3409 (Chapter 412), effective Jan. 1, 2018, amends ORS 339.030. Each year, students come to Oregon from other countries on nonimmigrant visas to attend an English-speaking high school to prepare for post-secondary education in the United States. There is no exemption from compulsory school attendance in current law for students on nonimmigrant visas who attend an accredited English Language Learner program in preparation for high school or college, even

though it is commonly best practice for students to operate on schedules synced to their countries of origin. HB 3409 exempts these students from the compulsory school attendance requirements.

House Bill 3454 (Chapter 684), effective Aug. 8, 2017, creates provisions. The bill prohibits actions or behaviors by school districts or staff that constitute “lunch shaming.” Districts that participate in the U.S. Department of Agriculture lunch or breakfast program must provide meals to students regardless of whether the students can pay for the meal or owe money to the district’s meal program. Districts may not throw away or take away a student’s meal for lack of funds or provide an “alternative” meal. If a student owes money for five or more meals, the district must make attempts to determine the student’s eligibility for free or reduced meals. If the student is eligible, the district must determine if the student is categorically eligible for free meals or contact the parent or guardian (at least twice if necessary) to fill out a free and reduced lunch application. The bill prohibits publicly identifying students who owe meal money (such as with a stamp or sticker) and prohibits requiring students to do work to pay off meal debts. Districts must direct communications about unpaid meals to parents or guardians and may not charge fees to collect meal debts.

HB 3464 (Chapter 724), effective Aug. 15, 2017, creates provisions. The bill prohibits public bodies, including school districts, from asking about citizenship or immigration status or from disclosing specific information about persons for the purpose of enforcing federal immigration laws unless disclosing specific information is required by state or federal law. The attorney general will publish model policies to use that are consistent with state and federal laws.

Senate Bill 4 (Chapter 301), effective July 1, 2017, creates provisions and amends ORS 329.496 and 329.498. The bill makes changes to Oregon’s physical education “minutes” law and includes the following major components:

- A new timeline for implementing PE instructional minutes requirements
 - 2017-18 and 2018-19 school years – No minutes requirement, allowing school districts additional time to prepare.
 - 2019-20 – Elementary schools required to have 120 minutes (80 percent of required minutes).
 - 2020-21 – Elementary schools required to have full compliance of 150 minutes.
 - 2021-22 – Middle schools required to have 180 minutes (80 percent of required minutes).
 - 2022-23 – Middle schools required to have full compliance of 225 minutes.
- Technical changes to address school schedule differences
 - This language allows the State Board of Education and the Oregon Department of Education to prorate PE time requirements when schools have closures, holidays, inclement weather or other irregular class schedules, such as a four-day week. Without these changes, school districts would be required to meet the minutes requirement each week regardless of how many school days are scheduled.
- Safety valve when budgets are below current service level
 - This language suspends the minutes requirement during times of recession or budget cuts to the State School Fund that bring the allocation below current service level. School districts are required to meet the minutes requirement when the State School Fund budget is sufficient to meet current service level.

- Limited flexibility for elementary teachers to instruct all students in PE
 - This language allows up to 45 minutes of the required PE instructional minutes in grades K-5/6 to be taught to all students in the school by teachers who have the elementary multiple subject endorsement. Currently, they are only allowed to deliver PE instruction to students who are in their classroom cohort. This will provide additional flexibility for elementary schools to meet the minutes requirement. These minutes must still meet PE standards.
- A process to continue collaboration toward implementing middle school PE minutes
 - All parties have agreed that the remaining challenge is to find a path to ensuring middle school students receive appropriate amounts of PE instruction. The bill sets up a process for ODE, PE stakeholders and K-12 stakeholders to continue discussion about middle school implementation challenges and report to the Legislature by Nov. 15, 2018.

SB 5 (Chapter 113), effective Jan. 1, 2018, creates, amends and repeals provisions. SB 5, titled the “Revised Uniform Athlete Agents Act,” arises from concerns that student athletes in high school and college have been targets of unscrupulous tactics by athlete agents, including using contacts with coaches and other middlemen to deliver gifts and cash payments to student athletes. In HB 3296 (2013), the Legislature modified the definition of “athlete agent” to include individuals attempting to represent student athletes for financial gain and required athlete agents to notify educational institutions in writing before initiating contact with a student athlete. SB 5 further modifies statutes relating to student athlete agents to bring Oregon law into conformity with other states. It broadens the definition of “athlete agent” to include individuals working as agents and requires the disclosure of additional information at the time of registration. In addition, SB 5 bans athlete agents from furnishing anything of value to student athletes, or persons connected with student athletes, prior to the athlete entering into a contract.

SB 55 (Chapter 15), effective April 4, 2017, creates provisions and appropriates supplemental funds for the Oregon Promise program. The program provides tuition waivers to eligible community college students who are recent Oregon high school graduates. It is in its first year of operation, and due to higher than anticipated participation, an additional \$3.6 million was required to fund the program. The bill also suspends, for the 2016-17 year, the \$10 million annual statutory limit in spending for the program.

SB 106 (Chapter 728), effective Aug. 15, 2017, creates provisions and amends ORS 36.238. The bill creates the Public Records Advisory Council and the position of public records advocate, which is appointed by the governor. The advocate is charged with helping to facilitate disputes between public records requestors and state agencies. The council is charged with nominating candidates for the position of advocate and making recommendations related to improvements in public records processes. The council sunsets Dec. 31, 2020.

SB 111 (Chapter 688), effective Aug. 8, 2017, creates provisions. The bill directs the Oregon Department of Education to create a pilot program to provide assistance and training to school districts and education service districts to increase and maximize Medicaid billing. Up to nine districts may be selected for the pilot, and ODE must report on the pilot outcomes by Oct. 1, 2020. ODE is also directed to provide ongoing training and support to interested school districts after the pilot sunsets. The bill does not create a Medicaid billing mandate.

SB 187 (Chapter 640), effective Aug. 2, 2017, creates provisions and amends ORS 336.211 and 683.030. The bill creates the Vision Health Account and appropriates \$1 million to the Oregon Department of Education for the 2017-19 biennium. ODE is directed to reimburse school districts or preschool programs for costs associated with vision screenings from the account. Reimbursements are capped at \$3.20 per student per school year. The bill also allows nonprofit groups such as the Lions Club to perform screenings that are eligible for reimbursements, subject to rules adopted by the State Board of Education.

SB 225 (Chapter 517), effective Oct. 6, 2017, creates provisions and amends sections of ORS 260. This is a technical change intended to ensure accountability for all petitions and political committees. This bill adds that the treasurer or designated person is liable for the purposes of campaign finance violations and would require the designee's name and address of the committee's statement of organization.

SB 263 (Chapter 322), effective July 1, 2017, creates provisions. The bill creates new rules and procedures when requiring students to participate in an abbreviated school day. A school district cannot unilaterally place a student in a program with an abbreviated school day. An IEP team may place a student on an abbreviated school day if the IEP team determines this is the best placement, has given parents the opportunity to meaningfully participate in the IEP process and has documented that the IEP team has considered options for a full school day for the student. If the student is placed on an abbreviated school day through the IEP process, the school district must send regular information about the placement to be signed by the parent that includes notification of the parent's right to request a re-evaluation of the IEP at any time. This notice must be sent at least once per term or semester while the student is on an abbreviated school day. The requirement to send this notice does not apply to placement in an abbreviated school day program related to discipline, seniors in high school on track to graduate or home school or private school students who attend school part time.

SB 317 (Chapter 482), effective Jan. 1, 2018, amends ORS 192.630. The bill expands where state, county and city public bodies may hold public meetings to include locations within Indian country of federally recognized tribes within Oregon. It also requires that public bodies holding the meetings post conspicuous, clear explanations on relevant websites indicating how the public may access written materials and to also maintain all written materials at a central, easily accessible location, except materials that are available online and free of charge.

SB 481 (Chapter 456), effective Jan. 1, 2018, creates provisions and amends ORS 40.280, 192.410 and 192.440. The bill is the result of the attorney general's task force on public records. The primary change to public records law is the addition of deadlines requiring initial acknowledgement of a public records request within five business day of receipt and subsequent fulfillment of the request within 10 business days of the deadline for acknowledgement of receipt. If the request cannot be fulfilled within the total 15 business days of receipt, then the public body may provide the requestor an estimate of when the records request is estimated to be completed and fulfill it as soon as practicable. The bill's definition of business day excludes "any day on which the central administration offices of the district or university are closed." The practical impact means these timelines do not start or accrue when the administrative offices of a school district, education service district or community college are closed for breaks or holidays.

SB 850 (Chapter 355), effective June 14, 2017, amends ORS 401.925. This bill is an addition to several task forces and previous work groups that looked at seismic safety and made recommendations to the Legislature over several years. SB 850 directs the Seismic Safety Policy

Advisory Commission to create a volunteer committee or committees to assist with its work, primarily to investigate issues related to the provision of earthquake insurance to residential property owners and mass care and displacement. State agencies with subject matter expertise will help with staff support to the committees. A report will be submitted to the state resilience officer by Sept. 30, 2018, and this group will sunset Jan. 2, 2019.

SB 1008 (Chapter 742), effective Aug. 15, 2017, creates provisions and amends statutes. The “clean diesel” bill authorizes the state to receive money from the Volkswagen Environmental Mitigation Trust Agreement and deposit the money in the Clean Diesel Engine Fund. The bill specifies that the funds shall be used to award grants and loans for reducing emissions from diesel engines and specifies that the Department of Environmental Quality must award grants to owners and operators of school buses to reduce diesel emissions from at least 450 diesel-powered buses. The DEQ will write the rules, but the grants and loans may not exceed \$50,000 or 30 percent of the cost to purchase a bus that meets these minimum standards or up to 100 percent of the cost of the repower or retrofit of a school bus as long as the repower or retrofit results in at least an 85 percent reduction in diesel emissions.

SB 1062 (Chapter 700), effective Aug. 8, 2017, creates provisions and amends ORS 326.726 and section 5, Chapter 790, Oregon Laws 2015. The bill responds to concerns about student exposure to lead in drinking water and other hazardous substances. It builds off the current Healthy and Safe Schools Plan required by Oregon Department of Education administrative rule. All school districts, education service districts and charter schools will be required to adopt a plan. The major change to the current plan is the addition of a requirement to regularly test water for the presence of lead. ODE is charged with developing and adopting model plans by Jan. 1, 2019, and school districts must adopt their updated plans by July 1, 2019. The Oregon Health Authority is charged with developing guidelines for testing protocols and procedures to reduce exposure to lead by Jan. 1, 2019; the testing timelines will not begin until after that date and will coincide with the adoption of the new Healthy and Safe Schools Plans. The bill creates a Healthy and Safe Schools fund, and beginning in the 2019-21 biennium, \$2 million will be set aside each biennium to reimburse districts for the costs associated with testing for lead in water. Finally, the bill authorizes up to \$25,000 for an assessment of school district facilities for environmental hazards through the Technical Assistance Program housed in the ODE Office of School Facilities.

Senate Joint Resolution 6, effective Jan. 1, 2018, recommends that all students and school personnel be educated about the potential health impacts of heavy backpacks and recommends strategies for proactively addressing the effects of heavy backpacks. It also directs the deputy superintendent of public instruction to communicate information regarding backpack safety to every Oregon school district.



PROGRAMS

House Bill 2013 (Chapter 280), effective June 14, 2017, creates provisions and amends ORS 329.172. The bill makes changes to Oregon's early learning programs, including:

- Eliminating the requirement that lead preschool teachers in programs overseen by the Early Learning Division have a bachelor's degree or are in the process of attaining a bachelor's degree in early childhood education. Instead, they may demonstrate readiness by any combination of bachelor's degree with early childhood coursework, associate's degree with training or certification in early childhood education or a related field, or alternative credentials the ELD determines to equate to highly trained.
- Requiring the Early Learning Council to provide guidelines for preschool teacher salaries and make recommendations to increase average salaries.
- Directing the ELD to report to the Legislature by Oct. 15, 2018, on implementation of new preschool teacher requirements, disparities in access to quality preschool programs and how salary disparities impact Preschool Promise.

HB 2147 (Chapter 415), effective Jan. 1, 2018, creates provisions. Student-specific data on postsecondary enrollment and graduation rates exists, but school districts typically do not have access to the information outside government agencies. HB 2147 requires higher education institutions to provide the Higher Education Coordinating Commission annually with the number of Oregon high school graduates from each school district enrolled at the institution and the graduation rate at that institution for high school graduates from each Oregon school district. The bill requires the HECC to then submit that information to the Oregon Department of Education and requires ODE to provide the information to districts.

HB 2219 (Chapter 263), effective July 1, 2018, amends ORS 349.045. The bill encourages school districts and public charter schools to offer or increase the number of civics-related classes available to students; the bill is not a mandate.

HB 2220 (Chapter 149), effective Jan. 1, 2018, amends ORS 332.114. The bill eliminates several diploma requirements for veterans who did not graduate from high school. Qualifying veterans no longer have to demonstrate they received a General Educational Development certificate, post-secondary degree or minimum score on the Armed Services Vocational Aptitude Battery to request a diploma.

HB 2229 (Chapter 133), effective Jan. 1, 2018, amends ORS 329.045. The bill encourages school districts and public charter schools to offer or increase the number of financial literacy-related classes available to students; the bill is not a mandate.

HB 2246 (Chapter 615), effective Aug. 2, 2017, creates provisions. Oregon voters approved Measure 98, the High School Graduation and College and Career Readiness Act of 2016, in November 2016. The measure requires the Legislature to provide a per-student allocation to school districts to establish or expand high school programs providing career and technical education, college-level courses and dropout prevention strategies. HB 2246 makes changes to that act, including:

- Increasing flexibility for school districts for how funds can be spent. School districts that receive less than \$100,000 for the school year can use the funds in only one of the three areas

designated by Measure 98. School districts receiving between \$100,000 and \$350,000 must use a portion of funds to support career and technical education as well as one of the remaining two areas. School districts receiving over \$350,000 per year must use funds to support all three areas.

- Allowing school districts to use up to 15 percent of Measure 98 funds for programs or opportunities serving students in eighth grade.
- Requiring school districts to describe four-year plans every biennium.

The bill also modifies the definition of chronic absenteeism and expands the entities able to receive funding to include the Oregon School for the Deaf and programs under the Youth Corrections Detention Program and Juvenile Detention Education Program.

HB 2258 (Chapter 184), effective May 31, 2017, amends ORS 327.372. The bill is a technical change to allow the Oregon Department of Education to provide funds to statewide nonprofit organizations that promote student leadership in career and technical education-related organizations such as FFA, Future Business Leaders of America and DECA.

HB 2262 (Chapter 496), effective Jan. 1, 2018, amends statutes. The bill makes changes to the Employment Relations Board. The board administers the collective bargaining law that covers public employees of the state, cities, counties, school districts and other local governments; decides appeals from state employees concerning personnel actions; and administers the collective bargaining law that regulates private employers who are not covered by the National Labor Relations Act. The bill is a result of administrative changes directed in the 2013-15 biennium that were designed to help eliminate the backlog of cases by streamlining some processes, including written policies and procedures. The bill changes titles and compensation of some employees by aligning the positions with the statewide compensation plan and increases some arbitration fees.

HB 2263 (Chapter 383), effective Jan. 1, 2018, amends ORS 240.610. The bill changes the fees for the Employment Relations Board and allows the board to charge fees for providing labor and negotiation training. The new fee structure allows:

- \$1,000 for the first two mediation sessions.
- \$625 for the third and fourth mediation sessions.
- \$1,000 for each additional mediation session.

HB 2311 (Chapter 264), effective Jan. 1, 2018, creates provisions and amends ORS 350.014. The bill revises Oregon's 40-40-20 goals first adopted in 2011. The state aims for 40 percent of Oregonians to have a bachelor's degree, 40 percent to have an associate's degree or certificate, and the remaining 20 percent to have a high school diploma or equivalent credential. The bill revises the goals to cover adult Oregonians completing education, rather than simply all adult Oregonians. The bill requires the Higher Education Coordination Commission in conjunction with the Oregon Workforce Investment Board to write rules that establish educational attainment goals for adult Oregonians who are not enrolled in an educational program.

HB 2314 (Chapter 66), effective May 17, 2017, creates and amends provisions. The Higher Education Coordinating Commission is the main post-secondary education coordinating body in Oregon. It was created by SB 242 (2011) and given the bulk of its responsibility and authority by SB 270 (2013) and HB 3120 (2013). HB 2314 addresses eight parts of statute that the HECC identified as in need of update. These are all relatively minor changes. The bill:

- Allows the HECC to set minimum standards for graduation from hair design, barbering, esthetics or nail technology schools.
- Requires the HECC to approve, rather than review, public university mission statements.
- Requires the HECC, rather than the State Board of Education, to approve apprenticeship training credit in consultation with the State Apprenticeship and Training Council.
- Expands the Access to Student Assistance Programs in Reach of Everyone (ASPIRE) financial aid and post-secondary options instruction to middle school and college students.
- Authorizes HECC to enter into contracts and agreements with public and private entities for certain higher education and workforce development activities.
- Updates statutory references to the General Educational Development test.
- Clarifies that the GED test is one option of many of approved high school equivalency tests.
- Changes the title of “executive director” of the Office of Student Access and Completion to “director” of that office.

HB 2729 (Chapter 708), effective Aug. 15, 2017, creates provisions and repeals ORS 348.753. Open Educational Resources are any type of educational materials that are in the public domain or introduced with an open license. The nature of these open materials means that anyone can legally and freely copy, use, adapt and re-share them, and they include textbooks, curricula, syllabi, lecture notes and other similar items. HB 2729 provides \$1 million to the Higher Education Coordinating Commission for Oregon’s Open Educational Resources (OER) Program, specifically to:

- Convene a workgroup to coordinate the program.
- Host an annual OER symposium.
- Determine if a statewide repository of OER material should be developed, and if so, develop a plan for the creation of the repository.
- Provide up to \$150,000 in grants to public universities and community colleges for the creation, adoption or implementation of OER materials.
- Provide a report to the Legislature in odd-numbered years on the status of the OER program, a calculation of money saved because of the program, and an evaluation of barriers preventing the adoption of OER materials.

HB 2845 (Chapter 501), effective June 29, 2017, creates provisions. The bill requires the Oregon Department of Education to convene a 13-member advisory group to provide recommendations related to ethnic studies standards to the State Board of Education. The group’s charge includes identifying gaps in standards that miss opportunities to recognize the histories, contributions and perspectives of ethnic and social minorities, and proposing any new standards to increase cultural competency and promote critical thinking. The advisory group must issue their report and recommendations by Sept. 15, 2019, and ODE and the state board must make any changes to the standards by Sept. 15, 2020.

HB 2997 (Chapter 139), effective Jan. 1, 2018, creates and amends provisions. If a student fails to regularly attend school, a parent or legal guardian may be fined for the student’s failure to attend. HB 2997 requires half of any collected fines for these types of truancy violations be sent to the school district or education service district and the other half sent to the state, county or municipal government, depending on which court entered the judgment.

HB 2998 (Chapter 669), effective Aug. 8, 2017, creates provisions. Rates of baccalaureate degree completion and time to completion vary significantly between community college transfer students and students who began post-secondary education at a four-year public university. Oregon has instituted several transfer degrees and modules during recent decades, and many institutions have developed articulated agreements to facilitate successful credit transfer. Despite all recent efforts, though, students still report problems with the transfer of credits between institutions of higher education. HB 2998 requires community colleges and public universities to establish foundational curricula for first-year coursework at public post-secondary institutions of education in order for community college students to have the ability to transfer academic credits to a public university. The bill also requires the Higher Education Coordinating Commission to convene meetings with community colleges and public universities to establish at least one foundational curriculum for use by the beginning of the 2018-19 school year, to convene future meetings, and to report annually to the Legislature on statewide transfer agreements.

HB 3106 (Chapter 140), effective Jan. 1, 2018, amends ORS 329.172 and 329.195. Under the bill, Early Learning Hubs will be required to convene annual meetings of preschool programs under the jurisdiction of the Early Learning Division (Oregon Prekindergarten and Preschool Promise, for example) to better coordinate enrollment for eligible children. The Early Learning Council must also update its rules to meet Head Start requirements, which include consideration of half- or full-day programs based on input about the needs of the community the program serves.

HB 3216 (Chapter 403), effective July 1, 2017, creates provisions. The bill directs the Chief Education Office to conduct a study on assisting students living in families who are experiencing poverty. The study will evaluate practices to improve student achievement, identify any ways to improve the practices or make them more cost efficient, and identify “sustainable” funding sources for implementation. The study, to be done in collaboration with education stakeholders, is due to the Legislature by Sept. 15, 2018.

HB 3313 (Chapter 218), effective Jan. 1, 2018, amends ORS 338.125. Generally, public charter schools in Oregon are required to offer enrollment to applicant students residing in the charter school district. However, there exist charter schools that opened after the closure of a public neighborhood school and that still seek to function as neighborhood schools. Those charter schools, like all others, could not extend priority to students living within a geographic boundary within the district. HB 3313 allows a charter school to work with the local district school board to give priority within a certain geographic boundary, if specific criteria are met. The charter school must have previously been a public school that converted into a public charter school and be operating within the same geographic boundary as the previous public school, and the previous public school must have closed not more than two years before the charter school began operating.

HB 3318 (Chapter 436), effective July 1, 2018, amends and is made a part of ORS Chapter 343. School districts will be required to conduct a functional behavioral assessment and develop, review or revise a behavior intervention plan when a student on an individualized education program or 504 Plan “placed the student, other students or staff at imminent risk of serious bodily injury as a result of the student’s behavior.” Behavior intervention plans must be conducted by a qualified person, allow non-licensed staff to provide input into the plan and be shared with non-licensed staff. These assessments must be completed within 45 days of receipt of parental consent. The bill first applies to the 2018-19 school year.

HB 3340 (Chapter 405), effective June 20, 2017, requires the Oregon Department of Education to collaborate with the Bureau of Labor and Industries to prepare materials in written or electronic form regarding apprenticeship opportunities. Those materials will be distributed to high school students, parents and guardians.

HB 3358 (Chapter 408), effective June 20, 2017, creates provisions. The bill requires the Oregon Department of Education to convene a 15-member advisory group to advise the department related to state and federal English language learner programs. The advisory group must consider funding, biliteracy, improved student outcomes and the implementation and development of a statewide, long-term strategic plan for English language learners, among other topics. The group must be convened at least four times per year.

House Concurrent Resolution 18, filed with the secretary of state March 14, 2017, declares that the 79th Legislative Assembly recognizes March 3, 2017, as National Speech and Debate Education Day.

Senate Bill 13 (Chapter 632), effective Aug. 2, 2017, appropriates funds. SB 13 directs the Oregon Department of Education, in collaboration with the nine tribal governments in the state, to develop a curriculum for relating to Native American history and experience in Oregon. The curriculum will likely be offered primarily in fourth grade, eighth grade and one high school grade. ODE will make the curriculum available to school districts, as well as provide professional development relating to the curriculum. The bill allocates \$2 million to ODE, \$200,000 for ODE costs and the remaining \$1.8 million to be distributed as grants to the nine tribal governments to assist in the development of the curriculum.

SB 20 (Chapter 726), effective Aug. 15, 2017, creates provisions and amends statutes. With the passage of the federal Every Student Succeeds Act, state law must be updated, including:

- Modified diplomas will be treated similarly to regular high school diplomas.
- Students with modified diplomas will no longer be eligible for transition services.
- A foster care student's resident school district will be assumed to be the school district attended prior to being placed in foster care and not the foster parents' address.
- Transportation shall be free of charge.

SB 182 (Chapter 639), effective Aug. 2, 2017, creates, amends and repeals provisions. SB 182 changes the way the state supports educator mentoring. The bill establishes the Educator Advancement Council, which will eventually replace the existing Network of Quality Teaching and Learning. SB 182 charges the council with distributing resources for professional advancement for educators. The bill also begins the planning and development of a system of educator networks to identify local professional learning needs. These local networks will be managed by the council. Testimony on the bill indicated that local networks will be able to take advantage of additional resources from local districts and other sources.

The bill requires a multi-year, phased-in plan. During the first year of the 2017-19 biennium, the council and local networks will organize and begin planning activities. During the second year, the local networks become eligible to receive funds through state programs. Over time, the council will become more involved in prioritizing state spending for educator professional development. Starting in 2019-21, the Educator Advancement Council will replace the NQTL, taking over responsibility for guiding state funding for educator professional development.

SB 182 also changes the adjustment factor for the current carve-out from the State School Fund for the NQTL. The adjustment was previously equal to the growth in the State School Fund. SB 182 changes this to the inflation factor used by state agencies in developing their budgets.

SB 207 (Chapter 516), effective Jan. 1, 2018, creates provisions. SB 207 directs public universities and community colleges to provide credit in the applicable subject area to students who receive a grade of three or higher on an Advanced Placement examination.

SB 208 (Chapter 550), effective July 3, 2017, amends ORS 339.450 and 339.460. The bill permits public charter school students to participate in interscholastic athletics at public schools, if academic eligibility requirements listed in the bill are met. If a charter school student participates in interscholastic activities at a public school, then the school district may be reimbursed by the public charter school for up to 5 percent of the per-student weighted Average Daily Membership (ADMw). If a student participates in an activity that requires the student to enroll in a course for credit, then the school district may require the charter school to reimburse an additional fee of up to 5 percent of the per-student ADMw.

SB 231 (Chapter 643), effective date Oct. 6, 2017, creates provisions. The bill creates the Task Force on Student Mental Health Support; the scope is limited to higher education. The task force is directed to study how mental health issues and substance abuse disorders impact college students, including in the areas of student recruitment, retention and program completion. Staffing will be provided by the Higher Education Coordinating Commission, and a report is due to the Legislature by Nov. 1, 2018.

SB 314 (Chapter 645), effective Aug. 2, 2017, creates provisions and amends ORS 131A.360, 131A.365 and 417.788. The bill directs the Early Learning Division to provide funding to specified Relief Nursery programs. Relief Nursery programs must participate in evaluations to determine progress on reducing foster care placements, child development and improved childhood safety. This information is included in a database housed with the Oregon Association of Relief Nurseries. Relief nurseries must also be certified by the association to participate and receive funding.

SB 803 (Chapter 690), effective Aug. 8, 2017, creates provisions and amends ORS 339.133 and section 17, chapter 60, Oregon Laws 2016. The bill allows foreign exchange students who live in school dormitories to be considered resident students for State School Fund purposes for the 2017-18 school year. This is a one-year extension (sunsetting July 1, 2018) that only applies to the districts with exchange students living in dorms during the 2010-11 school year; it does not allow expansion of programs. The Oregon Department of Education must report to the Legislature on the funding for these students and programs by March 1, 2018.

SB 1003 (Chapter 473), effective Jan. 1, 2018, creates provisions and amends ORS 326.726 and section 5, chapter 790, Oregon Laws 2015. The bill makes several key revisions to Oregon's dyslexia student screening and teacher training law passed in 2015 (SB 612), including:

- Clarifying that the universal screening for risk factors for dyslexia is to be administered to all kindergartners and any first-graders who were not screened in kindergarten.
- Clarifying that the screening will include checking for a family history of difficulty in reading but only for students who actually present risk factors as part of the screening.
- Directing the Oregon Department of Education to provide guidance on recommended best practices for student level interventions, rather than mandated, prescriptive interventions for students who present risk factors as part of the screening.

- Directing ODE to make recommendations to the Legislature on next steps and best practices for expanding screening and student level interventions by Sept. 15, 2018.
- Extending the deadline for teachers to be trained from Jan. 1, 2018, to July 1, 2018. This is needed to allow more time for teachers to complete the required training in advance of the screenings beginning during the 2018-19 school year.

SB 1032 (Chapter 697), effective Aug. 8, 2017, creates provisions, amends ORS 341.522, and repeals sections 1 and 2, chapter 410, Oregon Laws 2017. The bill makes changes to the Oregon Promise program. The bill removes the prohibition from awarding more than \$10 million in Oregon Promise grants per fiscal year, and also provides exemptions to the requirement that a student must enroll within six months of high school graduation for National Guard members and others who meet specific criteria. Finally, it modifies an existing requirement that students pay \$50 per term in tuition to permit payment by reducing the amount of a grant awarded. The bill also permits the Higher Education Coordinating Commission to decrease the total amount of grant awarded or increase the amount a person must pay for each term if insufficient money exists to provide a grant to each person awarded a grant.



PERSONNEL

House Bill 2265 (Chapter 119), effective Jan. 1, 2018, amends ORS 243.712 and 243.746. The bill specifies that the 150-day period of negotiations under the Public Employee Collective Bargaining Act begins when the parties first meet. Many school districts already stipulate to a specific date, and this should help minimize any uncertainty as to when the 150-day period begins.

HB 2992 (Chapter 668), effective Oct. 6, 2017, creates provisions and amends ORS 326.607. The bill requires school districts and charter schools to complete a criminal record check on volunteers to have direct and unsupervised contact with students.

HB 3351 (Chapter 406), effective Jan. 1, 2018, creates provisions. The Teacher Standards and Practices Commission is the licensing board for teachers in Oregon. HB 3351 requires the executive director of the commission to prepare an annual report related to the duties, powers and function of the commission. It requires the report to contain information including the number of teaching licenses and administrative licenses that have been issued, licensing trends, sanctions imposed, significant rule changes, and completion rates and placement of students in educator preparation programs. The bill also indicates the commission may require verification that attempts were made to resolve the complaint through the local school district complaint process before a complaint was filed with the commission.

Senate Bill 42 (Chapter 308), effective Jan. 1, 2018, amends ORS 657.221. The bill reverses a change in statute made by SB 1534 in 2016. The Legislature was considering a policy change to the unemployment benefits for certain education employees contained in SB 1534, when the U.S. Department of Labor delivered an opinion that Oregon may be out of compliance with federal law. SB 42 returns the original language to the statute.

SB 46 (Chapter 309), effective Jan. 1, 2018, creates provisions and amends ORS 743A.058, 743B.601 and 743B.810. The bill makes technical changes to statute, by placing regulations of the Public Employees' Benefit Board and the Oregon Educators Benefit Board in one place in statute, Chapter 243. PEBB and OEGB are not under the jurisdiction of the Oregon Insurance Division or the Department of Consumer and Business Services, however, both PEBB and OEGB work in collaboration with the department and the insurance division on any complaints or requests and will continue to do so. This change was requested because neither the insurance division nor the department has authority over PEBB and OEGB, and those statutory references were confusing. These technical changes should also help make sure future legislation is placed in the correct statute.

SB 101 (Chapter 515), effective June 29, 2017, amends ORS 419B.045. The bill clarifies how school district personnel are to handle child abuse investigations on school grounds when the report involves a family member. School district personnel are not allowed to notify parents when there is an investigation of child abuse by Child Protective Services or law enforcement. When these investigators come to a school district to investigate a report of child abuse and ask for a student to be pulled from class, the school district has the requestor complete a "KN" form that indicates the person has the proper paperwork to interview a student. These types of reports require protective services, not the school district, to notify the parent or guardian the investigation has taken place.

SB 200 (Chapter 641), effective Aug. 2, 2017, creates provisions and amends ORS 238.156 and 236.157. This bill is narrowly defined, adding the U.S. Public Health Service and the National Oceanic and Atmospheric Administration to the list of uniformed services groups able to purchase retirement credits within the Public Employees Retirement System.

SB 205 (Chapter 446), effective June 22, 2017, amends ORS 342.125, 342.127 and 342.173. The bill allows a prospective teacher candidate with a pending application for a teaching license to teach in public schools for up to 90 calendar days under certain conditions: The school district has reviewed the employment history of the applicant, the applicant has complied with any other Teacher Standards and Practices Commission requirements, and the applicant is not ineligible due to a criminal background check.

SB 221 (Chapter 317), effective June 14, 2017, creates provisions and amends ORS 342.147. In 2015, the Legislature passed SB 612 and HB 2412. Those bills dealt with dyslexia education and instruction, requiring that teacher training programs include dyslexia, that schools ensure existing teachers received training, that the Oregon Department of Education develop a plan to ensure screening of every student enrolled in public school, and that ODE designate a dyslexia specialist.

SB 221 updates those laws. The bill requires teacher training programs to provide instruction on other reading difficulties as well as dyslexia. It also requires certain educator preparation programs to provide instruction on dyslexia and other reading difficulties, and it permits educator preparation programs to phase in compliance with standards or rules adopted by the Teacher Standards and Practices Commission over three years. It also removes provisions of state law requiring teacher preparation programs to follow the standards of an international dyslexia association.

SB 269 (Chapter 247), effective Jan. 1, 2018, creates provisions and amends ORS 678.031. Oregon nursing law allows for out-of-state nurses who are licensed and in good standing to temporarily practice in the state for up to 30 days if certain conditions are met as specified by ORS 678.031. The bill adds a new exemption for out-of-state nurses to provide temporary care to students in Oregon.

SB 712 (Chapter 653), effective Aug. 2, 2017, creates provisions and amends ORS 238A.005 and 238A.155. The bill allows Oregon Public Service Retirement Plan members to accrue Public Employees Retirement System credit hours during periods of disability leave if the member returns to qualified employment after receiving workers' compensation benefits for an injury or disease sustained while in actual performance of duty and not intentionally self-inflicted. Tier One and Tier Two PERS members already receive this benefit.

SB 1067 (Chapter 746), effective Aug. 15, 2017, creates provisions and amends statutes. This bill was the "cost containment" bill for state government, and some provisions impact K-12 schools. Specifics of the bill include:

- Requiring legislative review of agency long-term vacancies.
- Requiring additional reporting on collective bargaining changes.
- Reducing the cap on state government FTE to 1.0 percent of the state population.
- Requiring the Legislative Fiscal Office to study the Lottery Commission administrative costs and transfer rate prior to the odd-numbered-year sessions.
- Requiring a study of state procurement practices to achieve savings.
- Authorizing the LFO to update current service level assumptions from what is used to prepare the governor's budget proposal.

- Setting a target of 2 percent of replacement value to be spent on deferred maintenance each biennium.
- Modifying the law regarding Public Employees Retirement System side accounts (pre-paid employer contributions) and requiring the governor’s budget proposal to include recommendations on funds available for additional side account deposits.
- Limiting the PERS contingency reserve fund to \$50 million.
- Ensuring that communications regarding the PERS unfunded accrued liability includes information on side accounts.
- Requiring the Legislature to establish a minimum project amount to be eligible for bond financing; projects below that amount need to be funded with cash.
- Centralizing debt collection activity in state government in the Department of Revenue and changing debt collection processes.
- Requiring the Public Employees’ Benefit Board and the Oregon Educators Benefit Board to establish an executive committee to develop a plan for the merger of the boards and to begin to combine administrative functions and operations.
- Requiring PEBB and OEGB to adopt methodologies designed to limit growth in premium or per-member health plan costs to 3.4 percent per year.
- Eliminating “double coverage” for PEBB and OEGB employees who have family members also employed by a PEBB or OEGB employer after July 1, 2019.
- Tying hospital rates for PEBB and OEGB to a percentage of Medicare rates.



PACE

House Bill 2337 (Chapter 70), effective Jan. 1, 2018, creates provisions and amends ORS 656.206. The bill increases the minimum and maximum workers' compensation benefits for permanent total disability and permanent partial disability. The maximum totality disability benefit is two-thirds of the workers' wage and then capped at 133 percent of average weekly wage. The minimum benefit is increased to one-third of the average weekly wage. Workers injured prior to the passage of this bill will have adjustments made subject to the Retroactive Program already established in ORS 656.506.

Senate Bill 257 (Chapter 519), effective Jan. 1, 2018, amends ORS 162.415. The bill expands the crime of Official Misconduct in the First Degree. This includes acts that constitute official misconduct in the second degree when the public servant is aware of and consciously disregards a risk that the violation places a vulnerable person in danger of physical injury or a sex crime and includes a violation that causes the withholding from a vulnerable person of necessary and adequate food, physical care or medical attention. The bill defines a vulnerable person and supervisory employee who is also added to the statute in this bill.

SB 268 (Chapter 377), effective Jan. 1, 2018, creates provisions and amends ORS 419B.035. The bill adds Disability Rights Oregon to the list of advocates who can access confidential reports and records when investigating a claim of abuse of a child with a disability occurring in an educational setting. Child Protective Services investigates child abuse when a family member is suspected. This bill allows Disability Rights Oregon to investigate cases that do not involve or suspect a family member that may otherwise go without an investigation.

SB 327 (Chapter 449), effective June 22, 2017, amends ORS 105.672. The bill extends recreational immunity to employees, agents and volunteers of land owners when acting within the scope of duties, and to certain others with an ownership interest in an entity that is a land owner. A 2016 Oregon Supreme Court decision had opened up school districts to potential lawsuits if they let the public use their properties, such as playgrounds and sports fields, for free. Preserving recreational immunity for public landowners was one of education advocates' major legislative priorities.

FINANCE

House Bill 3470 (Chapter 725), effective Aug. 15, 2017, creates provisions and amends or repeals statutes and laws. The legislation is known as the “program change” bill, and it makes changes and corrections necessary to implement the 2017-19 legislatively adopted budget. In relation to K-12, the bill delays the creation of the Connecting Education to Careers Account for two years due to the passage of Measure 98 and redirects marijuana tax revenue from the Common School Fund to the State School Fund. These marijuana funds are included as part of the \$8.2 billion State School Fund appropriation.

HB 5006 (Chapter 702), effective Aug. 15, 2017, creates provisions. The bill appropriates state resources to a wide variety of programs and state agencies and is generally referred to as the “Christmas tree bill.” This is the budget reconciliation bill passed toward the end of each legislative session, and it includes allocations made to the Emergency Board. For the education portion of the 2017-19 biennial budget, major education-related allocations include:

- \$100 million in bond proceeds to the Oregon Business Development Department for seismic rehabilitation grants.
- Adding \$12.5 million in lottery funds and increasing the Other Funds limitation by \$17.9 million (to account for additional marijuana receipts) to the State School Fund while decreasing the General Fund appropriation to the State School Fund by \$30.4 million. This nets out to \$0 and keeps the State School Fund appropriation at \$8.2 billion.
- Appropriating \$480,517 in General Fund money to the Oregon Department of Education to pay debt service on bonds to make repairs at the Oregon School for the Deaf.
- \$100 million in bond proceeds to the Oregon Department of Education for bond matching grants through the Oregon School Capital Improvement Matching program.
- An additional \$5.3 million for the Oregon Promise program, for a total of \$40 million for the biennium.
- \$50,000 for disbursement to the World of Speed to provide bridge funding for its High School Automotive Career Technical Education.
- \$197,488 to the Oregon State Library to restore cuts to the Ready to Read grant program.

Gov. Kate Brown used her constitutional power to line item veto two parts of this bill that would have funded projects unrelated to education: the Bradshaw drop irrigation canal project and the Harry and David baseball park project, both in southern Oregon.

HB 5020 (Chapter 9), effective March 28, 2017, creates provisions, amends or repeals statutes, and amends laws. The bill makes technical and spending adjustments to bonds issued for the 2015-17 biennium, but no K-12 or community college projects are impacted. Technical policy adjustments impacting K-12 and community colleges include amendments to clarify the Department of Administrative Services’ role as the bond program administrator for Lottery Revenue Bonds, Higher Education Bonds (Article XI-F), and ongoing General Fund-supported general obligation bond programs, including Higher Education Bonds (Article XI-G), Seismic Rehabilitation Bonds (Articles XI-M and XI-N) and School Capital Matching Bonds (Article XI-P).

HB 5038 (Chapter 584), effective July 19, 2017, appropriates funds to the Teacher Standards and Practices Commission. HB 5038 is the commission's budget bill for the 2017-19 biennium. The commission is responsible for licensing teachers and educators, accrediting educator preparation programs, and monitoring the conduct of licensees. HB 5038 also continues three limited-duration positions to respond to backlogs in investigations, licensing and responding to requests for documents, technical assistance and information via emails and phone calls. These limited-duration positions existed in 2015-17 and remain necessary for the next biennium to eliminate the backlogs entirely. The bill also adds a position to address information technology needs across the agency, including development of a professional practices tracking system and an online higher education program approval system.

HB 5043 (Chapter 10), effective March 28, 2017, appropriates funds for capital construction projects. The budget bill establishes authority for the planning, design and construction of three projects with individual costs over \$1 million and a total cost of \$23.9 million:

- Klamath Community College Student Success and Career-Technical Center.
- Rogue Community College Health and Science Center.
- Southwestern Oregon Community College Health and Science Building.

Projects are funded with Article XI-G bonds previously authorized in HB 5005 (2015) and sold during the 2015-17 biennium.

Senate Bill 754 (Chapter 701), effective Aug. 9, 2017, creates and amends provisions. SB 754, the "Tobacco 21" bill, increases the minimum age from 18 to 21 years of age to purchase and possess tobacco and nicotine products. It also establishes relevant provisions, including fines and penalties, for individuals or businesses that distribute or sell tobacco-related products to persons under 21 years of age.

SB 847 (Chapter 693), effective Jan. 1, 2018, amends ORS Chapter 273. The bill establishes state policy to identify trust lands under the jurisdiction of the State Land Board that, due to management or regulatory impediments, have limited performance potential as Common School Fund assets and to transfer those identified lands to state or federal agencies or tribes better positioned to manage the lands to provide public benefits. The board may specify the public entity to transfer the lands to, or the Legislature may designate an entity.

Senate Bill 5505 (Chapter 570), effective July 19, 2017, creates provisions and amends ORS 283.085 and 286A.833. The bill sets the bonding amounts for major state-funded capital construction projects for the 2017-19 biennium. It is the primary bonding bill for the 2017 legislative session and contains limits on the maximum amount of bonds and third-party financing agreements that state agencies may engage in for the specified projects. Education-related projects include:

- \$100 million in Article XI-M bonds for seismic rehabilitation grants for education buildings.
- \$100 million in Article XI-P bonds for the Oregon School Capital Improvement Matching Program.
- \$4.4 million in Article XI-Q bonds for roof replacements and other improvements at the Oregon School For the Deaf.
- \$100 million in Certificates of Participation to finance a partial purchase of the Elliott State Forest.
- \$101 million in Article XI-G bonds for 15 total projects at Oregon's community colleges.

SB 5506 (Chapter 747), effective Aug. 15, 2017, creates provisions and amends sections 1 and 2, chapter 808, Oregon Laws 2015. The bill gives state agencies Other Funds expenditure authority for bonding projects, including the bonds for the Oregon School for the Deaf and the community college bond projects authorized through the Higher Education Coordinating Commission.

SB 5516 (Chapter 590), effective July 19, 2017, appropriates funds to the Oregon Department of Education and related accounts. The ODE budget bill allocates \$2.6 billion, the bulk of which is distributed to school districts and education service districts in the form of grants-in-aid. Other areas of investment include:

- Measure 98 grants: \$170 million.
- Chronic Absenteeism Initiative: \$7.4 million.
- Tribal history curriculum and coordination (SB 13): \$2 million.
- Educator advancement (SB 182), including dyslexia and trauma-informed practices: \$35 million.
- Career/technical education programs, including:
 - STEM/CTE Regional Network: \$5 million.
 - CTE Revitalization grants: \$10.3 million.
 - STEM/CTE Career Pathways: \$8.2 million.
 - STEM/CTE Innovation: \$4.4 million.
- Early Intervention/Early Special Education: \$207.3 million.
- Physical Education/PEAK grants: \$4.4 million.

SB 5517 (Chapter 564), effective July 6, 2017, appropriates \$8.2 billion to the State School Fund. The total appropriation represents an 11.2 percent increase over the 2015-17 State School Fund, and it is comprised of \$7.68 billion in General Fund resources, \$452.29 million in lottery funds, \$63.1 million in marijuana taxes, and approximately \$67 million in other funds and timber funds. Notably, the State School Fund budget bill requires that 50 percent of the resources be allocated in each year of the biennium. In the past, the Legislature has required 49 percent expenditure in the first year of the biennium and 51 percent in the second year to account for rising costs.

Notable “carve-outs” from the fund:

- 10th grade SAT or ACT test: \$968,000.
- Virtual School District: \$1.6 million.
- Free lunches: \$2.47 million.
- Network of Quality Teaching and Learning/Educator Advancement Council: \$39.5 million.

SB 5522 (Chapter 594), effective July 19, 2017, appropriates approximately \$8 million to the Chief Education Office. The budget bill funds the work the agency does in coordination of education-related programs from early learning through post-secondary, as well as the development and maintenance of the Statewide Longitudinal Data System. The allocation is \$2 million less than the current service level. Six positions and 5.75 FTE were eliminated, and more than \$400,000 for Regional Achievement Compact support and other activities was removed from the budget.

Notably, the total allocation is broken into two parts: a budget of \$4.02 million budget for the first year of the biennium and a distinct special purpose appropriation of \$3.97 million to the

Emergency Board for the budget in the second year of the biennium. It is unusual to structure an agency budget in this fashion. Testimony in the Ways and Means committee indicated that due to ongoing discussions on the education governance structure and the scheduled sunset of the Chief Education Office at the end of the biennium, the Legislature will likely review the role of the agency during the 2018 legislative session.

SB 5524 (Chapter 595), effective July 19, 2017, appropriates \$2.4 billion to the Higher Education Coordinating Commission. Major features of the HECC budget bill include:

- Public University Support Fund: \$736.9 million.
- The Community College Support Fund: \$570.3 million.
- Oregon Opportunity Grant funding: \$146.1 million.
- Oregon Promise program funding: \$35 million.
 - An additional \$5.3 million was included in the end-of-session bill, bringing the total funding to \$40 million.
- Outdoor School program funding: \$24 million in lottery funds, as required by Measure 99.

SB 5529 (Chapter 598), effective July 19, 2017, maintains and reserves Oregon Lottery revenues available to benefit public purposes in the Administrative Services Economic Development Fund. The bill transfers 100 percent of declared earnings on the Education Stability Fund out of the Oregon Education Fund and to the Lottery Bond Fund. Earnings are to be used by the Department of Education to pay outstanding education lottery bonds. The bill allocates \$465 million from the Administrative Services Economic Development Fund to the Department of Education for the State School Fund and \$24 million to the Outdoor School Education Fund.

SB 5537 (Chapter 375), effective July 1, 2017, is the budget bill for the Oregon Department of State Lands. The department generates revenue for the Common School Fund through the management of state-owned lands and investment activities. The department provides administrative support to the State Land Board, which is comprised of the governor, the treasurer and the secretary of state, and it implements the policies of the State Land Board in management of the Common School Fund and its assets. The bill appropriates \$49.2 million to the department, which has 110 positions that support its work.

SB 5539 (Chapter 603), effective July 19, 2017, creates provisions. The bill distributes tobacco “Master Settlement Agreement” funds, including \$3.6 million to the Oregon Department of Education to fund physical education-related grants.

For questions about this
report, or other legislative
inquiries, contact:

OSBA

www.osba.org
PHONE 503-588-2800

LORI SATTENSPIEL
Interim Legislative Services Director
lsattenspiel@osba.org

RICHARD DONOVAN
Legislative Services Specialist
rdonovan@osba.org

COSA

www.cosa.k12.or.us
PHONE 503-581-3141

MORGAN ALLEN
Deputy Director of Policy and Advocacy
morgan@cosa.k12.or.us

CHUCK BENNETT
Director of Government Relations
chuck@cosa.k12.or.us

OSBA helps identify and implement
policy changes required by new legislation

Some of the laws enacted by the 2017 Legislature require school districts, education service districts, charter schools and community colleges to make policy changes.

The Oregon School Boards Association has created sample policies to help you make these changes. For more information, contact OSBA Policy Services, 800-578-6722 or 503-588-2800, email info@osba.org, or visit osba.org/policyservices.