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This OSBA/COSA Legislative Report describes the bills enacted during the 2025 regular session of the 83rd Oregon Legislative Assembly that affect Oregon students, educators, and public schools. It was prepared jointly by the Oregon School Boards Association (OSBA) and the Coalition of Oregon School Administrators (COSA), whose continuing collaboration ensures that improved outcomes for our students are at the forefront when state laws affecting public education are drafted and enacted.

Oregon public schools are represented full time in Salem by Stacy Michaelson and Adrienne Anderson from OSBA and Morgan Allen and Parasa Chanramy from COSA.

State legislative leaders and budget writers were under an immense amount of pressure to develop and pass a balanced budget that protects core services, gets the most for every dollar, mitigates federal budget uncertainty, and prioritizes funding in key areas. Even with the sobering revenue forecast news in May, we remained committed to continuing to elevate the needs of students and our targeted funding priorities and reinforce our shared commitment to improving student outcomes.

Our work and progress would not be possible without you. You met with lawmakers. You called them. You emailed them. You did not give up. We want to say thank you for all of your leadership, advocacy, and engagement this session.

Your advocacy helped us secure \$11.36 billion for the State School Fund, protect funding for the Student Investment Account and High School Success, and much more.

Hard work to protect our students and public education in Oregon lies ahead, and we will continue to collaborate to ensure our leaders advance policy and funding priorities that center student success, improved education outcomes, and stable, adequate, and equitable funding across Oregon schools.

We look forward to a successful session in 2026.

Sincerely,

Emielle Nischik

Executive Director

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OSBA

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2025 LEGISLATIVE SESSION

Each session presents its unique challenges and quirks, and that was certainly true of the 2025 convening of Oregon's 83rd Legislative Assembly. A roller coaster analogy would be appropriate, as there were highs and lows, twists and turns, and a pivotal drop that altered the course of the session. Although we have some crucial wins to celebrate, the session also concluded with some key priorities left unfinished.

Our organizations began putting in work for the 2025 session shortly after the conclusion of the 2024 short session. We worked with the governor's office to update the current service level calculation (CSL) methodology, we joined a broad coalition of education and disability advocates to identify key investment requests for special education, and we participated in the accountability work group convened by the Oregon Department of Education.

We were successful in securing a more accurate CSL calculation of \$11.36 billion, an 11.35% increase from the 2023-25 biennium. Starting the session with this more accurate number allowed us to focus our advocacy efforts on potential improvements, rather than fighting for a basic funding floor for K-12. Although we did not need to defend the math with legislators, we did face a great deal of scrutiny over K-12 test scores as a measure of educational outcomes, and Gov. Tina Kotek closely tied her commitment to the higher CSL to passing accountability legislation for schools.

The K-12 accountability proposal was the subject of many informational and public hearings in the House and Senate education committees. The final legislation (SB 141) includes new requirements for statewide and district growth targets, increased use of interim assessments, and a focus on support and coaching from ODE (full details are included in the report).

Not only did the Legislature adopt an \$11.36 billion State School Fund (SSF), but it passed legislation (HB 2140) codifying some of the crucial changes in the calculation. Going forward, the CSL calculation will always roll up from the 51% of the SSF that districts receive in the second half of the biennium and the state will take into account annual adjustments to local property tax revenues.

We were also successful in protecting funding for the Student Investment Account (SIA) and High School Success, despite many other Student Success Act programs taking sizeable reductions. The SIA was funded at \$1.109 billion, which was a modest reduction of 2.5% from the current service level calculation, but still \$17 million more than 2023-25. Total High School Success Funding came in at \$338.1 million, for a perstudent allocation of \$977.

Other important education bills that moved early in the session include investments in summer learning and one-time Public Employees Retirement System (PERS)

funding. HBs 2007 and 5047 together provided \$35 million annually for summer learning in both 2025 and 2026, with a focus on programming aimed at improving literacy. HB 5047 also set up a mechanism for ongoing summer learning funding, with the hope of increasing the amount in future biennia. SB 849 allowed the PERS Board to apply \$167 million in funds from the School District Unfunded Liability Fund toward 2025-27 PERS rate increases, reducing districts' rates by 1.68 percentage points.

Unfortunately, the session wasn't all so rosy. When the June Economic and Revenue Forecast was released in May, legislators were made aware that they had nearly \$800 million less than they had been anticipating. With inflation outpacing corporate activity tax (CAT) revenue, the Legislature had to make some difficult decisions, resulting in cuts to things like Grow Your Own Programs and the Student Success Plans.

Following the June forecast, many good bills died in committee because of lack of funding. Our efforts to secure investments in special education were one such example. Although legislators were sold on the need, the lack of available funding and competing priorities resulted in us coming up short. Even with the support of the governor, advocates failed to secure requested additional funding for early literacy due to the revenue shortfall.

The budget challenges weren't limited to education. Despite months of negotiations, the Legislature failed to pass a transportation package. Without the funding that would come from such a package, the Oregon Department of Transportation (ODOT) faces the prospect of significant staffing reductions. As of this writing, Gov. Kotek has directed ODOT to delay any layoffs and has announced that she will be calling legislators into a special session on August 29.

In addition to the upcoming special session, we are beginning preparations for the 2026 short session, as legislators must have their bill requests submitted by November. Before we can fully turn our eye to future sessions, we must navigate implementation of measures that passed in 2025. At the same time, we are monitoring the evolving federal landscape to understand the impacts of the budget reconciliation process. For the state component, please take a moment to review this report, familiarize yourself with the changes, and reach out with any questions.

We appreciate all the advocacy by COSA and OSBA members in 2025. We also want to thank Lori Sattenspiel, former OSBA Legislative Services director. Although she retired in 2024, she remained on contract through this session, giving us the benefit of her years of experience.

We are always here to support you in navigating the legislative process, and as always, we encourage you to reach out to the OSBA legislative team, Stacy Michaelson and Adrienne Anderson, or the COSA legislative team, Morgan Allen and Parasa Chanramy, if you have any questions or want to discuss any of the bills or budgets contained in this report.

BILL INDEX

Bill summaries have been provided in numerical sequence. For your convenience, the bill index has been organized by category and linked to the individual bill summaries. Individual bill summaries have been linked to the corresponding Oregon Legislative Information System.

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BILL SUMMARIES

HB 2007 (Chapter 11) Effective April 23, 2025 Programs

Creates new provisions and amends section 2, chapter 6, Oregon Laws 2024. HB 2007 is the summer learning policy bill for the 2025 session. For Summer Learning Grant funding, please see <u>HB 5047</u>.

HB 2007 amends HB 4082 (2024). Section 1 of the bill specifies that Summer Learning Grant programs must focus on improving students' reading proficiency by:

- Prioritizing improvement of academic outcomes;
- Incorporating evidence-based literacy instruction and interventions designed to support students who are reading below grade level; and
- Using a variety of learning strategies that align with academic standards and are focused on evidence-based literacy, math, science or language arts, and assist with credit recovery.

Additionally, a summer learning program may include academic enrichment activities designed to improve student academic outcomes and that are combined with evidence-based interventions.

Eligible applicants for HB 2007 summer learning grants include school districts, education service districts (ESDs), public charter schools, federally recognized tribes, or any combination thereof.

Applicants may partner with school districts, ESDs, public charter schools, institutions of higher education, local government or service districts, federally recognized tribes, community-based organizations, or non-profit entities. Partnership entities must have demonstrated ability to assist with literacy instruction or academic enrichment.

When awarding grants, the Oregon Department of Education (ODE) shall prioritize applicants that:

- Submit a summer learning plan that uses research-aligned literacy strategies;
- Have the lowest rates of reading proficiency; and
- Have focused interventions that target students who have demonstrated academic needs, including students who are not at grade level.

The bill also adjusts parameters for administrative costs:

- Five percent for administrative costs (excluding student transportation), if the grantee is partnering with another entity that is administering the program; or
- Ten percent for administrative costs (excluding student transportation) for the grantee.

Each biennium, ODE shall review statewide student academic outcomes to determine which academic content areas to prioritize for summer learning programs for the upcoming biennium.

HB 2081 (Chapter 433) Effective September 26, 2025 **Finance** Creates new provisions.

HB 2081 creates new requirements related to climate change and the environment for the Oregon Investment Council (OIC) and the state treasurer to consider, including requiring the OIC and treasurer to:

- Analyze and manage the risks of climate change to the Public Employees Retirement Fund:
- Analyze how the integration of climate change analysis will help achieve portfolio return objectives;
- Pursue the goal of reducing the carbon intensity of the fund; and
- Submit biennial reports to the Legislature regarding progress toward an investment program that addresses the impact of climate change factors on the portfolio.

The biennial reports to the Legislature may include the following:

- Information on progress toward carbon intensity investment goals;
- Progress toward investing in holdings that incorporate the tenets of a transition in priorities and portfolio; and
- Any other relevant information relating to advancements and methods in measuring progress toward goals and benchmarks within an environment where science and carbon intensity measurement constantly evolve.

The bill allows the OIC and treasurer to consider whether the goals of HB 2081 are consistent with relevant statutory fiduciary responsibilities before making any investment changes.

<u>HB 2140</u> (Chapter 435) Effective July 1, 2025 Finance Creates new provisions and amends ORS 291.210 and 327.008.

HB 2140 changes the ways the Oregon Department of Administrative Services and the Legislative Fiscal Office estimate the projected costs of programs funded by the State School Fund. It requires the Oregon Department of Education to distribute the State School Fund general purpose and transportation grants to school districts in two parts: 49% for the first year of each biennium and 51% in the second year. The bill requires projections to be based on the 51% of the State School Fund that districts receive in the second year of the current biennium.

HB 2292 (Chapter not yet assigned) Effective January 1, 2026 Finance, Operations Creates new provisions and amends ORS 743B.001 and 743B.425.

HB 2292 requires health benefit plans that currently reimburse the cost of counseling, prevention, and screening services for sexually transmitted infections to also provide coverage for USDA approved Human Immunodeficiency Virus (HIV)

prevention drugs and the services required when beginning or continuing the use of HIV prevention drugs. This requirement will apply to health care plans under the Oregon Educators Benefit Board (OEBB) and the Public Employees Benefit Board (PEBB) to ensure coverage and access for USDA approved HIV prevention drugs and services. PEBB plans must offer this benefit beginning January 1, 2026. OEBB plans must offer this benefit beginning October 1, 2026.

HB 2307 (Chapter 195) Effective May 28, 2025 Creates new provisions and amends ORS 459.488.

Operations

HB 2307 amends a previous prohibition on the sale of certain fluorescent light bulbs in Oregon. HB 2531 (2023) banned the sale of new fluorescent light bulbs in Oregon, beginning in 2024 and 2025, depending on the type of bulb, with certain exemptions included in the provisions. HB 2307 adds fluorescent bulbs purchased by a school district for use in a school building to the listed exemptions, on a limited-term basis. The exemption for schools ends January 2, 2030.

Effective September 26, 2025 HB 2321 (Chapter not yet assigned)

Finance

Creates new provisions.

HB 2321 directs the Legislative Revenue Officer to produce a report on the current state property tax system and recommendations to update and modernize it. The report is required to include an overview of the current system, the impacts of Ballot Measures 5 and 50 on the system, and integrate stakeholder feedback and concerns. A final report must be submitted to the Legislature by December 1, 2026.

HB 2421 (Chapter 52)

Effective January 1, 2026

Finance

Amends ORS 350.075.

HB 2421 amends SB 1552 (2024) to allow private non-profit universities to participate in the direct admissions program established by the Higher Education Coordinating Commission (HECC).

For context, several states have enacted direct admissions policies to lower barriers for students to enter higher education. Direct admissions programs inform high school-age students when their qualifications, such as grade point average and standardized test scores, meet the criteria for admission to institutions of higher education. Students qualifying for admission under a direct admissions program typically have access to an abbreviated application process at participating institutions. Section 11 of SB 1552 (2024) required HECC to establish a direct admissions program for community colleges and public universities in Oregon.

HB 2453 (Chapter 348)

Effective June 20, 2025

Operations, PACE

Amends ORS 329.711.

SB 732 (2021) required school districts to convene educational equity advisory committees to advise school boards, subjecting them to public meeting laws. HB 2453 is a statutory fix to modify ORS 329.711 and requires equity advisory committees to report to the district superintendent, making them no longer subject to public meeting laws. It requires the equity advisory committee's annual report be shared with the school district board either by the district superintendent or as a presentation by the equity committee.

HB 2508 (Chapter not yet assigned) Effective July 24, 2025 **Operations** *Creates new provisions; amends ORS 192.842, 326.565, 338.115, 343.173, 346.169, and 433.280; and repeals ORS 326.580.*

HB 2508 requires the Oregon Department of Education (ODE) to develop and implement a standardized method to create, collect, use, maintain, disclose, transfer, and access student data; from multiple platforms across school districts, education service districts, and ODE.

The goals of HB 2508 are to:

- Facilitate easy and fast electronic transfers of student records;
- Support the interoperability of electronic health records that are education records and facilitate the ability of school districts and education service districts to effectively maximize Medicaid billing;
- Minimize existing and future reporting burdens for school districts and education service districts by streamlining reporting requirements when possible;
- Minimize the likelihood that a new record will be created for a student when the student transfers to, or is placed in, a different educational setting;
- Ensure that the department has the ability to access student data for research purposes; and
- Establish student data standards.

HB 2508 specifies that the method developed and implemented must allow for the collection of at least the following types of student data student name and identification number, student demographic information, student statewide assessment data, student course completion data, student education records, student individual education program and 504 plans, student attendance data, and student medical alerts and other health data.

The bill also outlines requirements for ODE. In doing so, the department must:

- Establish student data standards to further the purposes of the method;
- Ensure that the method is developed, which may be accomplished by entering into an intergovernmental agreement or a contract with a public or private entity for the development of the method;
- Ensure that the method reduces or eliminates redundancies related to student data and that the method is compatible with local methods related to student data that are in place prior to the implementation of the method;
- Maintain integrity and security of student data; and
- Provide technical support and training to school districts and education service districts.

ODE shall establish a technical advisory group to assist in the development and implementation. The committee shall include:

- A representative of a statewide organization that represents school administrators:
- A representative of a statewide organization that primarily represents licensed teachers;
- A representative of a statewide organization that primarily represents classified educators and educator staff;
- A representative of a statewide organization that represents school nurses;
- A representative of school health providers that are not school nurses;
- A special education educator who is a technical expert in individualized education program systems;
- A representative of a statewide organization of school business officials in this state:
- A representative of a statewide organization that represents education service districts:
- A representative of a statewide organization that represents school boards;
- A representative of the Oregon Youth Authority;
- An expert on the statewide longitudinal data system;
- A representative of the Office of Enterprise Information Services established in the Oregon Department of Administrative Services;
- Two members who are parents, students, or representatives of the public; and
- Fifteen representatives of an organization that coordinates the contract and implementation process for student information systems in multiple school districts of this state.

Members of the committee are appointed by the superintendent of public instruction or the superintendent's designee. All appointments to the committee must be completed by December 1, 2025.

The committee is responsible for:

- Studying the Juvenile Justice Information System;
- Providing oversight and technical guidance to staff within the Oregon Department of Education regarding the implementation of the method;
- Making recommendations for legislation, rulemaking, and policy development;
- Coordinating efforts with any state-level committees or organizations that address Medicaid billing by school districts and education service districts;
- Overseeing implementation;
- Submitting reports no later than October 1 of each even numbered year to the Legislature's education committees;
- Considering the alignment with grant applications and intersecting programs;
- Recommending attainable schedules for testing, training, and implementation in ESDs and in school districts of varying sizes across the state; and

 Making recommendations regarding cybersecurity issues that may affect student data.

The implementation of HB 2508 will be phased over 10 years and become operative July 1, 2035.

To develop a student data system, \$2.03 million was allocated to ODE through <u>SB</u> 5515.

HB 2511 (Chapter 75) Effective January 1, 2026 Personnel Creates new provisions.

HB 2511 enacts a recommendation from the <u>Joint Task Force on Statewide Educator Salary Schedules Report</u> (September 2024) by requiring the Oregon Department of Education to collect the same pay and benefits information the department uses to administer ORS 327.013 (1)(b)(B) for all individuals who are employed by a school district or by an education service district.

HB 2514 (Chapter 376) Effective January 1, 2026 **Finance** *Amends ORS 334.125.*

HB 2514 clarifies that education service districts (ESDs) can seek voter approval for general obligation bonds in the same manner as school districts. The bill allows ESDs to seek bonds for the ESD's capital costs and/or for the costs of component districts. HB 2514 limits the aggregate principal amount of bonded indebtedness for ESDs to 7.95% of the real market value of all taxable property within the ESD.

HB 2530 (Chapter 198) Effective January 1, 2026 Finance, PACE Creates new provisions and amends section 2, chapter 43, Oregon Laws 2024. HB 4147 (2024) permitted school districts to use stop-arm cameras to record drivers who fail to stop for school bus safety lights and issue citations based on the evidence from the cameras. HB 2530 permits school districts to enter into a contract with private organizations, with an agreement from a law enforcement agency, to install a stop-arm camera.

Law enforcement can issue a citation for violation of ORS 811.155 if a police officer has reviewed the evidence and signs the citation and HB 2530 creates a rebuttable presumption that a warning sign was posted as required and the bus safety lights were operational and activated at the time of the violation.

The bill requires a city or county that receives money under ORS 153.633 or 153.640, as a result for failure to stop for bus safety lights, in violation of ORS 811.155, to disburse all of the money to the education provider if the citation was issued on the basis of evidence from the stop-arm camera and the education provider had the stop-arm camera installed.

HB 2540 (Chapter 120) Effective January 1, 2026 **Finance**, **Operations** *Creates new provisions.*

HB 2540 requires health insurers to count the amount an enrollee pays directly to a health provider toward the enrollee's deductible and annual out-of-pocket expenses

when certain conditions are met. The expense must be for a medically necessary item or service covered under the benefit plan, the amount paid must be less than the average discounted in-network rate for the same item/service from a provider with the same license, and the enrollee has not otherwise submitted the claim to the insurer. Insurers must have a process for enrollees to submit such claims for a credit toward their deductible/annual out-of-pocket expenses, which can include requiring the enrollee to utilize the insurer's claims system.

HB 2680 (Chapter 300) Effective September 26, 2025 **Operations** Creates new provisions.

Glazing is the action, process, or trade of fitting windows with glass. North American Contractor Certification (NACC) establishes a baseline for competency, business practices, and industry-accepted guidelines for glazing contractors. The NACC program recognizes glazing contractors that consistently demonstrate quality and safety excellence. The program offers an American National Standards Institute National Accreditation Board -accredited third-party endorsement of companies having completed a significant and time-intensive evaluation process, establishing a baseline for competency, business practices, and industry accepted-guidelines.

The Architectural Glass & Metal Technician (AGMT) Certification program is a personnel certification featuring an independent, third-party assessment of an experienced glazing installer's knowledge, skills, and abilities through written and hands-on assessments. Because products, systems, and procedures are everchanging, in order to maintain the AGMT credential, certified technicians must renew certification every four years.

HB 2680 requires that a public agency that provides public funds to install, repair, or remodel a fenestration product or system in a public building that a public agency constructs, remodels, or repairs and owns or leases on a public works project of \$25 million or more for new construction and \$5 million or more for remodel work to require that the contractor must have all licenses and insurance required in Oregon and have a national certification as a glazing contractor and at least one of the workers or technicians must have a national certification as an architectural glass and metal technician, operative July 1, 2027. It also requires the contractor, operative July 1, 2028, to demonstrate that 25% of the contractor's employees have a national certification as an architectural glass and metal technician. The measure defines fenestration product or system, national certification, public agency, and public funds.

Public agency is defined as "the State of Oregon or a political subdivision of the State of Oregon or a county, city, district, authority, public corporation, or public entity that is organized and exists under a law or charter or an instrumentality of the county, city, district, authority, public corporation, or public entity."

Creates new provisions.

HB 2682 requires the Oregon Department of Education (ODE) to establish an advisory committee to study and develop recommendations to modernize the adequate service level funding calculation for early intervention and early childhood special education.

The bill requires ODE to appoint the following members to the committee:

- One member who is an educator employed in an early intervention and early childhood special education program;
- One member who is a therapist employed in an early intervention and early childhood special education program;
- One member with a child who is enrolled in an early intervention and early childhood special education program;
- One member with expertise in budgeting for an early intervention and early childhood special education program;
- Members from policy organizations with expertise related to early intervention and early childhood special education, K-12 education or early learning systems; and
- One member who is a representative of the Department of Early Learning and Care with expertise in the preschool and childcare systems in Oregon.

The committee shall submit their recommendations to the Legislature's education committees no later than September 15, 2026. The committee sunsets January 2, 2027.

HB 2684 (Chapter 377) Effective January 1, 2026 Operations Creates new provisions and amends ORS 634.700 and 634.705.

In 2009 the Legislature passed SB 637, requiring school districts and boards to create and adopt an Integrated Pest Management (IPM) plan. The law also required school board adoption of a low impact pesticide list for use in district schools.

HB 2684 makes changes and updates to Oregon's school IPM law and plan requirements, including:

- Requiring IPM plans to be reviewed and updated by the governing board at least every five years. Plans adopted prior to January 1, 2026, must be updated by January 1, 2027, or within five years of the most recent adoption whichever date is later.
- Both the IPM plan and low impact pesticide list must be posted on the school district website. These requirements can be met by posting these documents online as part of the district's Healthy and Safe Schools Plan.
- School gardens are added to the definition of "campus" and must be covered by the IPM plan.

HB 2688 (Chapter not yet assigned) Effective September 26, 2025 **Finance**, **Operations** *Creates new provisions and amends ORS 279C.800.*

HB 2688 applies the prevailing wage standard to certain offsite elements of a public works project. Under this provision, prevailing wage rates would apply to offsite fabrication, assembly, construction, or preconstruction of certain systems or components when the work is done to the exact specifications of a particular project (i.e., "bespoke," as used in the bill). The types of systems or components to which the measure applies are:

- Mechanical systems, such as HVAC, refrigeration, and other ducting or piping;
- Plumbing;
- Electrical systems or components of systems that conform with the requirements of the Electrical Safety Law (ORS 479.510-479.945) and the rules of the Electrical and Elevator Board:
- Boiler systems;
- Ornamental and structural iron work;
- Masonry and plaster;
- Roofing, flashing, and architectural panel systems or components other than glazing; and
- Mechanical insulation.

The prevailing wage requirements in HB 2688 become operative July 1, 2026, but the bill allows state agencies to begin rulemaking prior to the operative date. The measure directs the Bureau of Labor and Industries to adopt rules specifying which manufacturing and standard inventory items are excluded from the provisions of the bill.

HB 2728 (Chapter not yet assigned) Effective September 26, 2025 Finance, Personnel Creates new provisions and amends ORS 238.450.

HB 2728 requires the Public Employees Retirement System (PERS) Board to update the Notice of Entitlement (NOE) letter. PERS will be required to include both the total hours of overtime the member has and the amount of overtime hours used to calculate the member's final average salary in the NOE. The change applies to Tier One, Tier Two, and the Oregon Public Service Retirement Pension (OPSRP). The operative date of the bill is January 1, 2026, but PERS may begin preparing for implementation before this date to ensure they are ready to implement fully on day one of this new requirement.

HB 2802 (Chapter 25) Effective January 1, 2026 Finance, Operations Creates new provisions and amends ORS 656.230.

Currently, employees and workers who are partially disabled as a result of their workers' compensation claim may receive a Permanent Partial Disability award (PPD). HB 2802 shifts the current law from reasons why a lump sum payment may be denied to stating the circumstances where a lump sum payment is required. It also requires an insurer to make a lump sum payment of PPD award if the worker waives reconsideration of a notice of closure or the award has become final by

operation of law. The bill provides for three outcomes where a lump sum payment is not required:

- The insurer or self-insured employer timely requests reconsideration of the Notice of Closure;
- Payment of compensation has been stayed pending a request for hearing or review; or
- The worker is enrolled and actively engaged in vocational training.

HB 2815 (Chapter not yet assigned) Effective January 1, 2026 Creates new provisions and amends ORS 417.831.

Programs

HB 2815 requires the Oregon Department of Early Learning and Care (DELC) to develop and implement a statewide early learning and care plan for Native American or Alaska Native students (8 years old or younger) who are enrolled in early childhood care or education programs. In developing a plan, the DELC shall consult the nine federally recognized Tribes in Oregon and state agencies with relevant expertise.

At a minimum, the plan must:

- Support the developmental, child care, and educational needs and goals of plan children in a culturally appropriate manner;
- Increase access for plan children to early learning system resources and programs administered by the department;
- Support culturally responsive curricula that honor the Native American experience in Oregon, including Tribal history, sovereignty issues, culture, treaty rights, government, socioeconomic experiences and current events;
- Improve early childhood development and kindergarten readiness for plan children;
- Increase literacy and numeracy levels for plan children between kindergarten and grade three;
- Provide education, training, and professional development opportunities for educators and childcare providers who serve plan children;
- Foster parental and familial engagement in the development and education of plan children; and
- Support the preservation and revitalization of Native American language and culture in Oregon.

The DELC shall establish and administer a grant program to award funding to each of the nine federally recognized Tribes in Oregon.

The Tribal Early Learning Fund is established in the Oregon State Treasury, separate and distinct from the General Fund. Interest earned on monies in the Tribal Early Learning Fund must be credited to the fund.

To support the development and implementation of the plan, the DELC shall establish an advisory committee called the Oregon Tribal Early Learning Alliance.

Due to budget constraints, the Ways and Means Committee moved HB 2815 forward without additional funding. There is existing funding in the DELC's budget that will be moved over to the Tribal Early Learning Fund created by HB 2815.

HB 2900 (Chapter 352) Effective January 1, 2026 Personnel Amends ORS 342.815.

HB 2900 amends the definition of "contract teacher" to include a shorter probationary period for educators who move districts after having already completed a probationary period in one district. Prior to HB 2900, the default probationary period for all teachers in all districts was three years, with the option to offer a shorter probationary period (of not less than one year) for educators who had previously satisfied the three-year probationary period in another district. Under HB 2900, the initial probationary period for new teachers remains three years, but the default probationary period for an educator who has previously satisfied the three-year probationary period in another district drops to two years. The option to offer an even shorter probationary period (of not less than one year) for educators that have already satisfied an initial probationary period in another district remains.

HB 2929 (Chapter not yet assigned) Effective July 17, 2025 Programs Creates new provisions and amends ORS 430.220, 430.221, 430.223, 430.270, 430.357, 430.389, 657.665, and section 6, chapter 63, Oregon Laws 2022 HB 2929 clarifies the duties of the director of the Alcohol and Drug Policy Commission, modifies the membership of the commission, and makes technical and definitional changes to the work of the commission. The bill requires the inclusion of a school administrator on the commission.

The prior commission structure included 17 members appointed by the governor, with at least 75% representing specific public health and health care stakeholders and up to 25% representing corrections stakeholders. The new structure includes 21 members appointed by the governor, as follows, with the goal of ensuring representation from every region of the state and from individuals with lived experience with substance use disorder themselves or by their family members:

- One representative of a federally recognized Tribe;
- One county commissioner, manager, or administrator;
- Nine health care providers who have substance use disorder expertise and who, collectively, have experience in outpatient care, inpatient care, emergency response, housing that is supportive to people who have a current diagnosis of a substance use disorder or are in recovery from a substance use disorder, and peer support;
- One certified prevention specialist;
- One coordinated care organization representative;
- One representative of the criminal justice system, including a county sheriff, chief of police, or community corrections director;
- One attorney who is a district attorney, criminal defense attorney, or assistant attorney general;

- One community mental health program representative;
- One health insurer representative;
- One county juvenile department director;
- One school administrator:
- One city representative; and
- One local public health administrator, as defined in ORS 431.003.

Changes to the nonvoting membership are as follows:

- Rather than the director of the behavioral health program of the Oregon
 Health Authority automatically being included as a nonvoting member, the
 governor will appoint up to three representatives from different participating
 state agencies, including one representative from a primarily youth-serving
 agency.
- The coordinated care organization representative has been changed to a voting member.

Nonvoting member appointments that remain the same are:

- One legislator from each chamber, appointed by the Senate president and House speaker; and
- One circuit court judge appointed by the chief justice of the Oregon Supreme Court.

HB 2930 (Chapter 353) Effective January 1, 2026 **Operations**, **PACE** *Amends ORS 184.612, 244.020, and 293.708.*

Current ethics law applies only to a public official or candidate and their relatives. HB 2930 adds "member of the household" of the public official or candidate to the conflict of interest and ethics laws. "Member of the household" is any person who resides with the public official or candidate.

HB 2932 (Chapter 354) Effective January 1, 2026 Operations, PACE Amends ORS 244.040.

HB 2932 amends ORS 244.040, part of the conflict of interest statute, to permit a public official to receive compensation from a post-secondary institution for teaching at least one course.

HB 2944 (Chapter 270) Effective January 1, 2026 **PACE**, **Personnel** *Amends ORS 243.676 and 243.806.*

HB 2944 allows the Employment Relations Board (ERB) to issue new, increased penalties for certain violations of the Public Employee Collective Bargaining Act (PECBA). PECBA requires a labor organization to provide each public employer with a list of the public employees who have authorized a public employer to make deductions from the public employee's salary or wages to pay dues, fees, and any other assessments or authorized deductions to the labor organization. Public employers are required to make the authorized deductions and to remit payment to the labor organization within a time period that aligns with a payroll processing

schedule established by the employer not to exceed 30 calendar days following the date of the deduction. New or increased penalties for violations of this provision include:

- The bill requires ERB to impose a civil penalty of not less than \$1,000 but not more than \$5,000 if the public employer named in an unfair labor practices complaint has previously violated the requirement that they provide the name, date of hire, contact information, and the employment information about an employee in appropriate bargaining within the designated timelines or the right to receive the full amount of remittance for deductions authorized by any employees.
- For any subsequent violation, the ERB is required to impose a civil penalty of not less than \$5,000 nor more than \$10,000.
- The ERB is required to consider extenuating circumstances that the employer can show caused the violation when determining the amount of the civil penalty. Specific exemptions for a civil penalty for repeat or subsequent violations of certain requirements of the PECBA are allowed if the public employer can show the violation resulted from a natural disaster, a computer crime, or destruction by fire, flood, or other catastrophic event at the employer's place of business that significantly disrupted the public employer's operations relating to the violation.

These extenuating circumstances are not an automatic affirmative defense against a violation for any repeat or subsequent violation under the bill's provisions.

<u>HB 2948</u> (Chapter 207) Effective January 1, 2026 Personnel Creates new provisions.

HB 2948 specifies that an administrator or other staff member who is not a nurse may not direct a school nurse or registered nurse in the practice of nursing, as defined in ORS 678.010. Non-nurse administrators and other staff members may still supervise, evaluate, or direct a nurse related to their role as a school employee, including setting work hours, locations, workload, and other matters addressed through a collective bargaining agreement, and administrators/other staff may confer with a school nurse or registered nurse on issues related to student safety or the practice of nursing. The bill makes clear that school districts are not required to provide clinical supervisors to school nurses or registered nurses, nor do those individuals need to be clinically supervised in a school setting.

HB 2957 (Chapter 379) Effective June 24, 2025 **PACE**, **Personnel** *Creates new provisions and amends ORS 659A.830, 659A.870, 659A.875, and 659A.880.*

HB 2957 makes it an unlawful employment practice for an employer to enter into an agreement with a former, current, or prospective employee that has the effect of shortening the statute of limitations for violations over which the Bureau of Labor and Industries (BOLI) has enforcement authority.

If a complaint is filed under ORS 659A.820 alleging an unlawful employment practice of discrimination, HB 2957 requires BOLI to issue a notice to the complainant that they may file a civil action when the BOLI commissioner dismisses the complaint within one year after the filing of the complaint and the dismissal is for any reason other than the fact that a civil action has been filed by the complainant, or the one year anniversary of the filing of the complaint.

When a notice of rights to file a civil action is issued by BOLI, HB 2957 changes the timelines the complainant has to file a civil action. Previously, the complainant had 90 days. Under HB 2957, if the commissioner has conducted an investigation and made a finding of substantial evidence of a violation or has not conducted an investigation, the complainant must file a civil action either within 90 days after the date of the issuance of the notice of rights (if 90 days or less remain on the applicable statute of limitation) or before the limitations period expires if more than 90 days remain on the applicable statute of limitations at the time of issuance of the notice. If the commissioner has conducted an investigation and made a finding of no substantial evidence of a violation, then the person must file a civil action within one year after the date of issuance of the notice of rights, if more than one year remains on the applicable statute of limitations; before the limitation period expires if at least 90 days, but not more than one year, remain on the applicable statute of limitations; or within 90 days after the date of issuance if less than 90 days remain on the applicable statute of limitations.

The changed timelines apply to complaints and actions that are filed on or after the effective date of HB 2957 or filed before the effective date if BOLI has not issued a notice of rights.

HB 3007 (Chapter 281) Effective June 9, 2025 Creates new provisions and amends ORS 336.495.

Operations, PACE

HB 3007 creates new requirements for school districts, education service districts (ESDs), and charter schools to create temporary accommodation(s) for students diagnosed with a concussion or other brain injury. The Oregon Department of Education (ODE) is charged with developing a procedure for schools to use when a parent or guardian provides written notification that a student has been diagnosed with a concussion or other brain injury by a health care professional and that accommodations are being requested. Health care professionals are defined as physicians, chiropractic physicians, naturopathic physicians, psychologists, physical therapists, occupational therapists, physician associates, or nurse practitioners.

ODE must establish a procedure and create a sample form for all school districts, ESDs, and charter schools (named as education providers in the bill) to utilize. The temporary accommodations plan used by the education provider is required to:

• Determine if immediate physical activity limitations are necessary to ensure the safety and recovery of the student and to minimize the risk of reinjury or additional injury to the student, including activities such as physical education, recess, unstructured play, and similar activities provided by or sponsored through the public education provider that involve running, jumping, climbing, throwing, catching, or other movements that pose a risk of falls, collisions, or physical injury. The public education provider shall implement any immediate physical activity limitations determined to be necessary;

- Describe challenges and symptoms associated with the student's concussion or other brain injury;
- Identify and implement immediate and temporary academic, social-emotional, behavioral, or other necessary accommodations determined to be appropriate for the student to support meaningful participation in educational activities at a level that is appropriate for the student's recovery; and
- Communicate accommodations identified for the student with all teachers who provide instruction to the student and other employees of the public education provider that have regular responsibilities for the student's supervision or health, including school nurses, counselors, physical education teachers, coaches, athletic trainers, and staff supervising recess or other physical activities.

The identified accommodation(s) must be in place no later than ten school days after the public education provider receives written notification from the parent or guardian. Any plans in place must be reviewed at least every two months. These requirements are in effect for the 2025-26 school year.

<u>HB 3022</u> (Chapter 27) Effective September 26, 2025 <u>Operations</u>, <u>Personnel</u> Creates new provisions and amends ORS 25.793, 137.924, 314.840, 316.168, 656.506, and 657B.150.

HB 3022 makes technical changes to information sharing between state agencies for purposes of administering Paid Leave Oregon (PLO). The bill allows:

- The Department of Revenue to share self-employed income and income reported by employers on Form W-2 and Form 1099 with the Employment Department;
- The Department of Justice Division of Child Support to share information about employees recently hired in Oregon with PLO;
- The Department of Corrections and county jails to report defendant information to the Employment Department for the purpose of administering PLO.

The bill also allows the Employment Department and the Department of Revenue to conduct joint audits of employers' combined quarterly payroll tax reports.

HB 3024 (Chapter 382) Effective September 26, 2025 **Finance**, **Personnel** *Creates new provisions and amends ORS 657.176.*

HB 3024 removes the policy reducing unemployment benefits by eight weeks for individuals who were previously disqualified from receiving benefits for cause and who have since earned at least four times their weekly benefit amount through

employment. These individuals will no longer face a reduction in weeks of benefits should they subsequently claim unemployment insurance benefits.

HB 3026 (Chapter 384) Effective June 24, 2025 Personnel, Programs Creates new provisions and amends ORS 181A.410, 192.690, 279A.050, 348.295, 350.426, and section 40, chapter 95, Oregon Laws 2024.

HB 3026 is a technical fix bill from the Higher Education Coordinating Commission

- Modifies public meeting and membership requirements for certain subcommittees of the Transfer Council:
- Grants procurement authority to the HECC;

(HECC). The bill:

- Revises eligibility for the Oregon Teacher Scholars Program (OTSP);
- Requires HECC to study reporting requirements for public institutions of higher education and HECC; and
- Extends the deadline for HECC's forestry workforce study to December 31, 2025.

Of note, in revising eligibility for the OTSP, the bill:

- Permits HECC to award grants to teacher candidates who have experience with diverse populations, rather than culturally and linguistically diverse candidates;
- Requires the HECC to develop administrative rules to address ways candidates may demonstrate experience with diverse populations;
- Removes language referencing the Educators Equity Act goal for educator diversity;
- Modifies the duration of the scholarship from two academic years to the equivalent of two full-time academic years; and
- Applies changes to grants awarded for the 2025-26 academic year.

HB 3037 (Chapter not yet assigned) Effective July 1, 2025 **Finance**, **Operations** *Creates new provisions and amends ORS 327.016, 327.185, 327.195, 327.254, 327.367, 327.853, 327.859, 327.874, and 327.889.*

HB 3037 is a technical fix bill from the Oregon Department of Education (ODE). The bill makes these changes:

- Permits ODE to modify grant application and reporting requirements for non-competitive state-funded grants to reduce the administrative burden for small school districts (1,650 ADM or less);
- For High School Success grants:
 - o Adds Long Term Care and Treatment (LTCT) facilities to the list of eligible grantees;
 - o Changes the tiered funding requirements to High School Success so that it can be adjusted for inflation; and

- Adjusts the administrative set aside to match with the Student Investment Account so that districts have enough funding to administer these programs.
- For Early Indicator and Intervention Systems grants:
 - o Modifies eligible recipients in alignment with other Integrated Guidance grants; and
 - o Updates the formula to align with the Student Investment Account formula.
- For Student Investment Account grants:
 - Adds Oregon School for the Deaf (OSD) and LTCT facilities to the list of eligible grantees;
 - o Clarifies the funding formula for OSD and LTCT; and
 - o Specifies that LTCT facilities are also eligible for the minimum funding floor.
- For English Language Learner Reports (required by HB 3499):
 - Adjusts the deadline for the reports to be shared annually from September 1 to December 1.

HB 3038 (Chapter 386) Effective June 24, 2025 **Programs** *Creates new provisions; amends ORS 327.372, 327.380, 336.071, 338.155, 338.165, 339.324, 346.010, 346.015, 346.035, 346.041, 346.070, and 346.091; and repeals ORS 327.376.*

HB 3038 is a technical fix bill from the Oregon Department of Education (ODE).

For the STEM Investment Council and STEM Grants the bill:

- Repeals the Connecting Education Careers Account;
- Allows ODE to distribute funding to sustain a network of entities designated by regional partners that must expand education in STEM and coordinate efforts with regional partners to support career and technical education with local workforce boards;
- Adds education service districts (ESDs) to the list of eligible entities for STEM Investment grants; and
- Allows school districts, ESDs, community colleges, and public universities to submit applications on behalf of eligible entities.

For Approved Recovery Schools, the bill modifies how funding for recovery schools that are public charter schools is allocated.

For the Oregon School for the Deaf, the bill permits students who are deaf and hard of hearing who are on a 504 plan to attend the Oregon School for the Deaf.

For emergency drills and instruction, the bill:

- Clarifies what is required in an emergency plan, which includes requirements for Communicable Disease Management, Medical Emergency, and associated plans for required safety threat drills; and
- Updates drill and instruction on safety threats to align with national protocols.

<u>HB 3040</u> (Chapter not yet assigned) Effective January 1, 2026 Finance, Operations, Programs Creates new provisions and amends ORS 327.829, 327.831, 327.835, 327.837, and 327.843.

HB 3040 is a technical fix bill from the Oregon Department of Education (ODE) that makes amendments to the Early Literacy Success Initiative from HB 3198 (2023).

For grant spending on professional development and coaching, the bill specifies that support must be provided to teachers and administrators and may be provided to instructional assistants in early elementary and to any other staff identified through State Board of Education rulemaking.

For the adoption and implementation of curricula that uses research-aligned literacy strategies, the bill permits the use of spending on preK-5 for only these purposes.

For early literacy plans, the bill adjusts the requirement for communicating and engaging with elementary schools, families, and community members.

The bill makes modifications to what is required through reporting for grantees - highlights include:

- The number and percentage of administrators, instructional assistants, and other staff receiving professional development and coaching; and
- The number and percentage of students participating in high-dosage tutoring at the school level and the school district level.

The bill also amends the deadline for when ODE reports to the Legislature from December 31 to February 1 each year.

HB 3041 (Chapter 45) Effective September 26, 2025 Programs Creates new provisions and amends ORS 342.940.

HB 3041 is a technical fix bill from the Educator Advancement Council (EAC). The bill:

- Removes the requirement for the intergovernmental agreement (IGA) while still maintaining the EAC's current purpose and powers. The IGA will be terminated on December 31, 2025. When the IGA is terminated, the term of office for all members of the EAC shall cease;
- Requires the State Board of Education, Early Learning Council, Higher Education Coordinating Commission and Teacher Practices and Standards Commission to each appoint one representative to serve as a standing member no later than January 1, 2026. In total, there will be 19 EAC members (4 standing members; 15 rotating members); and
- Updates the membership of the council and clarifies that rotating members shall serve for two-year terms and shall be eligible for reappointment. The standing members shall appoint 15 rotating members on or before January 31, 2026. Eight members shall serve a term ending on June 30, 2026, and seven members shall serve a term ending on June 30, 2027.

HB 3063 (Chapter 63)

Effective January 1, 2026

Operations, Programs

Amends ORS 343.261.

HB 3063 states that students in the hospital education program shall remain enrolled in the district of which they were a resident prior to hospitalization for purposes of maintaining access to classroom curricula and associated technology (e.g., Google Classroom, Canvas, etc.).

HB 3083 (Chapter 208)

Effective January 1, 2026

Operations, PACE

Amends ORS 336.071.

Current law requires all public schools, private schools, charter schools, and other educational institutions with average daily attendance of 50 or more students to provide 30 minutes of monthly instruction and drills to prepare for multiple emergency procedures, including fires, earthquakes, tsunamis, and safety threats.

HB 3083 adds additional requirements to this list, including:

- Requiring every school to have emergency safeguards that include policies and procedures related to school building security; and
- Requiring the governing body of a school, when reviewing policy and procedures
 related to building security, to consider the installation of a panic alarm system that
 is wireless or wearable, ensures real-time coordination with multiple emergency
 services agencies, and integrates with local public safety answering points to
 transmit 9-1-1 calls and mobile activations.

The bill does not mandate purchase and installation of panic alarm systems but does require the governing body (e.g., the school board) to discuss and consider installation of panic alarm systems when reviewing policies and procedures relating to school building security.

HB 3187 (Chapter 125) Effective Amend ORS 654.062 and 659A.030.

Effective September 26, 2025 PACE, Personnel

Federal law protects individuals 40 years of age or older from age-based discrimination in the workplace, and Oregon law protects individuals 18 years or older from age-based discrimination in the workplace. HB 3187 makes it an unlawful employment practice for an employer or prospective employer to request or require disclosure of an applicant's age or date of birth or when an applicant attended or graduated from an educational institution prior to completing an initial interview or making a conditional offer of employment. The information can be requested if it is necessary to affirm that an applicant meets bona fide occupational qualifications or to comply with provisions in federal, state, or local laws.

HB 3199 (Chapter not yet assigned) Effective July 17, 2924 *Creates new provisions.*

Programs

HB 3199 requires an attendance study and establishes an attendance advisory committee.

Attendance Study

The bill requires the Legislative Policy and Research (LPRO) director to conduct a study regarding statewide attendance initiatives since the 2017-18 school year and state policies providing for the collection of attendance data. The LPRO director shall review:

- The goals and effectiveness of the initiatives;
- How the level of funding impacted the initiatives' effectiveness;
- Other barriers to the initiatives:
- How the collection of attendance data helped or hindered the understanding of the impact of statewide initiatives; and
- Options for separating out the collection of attendance data for school funding purposes and for school improvement and student success purposes.

In conducting the study, the LPRO director must consider:

- Longitudinal performance growth targets;
- Technical assistance provided by education service districts;
- School performance reports; and
- Average daily membership data.

For study, the LPRO director shall select a sample of school districts and education service districts that represent a variety of sizes, demographic characteristics, and geographic locations.

The LPRO director's report is due to the Legislature's education committees no later than September 30, 2026.

Attendance Advisory Committee

No later than May 31, 2026, the bill requires the Oregon Department of Education (ODE) to convene an advisory committee to review the study conducted through HB 3199 and to recommend for adoption by the State Board of Education a policy regarding improving school attendance, with an emphasis on student groups who have historically experienced academic disparities. The committee shall include:

- One member who is a representative of the Department of Human Services;
- One member who is a representative of the ODE;
- One member who is a representative of the State Board of Education;
- One member who is a representative of the Educator Advancement Council;
- One member who is a representative of the Youth Development Division;
- One member who is a representative of an association that represents school boards;
- One member who is a representative of an association that primarily represents licensed educators:
- One member who is a representative of an association that primarily represents classified educator staff:

- One member who is a representative of a coalition that represents school administrators;
- One member who is a representative of an association that represents education service districts:
- Three members who are teachers or administrators and who represent a variety of sizes of school districts in a variety of geographic locations in this state; and
- Three members who represent community-based organizations that support families from student groups that have historically experienced academic disparities, as described in ORS 327.180 (2)(b).

The committee is also tasked with providing information that ODE may use to develop a memorandum of understanding with the Oregon Department of Human Services (ODHS), school districts, and other entities identified by ODE. The information shall include current practices used to improve attendance, including family coach programming, educator professional development on best practices and other approaches that involve collaboration between school districts and DHS; and common practices that involve formal communication between educators, school districts, and ODHS.

ODE shall submit a preliminary report to the Legislature's education committees no later than November 30, 2026, and the final report no later than February 15, 2027.

HB 3218 (Chapter 210)

Effective January 1, 2026

Programs

Creates new provisions.

HB 3218 requires the Oregon Department of Education (ODE), in conjunction with the Commission on Indian Services (CIS), to study the Tribal Attendance Promising Practices grant program. Specifically, ODE and CIS shall study opportunities to expand the program, including increases in funding to enable the program to serve more students at existing program locations, and to facilitate the establishment of additional program locations throughout this state.

A joint ODE and CIS report shall be submitted to the education committees no later than September 15, 2026.

HB 3224 (Chapter 302)

Effective June 11, 2025

PACE. Personnel

Creates new provisions.

HB 3224 directs the Oregon Department of Human Services (ODHS) to review background check statutes and rules to identify similarities and differences in the background checks and review options to consolidate the number of different background checks. HB 3224 also requires ODHS to study methods for a person to not undergo additional background checks if that person has already passed a background check in the previous 12 months. The bill requires ODHS to submit reports to the Legislative Assembly by specified dates.

HB 3365 (Chapter 445) Effe

Effective January 1, 2026

Programs

Creates new provisions and amends ORS 329.045.

The State Board of Education is charged with periodically reviewing and updating Common Curriculum Goals, performance indicators, and diploma requirements. This includes the review, revision, and adoption of "rigorous academic content standards."

HB 3365 requires the State Board of Education to "ensure that any revisions to the academic content standards for science, health, history, geography, economics and civics include standards that address the causes and effects of climate change and strategies for mitigating, adapting to and strengthening community resilience to those causes and effects."

The bill requires all reviews and revisions of academic content standards after January 1, 2026, to meet these new requirements.

HB 3449 (Chapter 212)

Effective May 28, 2025

Programs

Creates new provisions and amends sections 1 and 3, chapter 33, Oregon Laws 2024. HB 3449 is a technical fix to prior legislation (HB 4084 from 2024) that created a pilot program to support students who are in foster care. The original bill directed the Oregon Department of Education to issue grants to three schools. HB 3449 adjusts the language to have the grants be awarded to school districts instead of schools and specifies that the grantee districts must use the funds at middle or high schools.

HB 3569 (Chapter 446)

Effective January 1, 2026

Operations

Creates new provisions and amends ORS 193.333 and 193.407.

HB 3569 creates a requirement that state agencies, such as the Oregon Department of Education, invite the chief sponsor, or the chief sponsor's designated bill sponsor, to participate as a non-voting member on agency rulemaking advisory committees that are created to draft rules for the bill's implementation. If the bill is a committee bill, the agency must invite the committee chair, or another committee member designated by the chair, to participate as a non-voting member on the agency rulemaking advisory committee. The bill also extends this requirement to the Small Business Rules Advisory Committee (SBRAC). The requirements apply to actions on or after January 1, 2026.

HB 3582 (Chapter 447)

Effective June 26, 2025

PACE; Operations

Creates new provisions and amends ORS 12.117 and 12.118.

Under current law, a person can sue an entity for an action based on conduct that constitutes child abuse or conduct "knowingly" allowing, permitting, or encouraging child abuse that occurs while the person is under 18 years of age.

HB 3582 removes the mental state of "knowingly" permitting someone to sue an entity for conduct allowing, permitting, or encouraging child abuse that occurs while the person is under 18 years of age. The change is retroactive.

<u>HB 3643</u> (Chapter 324) Effective June 16, 2025 PACE; Operations

Creates new provisions.

HB 3643 designates October 9 of each year as Oregon Youth Suicide Awareness Day.

HB 3653 (Chapter 161) Effective September 26, 2025 **Operations** *Creates new provisions and amends ORS 276.905, 276.915, 279A.010, 279A.065, 279C.332, and 279C.335.*

HB 3653 updates public contracting laws and definitions. The bill replaces references to "energy savings performance contracts" with "energy performance contracts," defined as a public contract, including a design-build contract, between a contracting agency and a qualified energy service company, in which the qualified energy service company:

- Identifies and assesses a need or requirement in a public improvement for:
 - Providing guaranteed energy savings or performance through an energy conservation measure;
 - o Reducing energy consumption, greenhouse gas emissions, waste generation, or water consumption;
 - Reducing costs related to energy usage and storage, water supply, or waste disposal;
 - o Reducing labor and material costs necessary to repair, replace, or maintain energy supply and storage systems, water supply systems, plumbing, or waste disposal systems; and
 - o Increasing renewable energy generation and storage, including renewable energy from thermal energy sources, and recommends, designs, and constructs, fabricates, assembles, or installs, as appropriate, a fixture, furnishing, or system.
- Recommends, designs, and constructs, fabricates, assembles, or installs, as appropriate, a fixture, furnishing, or system that meets the need or requirement identified in the bullet points above.

The bill defines a qualified energy service company (ESCO) as a person who:

- Has demonstrated a technical, operational, financial, and managerial capability
 for, and a prior record of success in, identifying and assessing needs for
 recommending, designing, and constructing, fabricating, assembling, or
 installing fixtures, furnishings, or systems that meet the requirements of an
 energy performance contract;
- Has developed expertise in measuring and verifying energy use and reductions in energy use, expertise in identifying greenhouse gas emissions and methods for reducing greenhouse gas emissions, or expertise in methods of providing savings, reductions, or other benefits that an authorized state agency may seek through an energy performance contract; and
- Otherwise meets standards that the State Department of Energy or an authorized state agency specifics for prequalification.

HB 3653 allows authorized state agencies to enter into energy performance contracts without requiring a competitive procurement if the authorized state agency follows rules that the attorney general adopts, negotiates a performance guarantee, and enters into the contract with a qualified energy service company that the Oregon Department of Energy prequalifies and approves. An authorized state agency is a state agency, board, commission, department, or division that is authorized to finance the construction, purchase, or renovation of a facility that is or would be used by the State of Oregon. The bill defines "performance guarantee" for purposes of authorized state agency contracting.

HB 3789 (Chapter 307) Effective January 1, 2026 Creates new provisions. Personnel

HB 3789 makes it unlawful to falsely impersonate a union representative and allows union representatives to bring a civil action for damages in such cases. The measure defines "falsely impersonate a union representative" to mean using fraud or misrepresentation to make a verbal or written communication that purports to be authorized or otherwise approved by a labor organization with the intent to undermine or interfere with the operations of the labor organization or harm the labor organization. The bill designates a labor organization as the sole authority to identify and designate union representatives associated with the union.

HB 3953 (Chapter 452) Effective January 1, 2026 *Amends ORS 338.035, 338.045, 338.065, and 338.075.*

Operations

Under current law, federally recognized Tribes, like other entities, must apply to their local school district to open a charter school and can appeal to the State Board of Education if the application is rejected by the local school board. Charter schools sponsored by the local school district receive 80% per student of State School Funds for grades K-8 charter schools and 95% for grades 9-12. Charter schools sponsored by the state board receive 90% of the State School Fund for grades K-8 and 95% for grades 9-12.

HB 3953 allows a federally recognized Tribe to apply directly to the state board for charter school sponsorship rather than applying to their local school district. A Tribe may apply directly to the state board if the Tribe does not already operate a public charter school sponsored by the state board, if the public charter school will be located on the Tribe's reservation or within a school district that enrolls students who are members of the Tribe, and only if the Tribe provides notice to the local school board. The bill requires the state board to adopt rules governing the application and approval process.

HB 3970 (Chapter not yet assigned) Effective July 17, 2025 Amends ORS 458.650.

Programs

ORS 458.650 directs the Oregon Housing and Community Services Department to administer the Emergency Housing Account to assist specified individuals from vulnerable populations who are at risk of becoming homeless. Some of those services include emergency shelters and attendant services, transitional housing

services, programs that provide emergency payment of home payments, rents or utilities, and food. In 2023, HB 2001 expanded the uses of the Emergency Housing Account Funds to include services and assistance to school-aged children or their families experiencing or at risk of experiencing homelessness.

HB 3970 expands eligibility for emergency housing assistance for individuals who are homeless or at risk of becoming homeless to include individuals who are pregnant or individuals between birth and an age eligible to be enrolled in kindergarten.

HB 5006 (Chapter not yet assigned) Effective

Finance

Creates new provisions and amends section 275, chapter 669, Oregon Laws 2021, and section 248, chapter 605, Oregon Laws 2023.

HB 5006 is the omnibus budget reconciliation bill that makes final adjustments to state agencies' approved budgets for the 2025-27 biennium. The bill includes a \$100 million appropriation to the Emergency Board for general purposes and \$696.2 million for specific agencies and programs, amongst other changes.

Because of declining state revenues, the bill known as the "Christmas tree bill" included limited expenditures for programs and projects. Of note, the bill includes:

- \$2 million for improvements to the Northwest Regional Education Service District's antkwak Early Learning Center; and
- \$63,559 for the Prospect School District Back-Up Power project.

Because of a shortfall in the Fund for Student Success, continuation of the Educator Advancement Council's (EAC) Grow Your Own (GYO) program and the Oregon Administrator Scholars Program (OASP) was not included in the Oregon Department of Education's budget bill. HB 5006 includes a one-time \$14 million Other Funds expenditure limitation increase to utilize the beginning balance in the Educator Advancement Fund for:

- Current OASP scholarship recipients so that any financial commitments to current participants in these programs be honored in the upcoming academic year; and
- Current GYO participants to complete their post-secondary or credential programs.

HB 5037 (Chapter not yet assigned) Effective July 1, 2025 Creates new provisions.

Finance

HB 5037 is the budget bill for the Teacher Standards and Practices Commission (TSPC). The agency was funded at \$18.8 million, 9.6% above the current service level calculation, but a 7.2% decrease in actual dollars compared with 2023-25 due to the phasing out of prior one-time investments. The agency was given authority to spend \$1.5 million on the completion of the Educator Data System, which will replace the eLicensing system, and \$2.2 million on nine additional investigator positions to address the agency's current backlog, although no additional money to fund these

efforts was provided. The commission saw the loss of \$2 million in funding for the Oregon Administrator Scholars Program; however, the Educator Advancement Council was directed to provide funding to maintain current program participants within their budget. The TSPC has been directed to review their fee schedule and submit a report to the Legislature by January 2026 with recommendations for avoiding a future revenue shortfall due to revenue from fees not keeping pace with costs.

<u>HB 5043</u> (Chapter not yet assigned) Effective July 1, 2025

Finance

Creates new provisions.

HB 5043 ratifies an administrative rule change to the licensing system fee split between the Teachers Standards and Practices Commission (TSPC) and its licensing system vendor. TSPC used to collect \$5 of the \$15 fee; \$10 went to the licensing system vendor. Under the terms of a legal settlement that split has been changed to \$10 for TSPC and \$5 for the vendor; the total cost to TSPC customers of \$15 has not been changed. TSPC expects this change to generate \$230,000 of new revenue per biennium.

HB 5047 (Chapter 16)

Effective April 23, 2025

Finance, Programs

Creates new provisions.

HB 5047 is the summer learning funding bill that accompanies <u>HB 2007</u>. The bill establishes a Summer Learning Grant Program Fund and allocates \$35 million from the General Fund for the Oregon Department of Education to administer Summer Learning Grants for 2025. HB 5047 also earmarks General Fund dollars for future Summer Learning Grants: \$35 million for 2026; and \$12 million for 2027.

SB 10 (Chapter 6)

Effective April 7, 2025

Finance

Creates new provisions and amends Section 8, Chapter 43, Oregon Laws 2022, section 51, Chapter 13, Oregon Laws 2023, and Section 3, Chapter 97, Oregon Laws 2024.

SB 10 makes technical changes to statute to fully implement the 2023-25 legislatively adopted budget; it is not an appropriation bill. Specific provisions related to K-12 education include:

- A transfer of \$10.3 million from the Educator Advancement Fund to the State School Fund. These funds were directed to be used to make school districts whole that were not credited Secure Rural Schools/Federal Forest Fee payments correctly for State School Fund distributions in the 2017-18, 2018-19, and 2019-20 school years; and
- Extension of the sunset for the School Stabilization Subaccount for Wildfireimpacted School Districts to December 31, 2025, giving the districts additional time to expend funds.

SB 69 (Chapter 85) Effective September 26, 2025 **Finance**, **Personnel** Creates new provisions and amends ORS 653.616, 653.626, 657B.060, 657B.070, 657B.400, 659A.156, 659A.159, and 659A.165.

SB 69 makes technical changes to Paid Leave Oregon (PLO). The bill specifies that the Bureau of Labor and Industries (BOLI) has administrative and regulatory oversight for discrimination, retaliation, and job protections under the program and has rulemaking authority for such oversight.

The bill:

- Pauses the statute of limitations for complaints and civil actions, if a claimant has filed an appeal with the Employment Department, for the period that the appeal is pending;
- Clarifies that leave to care for a child with an injury, illness, or condition that is not a serious health condition or when care is required due to closure of school or childcare providers applies to children under 18 or who are substantially limited by a physical or mental impairment; and
- Creates an exemption from employees' providing 30 days' notice if there is a school or childcare closure due to a public health emergency, unless the emergency was issued by the governor at least 30 days prior to the commencement of the leave.

SB 69 allows the Employment Department to disclose PLO benefit amount information to the extent necessary for employers to calculate full wage replacement during a period of leave under the program. Under the measure, employers may require that employees receive certification from their health care provider stating that the employee is able to resume work prior to restoring the employee to work following a period of medical leave under PLO, so long as the request for certification follows a uniformly applied practice or policy of the employer. The bill specifies that any qualifying purpose of PLO shall also be eligible for sick time leave. Finally, the bill creates exceptions to Oregon Family Leave Act for airline employees who fall under federal regulations.

SB 141 (Chapter 406) Effective June 24, 2025 **Finance**, **Operations** *Creates new provisions; amends ORS 326.051, 327.016, 327.180, 327.185, 327.190, 327.201, 327.208, 327.222, 327.224, 327.235, 327.254, 327.362, 327.837, 329.095, 329.485, 334.217, and 336.680; and repeals ORS 327.214 and 337.065. SB 141, the Education Accountability Act of 2025, revises portions of the Student Success Act's Student Investment Account and continuum of supports and state interventions.*

Updates Definition of School District

• The bill includes school districts, education service districts (ESDs), public charter schools, approved recovery schools, youth corrections and juvenile detention education programs (YCEP and JDEP), Oregon School for the Deaf, and long-term care and treatment (LTCT) programs.

 For ESDs, the bill clarifies that the measures would impact ESDs that have enrolled students in any grade from kindergarten through grade 12 for specialized services.

Adds Three New Metrics

- The bill adds K-2 attendance, 8th grade math proficiency, and a local metric to the current five common metrics. The five common metrics are regular attenders, third grade reading proficiency, ninth grade on track, four-year graduation rate, and five-year completer rate.
- For the local metric, districts must choose one of the five local metrics adopted by the State Board of Education.
- New metrics will be phased in during the 2026-27 school year.

Revises parameters around Performance Growth Targets

- The State Board of Education shall develop statewide targets for all metrics.
- The Oregon Department of Education (ODE) shall establish district targets for similar school districts and disaggregate for focal student populations. ODE shall collaborate with each school district to develop performance growth targets.
- The state board will do rulemaking for differentiated performance growth targets for ESDs, approved recovery schools, YCEP and JDEP programs, Oregon School for the Deaf, and LTCT programs.

<u>Updates Timelines for Improvement, and Continuum of Supports and Interventions</u>

- Professional Learning and Technical Assistance Available to All Districts: ODE shall make available technical assistance to assist school districts in meeting performance growth targets. The technical assistance must include identifying and implementing best practices for meeting performance growth targets.
- Directed Coaching (Required after two years, if targets aren't met): ODE shall advise and counsel a school district on how to meet performance growth targets and shall assist a school district with ongoing professional development and peer collaboration.
- Intensive Coaching Program (Required after three years or more, if targets aren't met): ODE shall provide additional funding and intensive coaching for districts.
- Intensive Coaching Program and Directed Spending (Required after four years or more, if targets aren't met): ODE directs spending of a district's Student Investment Account (SIA) allocation and up to 25% of the district's State School Fund (SSF) allocation).
 - o Intensive Coaching ODE shall continue to provide additional funding and intensive coaching.
 - o Authorization ODE will require the school district to authorize ODE to do directed spending all of a district's SIA allocation and up to 25% of SSF.

- o Directed Spending ODE shall enter into a partnership with an organization that specializes in K-12 finance to provide training and consultation services for a school district and present the proposed uses of the monies to the governing body of the school district at an open meeting no later than January 31 of the preceding school year.
- Entry and Exit Criteria: The State Board of Education shall adopt rules regarding timelines and criteria for reconsideration. The criteria must take into consideration data from summative and interim assessments and may allow ODE to determine that a school district is making satisfactory progress toward meeting performance growth targets and is no longer subject to intervention.
- Performance and Just Cause Audits: Through State Board of Education rulemaking, ODE may establish a procedure for conducting performance audits on a random basis or just cause audits.

Adds Requirements for Student Success Teams

- Prioritize On-Site Support: To the greatest extent practicable, student success teams shall assist school districts in person and while on site at the school district.
- Experience: Student Success Teams shall be led by a person who has at least seven years of relevant experience, as determined by the department, in systems change, curriculum and instruction, leadership, finance, human resources, school district board governance, local district continuous improvement plans, labor and management relations or community engagement; and be supported by personnel with expertise in school and school district improvement strategies, including the use of differentiated instruction and inclusionary practices.

Adds Requirements around Interim Assessments

- Administration: Districts must administer interim assessments in language arts and math at least three times a year.
- State Approved List: The state board adopts four interim assessments that districts must choose from.
- Review Data: At least three times a year, districts shall review interim data with all building principals and the governing board at a public meeting.

<u>Lays out Additional Roles and Requirements for the Oregon Department of</u> Education

- Early Literacy Curricula Standards and Training:
 - o May require the school district or public charter school to adopt textbooks or other instructional materials from the state board list for early literacy;
 - May require the school district or public charter school to participate in school or school district training or improvement activities for early literacy;
 and
 - o Removes publisher's fee.

- ODE Report to the Legislature Regarding Accountability Implementation (report due no later than December 15, 2025). The administrative and organizational changes made to the department between January 1, 2025, and December 1, 2025, to:
 - o Improve grant consolidation, reporting, data collection, and public transparency before the 2026-27 school year;
 - o Improve and align internal operations across programs and offices in the department before the 2026-27 school year;
 - o Organize state and regional efforts to elevate best practices and responsive support for school districts before the 2026-27 school year; and
 - o Update on the status of the implementation of the provisions of this 2025 act.
- Reduction of Redundancies (report due no later than December 15, 2026):
 ODE shall study reporting requirements imposed on school districts. Study shall focus on:
 - State reporting requirements that can be decreased in frequency, eliminated or consolidated;
 - State reporting requirements that can be aligned with federal reporting requirements, including any necessary changes to state programs to align with federal programs; and
 - o Statutory changes that would provide for the alignment of grants, programs, planning, reporting, and monitoring processes.
- Division 22 and 24 Standards (report due no later than December 15, 2026):
 ODE shall contract a public or private entity to review Division 22 and 24 standards to identify:
 - Standards that best support student outcomes and that should be prioritized by the department and districts;
 - o Standards that make less significant contributions to the support of student outcomes and can be removed;
 - o Effective methods for enforcing whether a district is standard; and
 - o A process for a person who resides in the district, or a parent or guardian of a student who attends school in the district, to submit a complaint about noncompliance with a standard, including timelines for investigating and resolving the complaint. The process may require the person, parent or guardian to first attempt to resolve the complaint with the district when the complaint involves specific types of standards.
- ODE Annual Reports on Sections 2-5 of the 2025 Act. Beginning February 1, 2028, based on data from the 2026-27 school year, the report shall include the following information:
 - o Definitions and metrics:
 - o Statewide and district performance growth targets;
 - o Implementation of metrics;
 - o Continuum of supports and interventions; and
 - o Annual performance review of each school district.

<u>SB 146</u> (Chapter 463) Effective January 1, 2026 Finance Creates new provisions and amends ORS 98.302, 98.308, 98.352, 98.382, 98.384, 112.055, 114.555, 116.083, 116.193, and 116.203.

Since 2021, the Oregon State Treasury has been charged with overseeing and managing the state's Unclaimed Property Program. These unclaimed assets are held in the Common School Fund until claimed by their rightful owners, which generates returns for the fund that ultimately provide dollars for Oregon's K-12 schools.

SB 146 makes updates to the statutes governing management of these unclaimed assets to ensure the rights of potential claimants are protected, definitions of assets are updated to reflect emerging digital assets like cryptocurrency, and giving the state treasurer additional flexibility to manage the program.

SB 170 (Chapter 327) Effective January 1, 2026 Personnel Amends ORS 163.160.

SB 170 amends the criminal statute of assault in the fourth degree. Currently, outside the domestic violence context, Assault IV is a Class A misdemeanor. SB 170 elevates Assault IV to a Class C felony if the assault is committed against an individual who is performing their official duties as part of their employment and the person has two or more previous assault convictions against a victim who was performing official duties as part of the victim's employment.

SB 179 (Chapter 220) Effective January 1, 2026 PACE Creates new provisions; amends ORS 105.668, 105.672, and 105.688; and repeals section 11, chapter 64, Oregon Laws 2024.

ORS 105.672 to 105.696 is collectively referred to as the recreational immunity law. It provides immunity to landowners from claims of personal injury or property damage when the landowner has made the land available to the public for recreational purposes without a fee and the claim arises from a person's use of the land for the principal purpose of recreation. In 2023, the court in Fields v. City of Newport, 326 Or. App. 764 held that it was for the factfinder to determine whether the principal purpose of walking was recreational when plaintiff walked on an improved trail providing access to the beach.

SB 179 extends immunity to all paths, trails, roads, watercourses, and other rights of way that are used to access land for recreational purposes and limits immunity for an improvement, design, or maintenance that was completed in a manner constituting gross negligence or reckless, wanton or intentional misconduct, or for which the actor is strictly liable.

SB 179 also expands the definition of "recreational purpose" to include walking, running, and bicycling.

SB 224 (Chapter 407) Effective January 1, 2026 **Operations** *Creates new provisions and amends ORS 260.057.*

The Oregon Elections System for Tracking and Reporting (ORESTAR) was developed by the Oregon secretary of state to disclose campaign finance activity,

and all candidates and political committees are required to file their statements of contributions received and expenditures made. All statements and data filed are publicly available and all statements of contribution require the name, occupation, and address of each person, political committee, or petition committee and amount contributed. In 2023, HB 3073 limited the public accessibility of a candidate's residence address on ORESTAR, but the candidate has to opt in.

SB 224 prohibits the secretary of state from publishing the residence of any individual associated with a candidate's principal campaign committee, political committee, or petition committee on ORESTAR, making it the standard as opposed to having to opt in.

SB 300 (Chapter 464)

Effective June 26, 2025

Operations, Personnel

Amends ORS 181A,840.

SB 300 fixes an unintended issue created by the passage of HB 2527 in the 2021 session. That bill required that private security entities be licensed by the Department of Public Safety Standards and Training, along with standards to be met for licensure. The definition of private security entity used in the original bill was broad enough that it encompassed a number of entities, including school districts that employ staff such as campus safety monitors. As that was not the intent of the original bill from 2021, SB 300 narrows the definition of private security entity to apply only to contract companies that provide security services. Going forward, school districts will not need to obtain an entity license from DPSST. This does not change any requirements for individual staff whose positions may require DPSST certification

SB 315 (Chapter 130)

Effective January 1, 2026

Operations

Creates new provisions.

SB 315 requires the Oregon Department of Education (ODE) to review, make recommendations, and develop best practices related to recording student absences by school districts and school district responses to student absences that exceed 10 days.

The bill also requires ODE to develop a common coding system for school districts to record and report student absences for the purposes of ORS 339.065, with consideration of the size and geographic location of a school district.

Lastly, ODE shall submit a report no later than May 31, 2026, to the Legislature's education committees and the State Board of Education. The report must:

- Summarize the review conducted, the recommendations made and the best practices developed;
- Summarize the common coding system developed; and
- Recommend any changes in administrative rules and legislation, including identifying any funding needed for implementation.

SB 450 (Chapter 367)

Effective June 20, 2025

Operations

Creates new provisions.

SB 450 makes November 14 of each year Ruby Bridges Walk to School Day. In 1960, Ruby was one of six Black children in Louisiana to pass a test to determine whether they could attend the previously all-white William Frantz Elementary School. Of the six, Ruby was the only one who chose to attend the school that year. On November 14, 1960, she walked to school with four deputy U.S. marshals and was the first Black child in the south to attend a previously all-white school.

SB 729 (Chapter 313) Effective September 26, 2025 **Operations**, **PACE** *Amends Section 5, Chapter 96, Oregon Laws 2024.*

During the 2024 session, the Legislature passed SB 1557 directing the Oregon Health Authority (OHA) to guarantee access to mental health services to eligible youth up to age 21. The bill also prohibited OHA, education providers, and other specified health care providers, practitioners, and organizations from denying an individual under the age of 21 access to mental health assessment, treatment, or services on the basis that the individual had an intellectual or developmental disability. Also of note, discrimination by public entities based on disability in health care is prohibited by federal law.

SB 729 updates this law by expanding entities covered to include all public bodies and removes the age 21 limit, ensuring protection for any individual regardless of their age.

SB 731 (Chapter 169)

Effective January 1, 2026

Finance, Personnel

Creates new provisions.

SB 731 requires that public employers (including school districts and community colleges) that provide a pay differential to employees who use bilingual or multilingual skills as part of their job duties to also provide that same pay differential to employees who utilize American Sign Language as part of their job duties.

SB 735 (Chapter 103)

Effective May 19, 2025

Operations

Amends ORS 343.331.

SB 735 modifies the definition of what counts as an abbreviated school day. It exempts public charter schools that may have shorter days, so long as:

- The student's enrollment in the charter school is voluntary;
- The majority of students in the charter school are not students with disabilities;
- The charter school is not designed for the purpose of serving students with challenging behaviors or complex medical needs;
- The charter school has a longer school year than the district in which the charter school is located:
- The regular schedule of the charter school provides at least 95% of the total number of hours provided to the majority of other students in the same grade within the student's resident school district; and

• The student is not restricted to attending fewer hours of instruction and educational services than the majority of students without disabilities in the same grade who attend the same charter school.

SB 742 (Chapter 104) Effective May 19, 2025

Operations

Amends ORS 343,321 and 343,324.

SB 742 updates requirements for Individual Education Program (IEP) meetings related to abbreviated school days. The bill specifies that, although parents or foster parents must be given the opportunity to attend meetings in person, meetings may be held via telephone or other electronic means with the parent/foster parent's consent or if holding an in-person meeting would be unreasonable due to a public health emergency.

SB 745 (Chapter 105)

Effective May 19, 2025

Operations

Creates new provisions:

SB 745 amends the requirements for the frequency of Individual Education Program meetings related to abbreviated school days for terminally ill students. Per SB 745, meetings may be held once per year when a parent/foster parent has provided written consent to meet less frequently than every 30 calendar days and when a student has an illness or sickness that can reasonably be expected to result in death within 12 months of the first meeting.

SB 784 (Chapter 131)

Effective January 1, 2026

Operations, Programs

Amends ORS 340.310.

SB 784 specifies that the Higher Education Coordinating Commission shall include standards for agriculture, forestry, and natural resources programs in statewide standards for dual credit programs. The bill also requires dual credit standards to establish the manner by which career and technical student organizations will work together to determine the quality of approved programs and ensure alignment.

SB 802 (Chapter 106)

Effective July 1, 2025

PACE, Personnel

Creates new provisions and amends ORS 342.125.

SB 802 is a technical fix bill from the Teacher Standards and Practices Commission (TSPC).

Current law and rule allow applicants to begin working in a school district for 90 days while TSPC processes the application. In current practice, the effective dates begin on the date of application.

The bill amends ORS 342.125 to start the 90-day period where an educator may begin working upon clearance of their background check. With this amendment, if TSPC licensing is close to 90 days after a cleared background check, this gives the educator and district an extended grace period so that the time between application and background check do not reduce the time an educator is available in the licensed position.

The amendments apply to applications for a teaching license submitted to TSPC on or after July 1, 2025.

SB 805 (Chapter 172) Effective January 1, 2026 PACE, Personnel Creates new provisions and amends ORS 342.176 and 342.177.

SB 805 allows the Teacher Standards and Practice Commission to close a complaint after six months, as opposed to 12, if no attempts were made to resolve it at the local level. The bill requires the commission to adopt rules establishing the monetary amount of a civil penalty that may be imposed after a charge has been proven by the commission not to exceed \$1000 for a single violation.

SB 808 (Chapter 137) Effective January 1, 2026 PACE, **Personnel** *Amends ORS 408.225, 408.230, and 408.235*

SB 808 extends existing veterans' hiring preferences to current and former Oregon National Guard members. The bill specifies that a current Guard member may receive preference as a current state service member at any point during which they are a member of the Guard, or they may apply as a former state service member if they otherwise meet the requirements for such and also submit a certification that they are expected to be discharged or released from service under honorable conditions within 120 days of submitting their certification.

SB 810 (Chapter 228) Effective September 26, 2025 Programs Creates new provisions and amends ORS 307.130, 344.511, 344.530, 344.710, 344.720, 344.730, 427.005, 427.007, 427.330, 427.335, and 825.017.

SB 810 requires the Oregon Department of Human Services (ODHS) and the Oregon Department of Education (ODE) to appoint a statewide and regional Employment First advisory committee. The committee is directed to make recommendations to ODHS regarding opportunities for individuals with intellectual or developmental disabilities to obtain Competitive Integrated Employment (CIE). It directs ODHS and ODE to collect and report employment outcome data to the state advisory committee annually. The bill also requires ODHS to ensure that employment services and vocational rehabilitation are designed to help individuals obtain CIE and do not take place in sheltered work settings.

SB 846 (Chapter 176) Effective January 1, 2026 Finance Amends ORS 414.578.

SB 846 directs the Oregon Health Authority to monitor the progress of Coordinated Care Organizations related to working with communities and community programs, improve access to and quality of care for children and youth, and produce biennial reports to the Legislature.

<u>SB 849</u> (Chapter 18) Effective May 5, 2025 Finance, Personnel Amends Section 24, Chapter 105, Oregon Laws 2018.

SB 849 directed the Public Employees Retirement Board to apply all money in the School Districts Unfunded Liability Fund (SDULF) as of February 28, 2025, against all school district employers' (both districts and ESDs) individual 2025-27 employer

contribution rates, in equal amounts. Each employer who is part of the school district pool will have their net contribution rates for the 2025-27 biennium reduced by 1.68% of payroll from the rates published in October 2024. These changes were adopted at the May meeting of the Public Employees Retirement Board, and districts can count on these savings during the 2025-27 biennium.

SB 851 (Chapter 49) Effective January 1, 2026 **Finance**, **Personnel** *Amends ORS 238.005, 238.148, 238.450, 238.580, 238.608, 238.715, and 238A.140; and repeals ORS 238A.010.*

SB 851 makes technical changes to the Public Employees Retirement System (PERS). It raises the threshold for the PERS Board to waive recovery of overpayments from those less than \$50 to those less than \$200 and adds circumstances under which an employer would be allowed to modify information provided to the system following the last date for a PERS member to file a dispute. The bill adds definitions for "major fraction of a month" and "major fraction of each month."

SB 852 (Chapter 70) Effective January 1, 2026 **Finance**, **Personnel** *Amends ORS 238.400, 238.405, 238A.190, and 238A.400*

SB 852 makes technical changes to the Public Employees Retirement System (PERS). It removes the option for beneficiaries to receive the remainder of a deceased Individual Account Program (IAP) PERS member's vested account via installments, instead requiring that the beneficiary or beneficiaries receive a lump sum distribution. For police and firefighter benefits, a surviving spouse or child shall receive their allowance as a lump sum payment if the monthly allowance would be less than \$200 per month. The bill removes the provision allowing Oregon Public Service Retirement Plan (OPSRP) members to change benefit elections when a non-marital relationship is terminated after the member's retirement date. The bill also allows a surviving spouse of a Tier One or Tier Two member and who is the member's beneficiary, to make elections for receiving the benefit as long as the deadline for the member to make such elections had not yet passed, even if the member had already made an election.

<u>SB 858</u> (Chapter 93) Effective September 26, 2025 Finance, Personnel Creates new provisions and amends ORS 657B.030, 657B.090, 657B.210, 657B.400, and 657B.410.

SB 858 makes technical changes to the Paid Leave Oregon laws. The bill specifies that employees are not eligible for Paid Leave Oregon while receiving either state or federal unemployment benefits. The bill allows an authorized agent to act on behalf of a covered individual if the individual becomes deceased or incapacitated prior to submitting a claim or before a final decision has been issued on the claim. SB 858 directs the Employment Department director to adopt rules to implement this change. The bill also clarifies that when an employer has an approved equivalent plan, the employer and employees do not have to make contributions to Paid Leave Oregon.

SB 859 (Chapter 94) Effective September 26, 2025 **Finance**, **Personnel** *Creates new provisions and amends ORS 657B.339.*

SB 859 makes technical changes to Paid Leave Oregon administration. The bill adjusts language allowing the director of the Employment Department to waive amounts due of \$10 or less and to retain overpayments of \$10 or less, providing greater detail about when these waivers may occur. The bill also grants the director the authority to determine that the amount due on an employer's delinquent account is uncollectable and to write off the amount due in certain circumstances. The bill gives direction on what factors the director shall consider and recordkeeping requirements when such determinations are made.

SB 867 (Chapter 111) Effective January 1, 2026 Operations, PACE Creates new provisions and amends ORS 339.370, 339.391, 419B.035, and 659.855. SB 867 allows the State Board of Education to establish rules for sanctions when a public school is found to be in noncompliance with ORS 332.505 (employment and compensation statute), ORS 659.850 (discrimination in education prohibited statute), and ORS 659.852 (retaliation against student prohibited statute). Those sanctions can include ordering the school to adopt or revise a policy, undergo training, publicly disseminate information, or receive technical assistance. If the violation involved a student missing an educational or extracurricular activity because the student was discriminated against, providing the student with access to the missed activity or reimbursing the student or student's parent for any reasonable costs incurred in obtaining a comparable activity.

SB 867 exempts an education provider that only serves students who have not yet entered kindergarten from Oregon Department of Education's (ODE) sexual conduct investigations, unless that education provider is under the direct control of an education provider for students in any grade from kindergarten through grade 12.

Currently, ODE does not have authority to substantiate sexual conduct reports that involve conduct occurring outside the service dates for a seasonal contractor, agent, or volunteer. SB 867 permits ODE to investigate any person who provided services as a school employee, contractor, agent, or volunteer within two calendar years prior to when the suspected sexual conduct was committed. At the conclusion of the investigation, SB 867 requires ODE to notify the person who provided the report of suspected sexual conduct and whether the report was substantiated, could not be substantiated, or the report was not a report of sexual conduct. If the report is substantiated, ODE is required to inform the regulatory board; if the board is not the Teachers and Standards Practicing Commission (TSPC) and ODE knows the regulatory board licensed, registered, certified, or otherwise authorized the person to practice a profession or provide professional service.

SB 867 also requires law enforcement to make reports available to ODE after the law enforcement agency has completed an investigation for alleged sexual conduct and closed its file.

SB 868 (Chapter 112)

Effective January 1, 2026

Finance, Programs

Amends ORS 343,236.

SB 868 requires the Oregon Department of Education (ODE) to develop a formula to be used to calculate the cost of efficient and effective funding for Regional Inclusive Services. The bill also requires ODE to submit a report to the governor and the Legislature's education committees no later than September 1 of each even-numbered year. The biennial report shall identify any differences in the calculation for the present biennium and the reason for any difference; the report must also include any difference in the amount of state funding needed – and provided – for the next biennium.

SB 890 (Chapter 294) Effective January 1, 2026 PACE, **Programs** *Amends ORS 192.492, 192.499, 192.508, 192.511, and 192.513.*

SB 890 makes changes to the Oregon Sunshine Committee. It places four members of the Legislature's judiciary committees on the committee as ex officio nonvoting members. The chairs of the judiciary committees must appoint two members from the House of Representative and two members from the Senate, one from each party. The bill also lengthens the timeline for the committee to review all exemptions from disclosure for public records by five years, to December 31, 2031. The committee must submit a report to the judiciary committee by May 1 of each even-numbered year.

SB 904 (Chapter 234) Effective January 1, 2026 PACE, Operations Amends ORS 656.407 and 656.430.

SB 904 adds school districts to the list of employers that may apply to the Department of Consumer and Business Services for an exemption from the rule requiring employers that self-insure for workers' compensation to establish proof of financial ability.

SB 905 (Chapter 184) Effective January 1, 2026 Operations, Programs, PACE Amends ORS 332,334.

SB 905 allows Oregon school districts, education service districts (ESDs), and public charter schools to eliminate paper records at each entity's administrative headquarters when the records are also required to be maintained electronically.

For context, the Legislature passed the Healthy and Safe Schools Plan in 2017 (SB 1062), which requires school districts, ESDs, and public charter schools to develop and adopt a Healthy and Safe Schools Plan to address environmental conditions. The law outlines requirements for each plan (e.g., identify key points of contact; list all facilities that are subject to the plan; provisions for testing, sharing test results, and reducing exposure related to lead, asbestos, and radon; provisions for integrated pest management; and provisions for installing carbon monoxide detection devices), as well as procedural steps for increasing transparency and fostering public trust.

Healthy and Safe Schools (HASS) Plans are expected to be easy-to-find, accessible, and understandable to the public. Currently, school districts, ESDs, and public

charter schools must electronically post and maintain paper records related to their HASS plans "at the administrative headquarters for the district or school."

SB 905 does two things. First, it maintains the original law's intention for school districts to share results and plans in a way that is easily and freely accessible online, as required by statute; and second, it will help save time and resources for school districts, ESDs, and public charter schools by eliminating paper records related to these plans when records are already maintained electronically.

<u>SB 906</u> (Chapter 235) Effective January 1, 2026 Operations, Personnel Amends ORS 652.610 and 652.900.

SB 906 requires that, at the time of hire, employees be provided with a written explanation of earnings and deductions shown on the itemized pay statements provided to employees per ORS 652.610 (1). The explanation must include general information on the following:

- The employer's established regular pay period;
- A list of all types of pay for which employees may be eligible, including hourly, salary, shift differential, piece-rate pay and commission-based pay;
- A list of all benefit deductions and contributions;
- Every type of deduction that may apply;
- The purpose of deductions that may be made during a regular pay period;
- Allowances, if any, claimed as part of minimum wage;
- Employer-provided benefits that may appear on the itemized statements as contributions and deductions; and
- All payroll codes used for pay rates and deductions, along with a detailed description or definition of each code.

The information must be written and sufficiently detailed to explain pay rates and deduction codes, but it does not need to be written in complete sentences. The requirement to provide the information to employees may be satisfied by making the information available in a location easily accessible to employees such as providing a link to a website, a shared electronic file, posting a physical copy in a central location, or delivering by email. Employers must review and update the information by January 1 of each year.

The bill directs the Bureau of Labor and Industries (BOLI) to provide employers with a model document that includes common deductions that employers can customize to meet the requirements of the bill. SB 906 also gives the BOLI the authority to issue civil penalties of up to \$500 for violations of this requirement.

<u>SB 916</u> (Chapter 432) Effective January 1, 2026 Finance, Personnel Creates new provisions and amends ORS 657.010, 657.153, 657.176, 657.200, 657.202, 657.310, 657.317, and 657.400.

SB 916 allows workers to collect unemployment insurance benefits when they are not working due to either a strike or a lockout. Employees out of work due to a lockout will be eligible for benefits or waiting week credit immediately. Employees

out on strike will not be eligible for benefits or waiting week credit during the first week of the strike. Benefits for striking workers are capped at 10 weeks of unemployment insurance if the Employment Department's tax schedule is Fund Adequacy Percentage Ratio I-IV on the date the strike begins or eight weeks if the tax schedule is Fund Adequacy Percentage Ratio V-VIII on the date the strike begins.

The bill allows employers who issue back pay as part of a strike settlement to reduce back pay to reflect the amount of benefits the employee received. The bill specifies that a worker is liable for any overpayments based on the receipt of back pay, as determined by the director of the Employment Department; however, the Employment Department is not authorized to recover the amount of any benefits paid until a final decision has been issued by the director, specifying the weeks for which an overpayment was issued and explaining that the receipt of back pay impacted eligibility for unemployment benefits. Under SB 916, the director of the Employment Department is not allowed to waive recovery of overpayments resulting from back pay following a strike.

For school districts and education service districts specifically, SB 916 states that the amount of benefits charged to the employer on behalf of a worker during a labor dispute shall count toward the employee's total compensation in the applicable collective bargaining agreement. The bill directs the school district or ESD employer to deduct that amount from the employee's future wages.

SB 934 (Chapter 279)

Effective January 1, 2026

Programs

Amends ORS 343.407. School districts in Orea

School districts in Oregon are currently required to identify talented and gifted (TAG) children. SB 934 requires the State Board of Education to add additional requirements to the rules they adopt related to TAG student identification, including:

- Allowing any person who knows the child to recommend that a child be screened for identification as a TAG child and providing a screening for that child;
- Accepting recommendations for TAG screening throughout the school year;
- Directly informing parents of the process to recommend that a child be screened for identification as a TAG child; and
- Providing information on the school district's website about the process to recommend that a child be screened for identification as TAG.

SB 950 (Chapter 238) Effective September 26, 2025 Operations, Personnel Creates new provisions; amends ORS 676.753, 676.756, 676.759, 676.771, 676.783, and 676.786; and repeals ORS 676.762, 676.765, and 676.768.

SB 950 makes changes to the licensure requirements for sign language interpreters. The bill allows interpreters from other states to interpret in Oregon without being licensed by the State Board of Sign Language Interpreters, if they have a license or authorization from a state recognized by Oregon's board and are in good standing in that state. The bill also establishes a sign language interpreter-in-training license,

allowing licensees to provide interpretation services under the supervision of a licensed supervisory sign language interpreter or a licensed sign language interpreter.

Per SB 950, sign language interpreter-in-training licenses may be renewed as determined by the board on a case-by-case basis while licenses for supervisory sign language interpreters and sign language interpreters may be renewed every three years. Effective January 1, 2026, SB 950 does away with specific licenses for sign language interpreters in the educational, medical, or legal fields.

SB 960 (Chapter not yet assigned) Effective

Finance

Creating new provisions and amend ORS 180.095, 285B.420, 411.139, section 2, chapter 12, Oregon Laws 2023, and section 3, chapter 595, Oregon Laws 2023; and repeals ORS 327.496.

SB 960 is a technical bill that includes statutory changes to implement the 2025-27 Legislatively Adopted Budget; it is not an appropriations bill. For K-12, the major change is the repeal of the Summer Learning Fund on May 31, 2027, this is technical and does not add or remove funding for summer learning in the 2025-27 biennium. It also suspends the 1% General Fund transfer to the Rainy Day Fund for the 2023-25 biennium and delays the expansion of the Employment Related Day Care program to July 1, 2029.

<u>SB 968</u> (Chapter not yet assigned) Effective January 1, 2026 Finance, Personnel Creates new provisions and repeals ORS 292.063.

SB 968 specifies that public employers may make deductions to recoup erroneous overpayment of wages only when the overpayment occurred within the past 364 days and when the employer provides the following to the employee at least 10 days before making the deduction:

- A written statement itemizing the overpayment amount and purpose of each deduction:
- A written statement letting the employee know the deduction will not exceed 5% of gross pay per pay period, unless the employee requests and specifies a larger deduction; and
- A written statement informing the employee that if they are terminated or otherwise separated from employment, the public employer can recoup the balance owed from the employee's final paycheck.

SB 982 (Chapter 277)

Effective June 5, 2025

PACE, **Programs**

Creates new provisions.

SB 982 adds requirements and standards that must be met if a school district is considering placing a student in an out-of-state program using public funds. Specifically, a school district must do the following before placing a student out of state:

• Ensure that the Oregon Department of Human Services (ODHS) has verified the licensing criteria under ORS 418.321 (1)(a) and (2) are being met;

- Confirm the school district has a current contract with the child-caring agency;
 and
- Review the school district's contract with the child-caring agency to ensure, at a minimum, the contract:
 - o Requires the child-caring agency to provide the school district with a current list of every entity for which the child-caring agency is providing placement services at the time the contract is executed;
 - o Requires the child-caring agency to provide the school district with the notification described in ORS 418.321 (3)(b)(B) no later than 15 days after accepting placement of a child from a new entity; and
 - o Satisfies the requirements under ORS 418.321 (3)(b)(C) to (O).

Notably, the provisions of the bill do not apply to the out-of-state residential placement of a student in a public education program if the program meets the standards of an equivalent program in Oregon and is designated as a state school for the deaf or a state school for the blind.

ODHS is allowed to charge the school district for the licensing review and inspection of the child caring agency and the provisions of SB 982 apply placements made on or after June 5, 2025.

SB 983 (Chapter 466)

Effective June 26, 2025

Operations, PACE

Amends ORS 244.120.

In 2023, HB 2753 allowed school district boards to provide board members with monthly stipends. After the passage of the measure, the Oregon Government Ethics Commission issued Advice No. 23-342i outlining conflicts of interests with board members voting on and accepting stipends.

SB 983 allows public officials to participate in any discussion or debate and to vote on the adoption of a local budget that includes providing compensation or benefits to the public official or relative of the public official, after publicly announcing the nature of the conflict.

SB 1098 (Chapter 345) Effective June 17, 2025 **Operations** *Creates new provisions and amends ORS 336.082, 337.075, 337.141, and 337.260.* SB 1098 applies to classroom and school libraries, library materials, textbooks, and other instructional materials.

Selection/Retention of Library Materials

Under the bill, a licensed teacher with a library media endorsement, a district school board, an administrator, or any other person responsible for the selection or retention of library materials in a school library or a classroom library may not prohibit the selection or retention of, or refuse to select or retain, library materials on the basis that the library materials include a perspective, study or story of, or are created by, any individual or group against whom discrimination is prohibited under ORS 659.850.

Parameters Regarding the Removal of Library Materials

Library materials may not be removed from a school library or a classroom library at the request of a person who is not responsible for the selection or retention of the library materials unless:

- The request is made as a formal written request by a parent or guardian of a student of the school or an employee of the school;
- A committee from the school or school district considers the request made to ensure compliance with SB 1098, and, if after consideration of the request agrees to the removal, provides a public written explanation for the removal; and
- The removal is not made until the committee provides the public written explanation.

Requires Oregon Department of Education (ODE) to Provide Technical Assistance

SB 1098 requires ODE to provide technical assistance and guidance to assist in strengthening Oregon school library programs and to assist in compliance with the bill's requirements. Technical assistance and guidance may be provided to licensed teachers with a library media endorsement and other licensed and unlicensed staff of a school library, teachers with a classroom library, school districts, and district school boards.

<u>Amends State Board of Education Requirements around Textbooks or Other</u> Instructional Materials

The state board of Education may not reject any textbook or instructional materials on the basis that the textbooks or instructional materials include a perspective, study or story of, or are created by, any individual or group against whom discrimination is prohibited under ORS 659.850.

The state board shall adopt guidelines and criteria for a district school board to select textbooks and other instructional materials that are not on the list adopted under ORS 337.050.

The guidelines and criteria must prohibit:

- The rejection of any textbook or instructional materials on the basis that the textbooks or instructional materials include a perspective, study or story of, or are created by, any individual or group against whom discrimination is prohibited under ORS 659.850.
- The removal of any textbook or instructional materials on the basis of a request made by a person who is not a member of the district school board unless:
 - o The request is made as a formal written request by a parent or guardian of a student of a school of the school district or by an employee of the school district:

- o A committee from the school district considers the request made to ensure compliance with SB 1098, and, if after consideration of the request agrees to the removal, provides a public written explanation for the removal; and
- o The removal is not made until the committee provides the public written explanation.

District Adoption of Textbooks or Other Instructional Materials

Under the bill, a district school board or a committee or administrator responsible for the adoption of textbooks or other instructional materials under this section may not prohibit the use of, or refuse to approve the use of, textbooks or instructional materials on the basis that the textbooks or instructional materials include a perspective, study or story of, or are created by, any individual or group identified in SB 1098 to comply with the prohibition on discrimination required by ORS 659.850.

Parameters Regarding the Removal of Textbooks and Other Instructional Materials

Textbooks or other instructional materials may not be removed from use in a public school at the request of a person who is not responsible for the adoption of textbooks or other instructional materials unless:

- The request is made as a formal written request by a parent or guardian of a student of a school of the school district or an employee of the school district;
- A committee from the school district considers the request made to ensure compliance and, if after consideration of the request agrees to the removal, provides a public written explanation for the removal; and
- The removal is not made until the committee provides the public written explanation.

Development and Implementation of Curriculum

A district school board, an administrator or any person responsible for the development or implementation of curriculum in a public elementary or secondary school in Oregon may not prohibit the use of, or refuse to approve the use of, program materials on the basis that the program materials include a perspective, study or story of, or are created by, any individual or group against whom discrimination is prohibited.

SB 1099 (Chapter 267) Effective June 3, 2025 **Programs** *Amends ORS 215.441 and 227.500.*

SB 1099 requires cities and counties to allow preschool or prekindergarten educational programs to be opened on real property where houses of worship (e.g., churches, mosques, synagogues) are also permitted.

SB 1108 (Chapter 243) *Amends ORS 653.616.*

Effective January 1, 2026

Personnel

SB 1108 allows employees to use sick time for donating blood through a voluntary program approved or accredited by the American Association of Blood Banks or the American Red Cross.

SB 1109 (Chapter 244) Effective May 28, 2025 Operations, PACE Creates new provisions and amends Section 2, Chapter 47, Oregon Laws 2024. During the 2024 session the Legislature passed SB 1502, which was intended to require school boards, education service district boards, and higher education boards to record and post their regular meetings online.

The Oregon Government Ethics Commission interpreted the bill to apply to all public bodies of the districts covered by the legislation. SB 1109 was drafted as a technical fix to clarify the intent of the original bill to only apply to governing boards. The changes are retroactive to January 1, 2025, to ensure no district is penalized for inadvertently not following the law.

The law already exempts executive sessions and meetings of school district boards with fewer than 50 ADM, and makes allowances for audio recordings of meetings where broadband internet is unavailable.

SB 5505 (Chapter not yet assigned) Effective July 1, 2025

Finance

Creates new provisions; amends Section 10, Chapter 705, Oregon Laws 2013; and repeals Section 5, Chapter 596, Oregon Laws 2023.

SB 5505 authorizes the issuance of general obligation bonds for the 2023-25 biennium and establishes limits on the maximum amount of bonds and third-party financing agreements state agencies may issue, as well as the amount of revenue state agencies may raise from such issuance. The functions of the bill interact closely with SB 5506 (the Capital Construction Financing bill).

The bill authorizes several bonds for the benefit of K-12 schools and community colleges, including:

- \$100 million of Article XI-M bonds for seismic rehabilitation grants available to K-12 school districts, education service districts, and community colleges from the Seismic Rehabilitation Grant Program housed at Business Oregon;
- \$50 million of Article XI-P bonds to fund matching grants to school districts for capital improvements through the Oregon School Capital Improvement Matching Program (OSCIM) housed at the Oregon Department of Education. An additional \$70.8 million in lottery funds were added to the program in SB 5515, for a total of \$120.8 million for the biennium for OSCIM; and
- \$35.9 million of Article XI-G bonds to finance three new and reauthorize two continuing community college projects. Funds will be distributed through the Higher Education Coordinating Commission.

SB 5506 (Chapter not yet assigned) Effective July 1, 2025

Finance

Creates new provisions.

SB 5506 is the budget bill for the finance of capital construction projects across state government. It authorizes the planning and preparation of state projects and notably includes additional capital construction expenditure limitations for a six-year period beginning July 1, 2025. The only relevant piece of this bill for this report is \$20 million for the Higher Education Coordinating Commission for distribution of Article XI-G general obligation bond proceeds to community colleges, which corresponds with the amounts for five new community college projects authorized in SB 5505.

SB 5514 (Chapter not yet assigned) Effective January 1, 2026

Finance

Creates new provisions.

SB 5515 is the budget bill for the Department of Early Learning and Care. The total approved budget for 2025-27 is \$1.45 billion; this is a 3% reduction from the current service level calculation and 0.5% reduction from 2023-25 actual funding. The agency also saw a greater share of its revenue allocated from the state's General Fund due to losses of other funding.

Key program funding levels

- Oregon Prenatal to Kindergarten \$380.7 million (2% reduction from current service level)
- Preschool Promise \$179 million (10% reduction from current service level)
- Early Childhood Equity Fund \$25.3 million (10% reduction from current service level)
- Early Learning Professional Development \$24.7 million (11% reduction from current service level)
- Employment Related Day Care \$471.2 million (2% reduction from current service level)
- Early Learning Hubs \$23.9 million (2% reduction from current service level)
- Early Learning Tribal Hub \$700,000 (funded at current service level)
- Kindergarten Readiness Partnership & Innovation \$9.9 million (1% reduction from current service level)
- Birth Through Five Literacy Plan \$9.6 million (funded at current service level)
- Other Early Learning Grants \$8.5 million (4% reduction from current service level)

SB 5515 (Chapter not yet assigned) Effective July 1, 2025

Finance

Creates new provisions.

SB 5515 outlines the biennial budget for the Oregon Department of Education (ODE) and includes budget appropriations and expenditure authority for key grant-in-aid programs. It does not include the State School Fund budget. For the State School Fund, please see <u>SB 5516</u>.

The 2025-27 budget for ODE totals \$5.5 billion and 636 positions, which is 622.45 FTE.

2025-27 Key Budget Allocations (ODE Grant-In-Aid Budget)	
Major Funds	2025-27 Allocation
Student Investment Account (SB 5515)	\$1.109 billion
High School Success (SB 5515)	\$338.1 million (\$977 per high school student)
Early Literacy Success (SB 5515)	\$93.8 million for Early Literacy School District Grants
	\$10.4 million for Early Literacy Community and Tribal Grants
Statewide Literacy Efforts (SB 5515)	\$13 million for ODE to invest in literacy efforts across the state. Revenue comes from the Statewide Education Initiatives Account.
Hunger Free Schools Program Grants (SB 5515)	\$127.3 million
Student Success Plan Grants (SB 5515)	\$20 million
Oregon School Capital Improvement Matching (OSCIM) Grants (SB 5515 & SB 5505)	\$120.8 million
Early Intervention/Early Childhood Special Education (SB 5515)	\$415 million
Regional Inclusive Services (SB 5515)	\$69.3 million
Long Term Care and Treatment (SB 5515)	\$61 million
ESD Technical Assistance Support Grants (SB 5515)	\$44.6 million
Student Investment Account - Intensive Program (SB 5515)	\$27.2 million
Every Day Matters Attendance Grants (SB 5515)	\$7.3 million
Rural Schools Technical Support Grants (SB 5515)	\$4.8 million
Statewide School Safety & Prevention System (SB 5515)	\$3.6 million
Youth Corrections and Juvenile Detention Education Program (SB 5515)	\$29.4 million

The June 2025 Revenue Forecast projected a shortfall in the Fund for Student Success. The forecast projected the available corporate activity tax resources to total \$3.16 billion for the 2025-27 biennium, a decrease of \$195.3 million from the current service level budget. At this level, the Fund for Student Success was not able to sustain the 2025-27 current service level budget. A series of reductions were made to maximize available resources, mitigate impacts on academic success, and balance the budget.

Balancing actions include:

- Reducing the Fund for Student Success reserve from \$200 million to \$100 million;
- Funding the Student Investment Account at 50% of available revenues, or \$1.1 billion;
- Reducing High School Success by \$23.8 million to correct a calculation error and fully fund the program at \$977 per high school student;
- Funding Student Success Plan Grants at \$20 million to consolidate and streamline the grant-making process;
- Reducing \$9 million from Summer Program Grants, which is being replaced with Summer Learning Program Grants approved in HB 5047; and
- Carrying forward several reductions outlined in the Governor's Recommended Budget.

SB 5516 (Chapter 422) Effective July 1, 2025 Creates new provisions.

Finance

SB 5516 is the budget bill for the State School Fund (SSF). The SSF total funding for the 2025-27 biennium is \$11,359,442,690. Funding sources include \$9,850,229,757 from the General Fund, \$625,259,443 from Lottery Funds, and \$883,953,490 Other Funds. The Other Funds dollars include amounts transferred from the Fund for Student Success (funding is from the corporate activity tax), \$43,568,275 from

The funding for the SSF reflects an increase of almost 11.4% over the 2023-25 SSF budget of \$10.2 billion. It should be noted that this increase would not have been possible without Gov. Kotek and her team meeting with stakeholders during the interim period leading up to the 2025 session to discuss how current service level (CSL) for the SSF is calculated.

marijuana tax revenues, and \$759,823 from state timber tax receipts.

These CSL meetings led to major changes to the CSL calculation for 2025-27, including:

- Using a 49%/51% funding split between the first and second years of the biennium and basing future roll-up costs on the second year of the biennium;
- Updating local revenue estimates to recognize revenue fluctuations between the first and second years of a biennium; and
- Updating ODE's compensation model to incorporate fluctuations based on the last 10 years of actual data on compensation, rather than looking back about 20 years.

These changes increased the 2025-27 CSL by approximately \$515 million versus the previous inputs used to calculate CSL.

There were also changes to the "carve-outs" in the SSF that had a minimal impact on the overall total for all "carve-outs." These included:

- Reducing the funding for the Oregon Youth Challenge Program by \$500,000;
- Increasing funding for educating children in day and residential treatment programs by \$15.8 million;
- Reducing the menstrual products funding by \$3 million; and
- Reducing the transfer to the Educator Advancement Fund by \$13.9 million.

SB 5525 (Chapter 548) Effective July 17, 2025

Finance

Creates new provisions.

HB 5525 is the budget bill for the Higher Education Coordinating Commission. The total approved budget for 2025-27 is \$3.9 billion, a 2.1% increase over the current service level calculation and 3% more than total funding in 2023-25. Of note for K-12, this bill does include a \$12 million reduction in Lottery Funds for the Outdoor School Program.

SB 5530 (Chapter not yet assigned) Effective

Finance

Creates new provisions and amends Sections 24 and 25, Chapter 598, Oregon Laws 2023.

SB 5530 allocates projected revenues from several funds, most notably the Oregon Lottery and Fund for Student Success, for the 2025-27 biennium. The authorization to spend these revenues is provided in expenditure limitations established in separate measures for state agency budgets. The revenue allocations are aligned with the June 2025 revenue forecast prepared by the Department of Administrative Services (DAS) Office of Economic Development and may need to be adjusted upward or downward during the biennium.

Key K-12 allocations for the 2025-27 biennium include:

- \$606.5 million from the Administrative Services Economic Development Fund (lottery proceeds) to the Oregon Department of Education (ODE) for the State School Fund;
- \$48.1 million from the Administrative Services Economic Development Fund (lottery proceeds) to the Outdoor School Education Fund;
- \$3.1 million from the Tobacco Settlement Funds Account to the ODE for physical education grants;
- \$41.3 million from the Administrative Services Economic Development Fund (lottery proceeds) to the Public Employees Retirement System Employer Incentive Fund;
- \$43.6 million from the Oregon Marijuana Account to the State School Fund; and
- Funding for the Student Success Act from the Fund for Student Success (Student Success Act) is established at:
 - o \$1.109 billion to the Student Investment Account:
 - o \$559.4 million to the Statewide Education Initiatives Account; and
 - o \$550.4 million to the Early Learning Account.

SB 5531 (Chapter not yet assigned) Effective July 1, 2025

Finance

Creates new provisions, amends ORS 285B.551 and Sections 4 and 10, Chapter 906, Oregon Laws 2009, and Section 28, Chapter 748, Oregon Laws 2017, and repeals Section 45, Chapter 599, Oregon Laws 2023.

SB 5531 authorizes the issuance of lottery revenue bonds totaling \$442.7 million to be used on 45 projects. K-12 relevant projects include:

- \$4 million for the Corvallis School District to rehab and upgrade the Osborn Aquatic Center; and
- \$15 million to the Oregon Department of Education for Connecting Oregon Schools Grants to improve broadband access.

SB 5550 (Chapter 7)

Effective April 7, 2025

Finance

Creates new provisions and amends Section 36, Chapter 71, Oregon Laws 2024; Section 9, Chapter 109, Oregon Laws 2024; and Sections 311, 312 and 479, Chapter 114, Oregon Laws 2024.

SB 5550 is an omnibus budget reconciliation bill that makes final adjustments to state agency budgets and programs for the 2023-25 biennium. Changes for K-12 related budgets included:

- Funding for the Student Success Act "intensive needs" program was reduced by \$5.5 million from the Statewide Education Initiatives Account appropriation for 2023-25;
- Funding for the School Stabilization Subaccount for Wildfire-impacted School Districts was increased by \$5.5 million to cover a funding shortfall for the 2024-25 school year. SB 10 (2025) extends the date to spend these funds to December 31; and
- A funding reduction of \$13.9 million General Fund and an increase of \$13.9 million Other Funds expenditure limitation for the State School Fund (SSF) from the Fund for Student Success. This did not change the \$10.2 billion State School Fund appropriation; it is a fund shift to reflect actual corporate activity tax revenues.

SCR 30 Operations

SCR 30 designates April 10, 2025, as Purple Up! Day for Month of the Military Child.