

Enrolled
Senate Bill 1066

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CHAPTER

AN ACT

Relating to education; creating new provisions; amending ORS 327.008, 342.223, 342.726, 343.401 and 343.404 and section 16, chapter 7, Oregon Laws 2007, and section 5, chapter 395, Oregon Laws 2007; repealing ORS 342.126; and declaring an emergency.

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

SECTION 1. ORS 327.008 is amended to read:

327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist of moneys appropriated by the Legislative Assembly and moneys transferred from the Education Stability Fund. The State School Fund is continuously appropriated to the Department of Education for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 327.355, 327.357, 327.360, 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961.

(2) There shall be apportioned from the State School Fund to each school district a State School Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant and a transportation grant and a high cost disabilities grant minus local revenue, computed as provided in ORS 327.013.

(3) There shall be apportioned from the State School Fund to each education service district a State School Fund grant as calculated under ORS 327.019.

(4) All figures used in the determination of the distribution of the State School Fund shall be estimates for the same year as the distribution occurs, unless otherwise specified.

(5) Numbers of students in average daily membership used in the distribution formula shall be the numbers as of June of the year of distribution.

(6) A school district may not use the portion of the State School Fund grant that is attributable to the facility grant for capital construction costs.

(7) The total amount of the State School Fund that is distributed as facility grants may not exceed \$25 million in any biennium. If the total amount to be distributed as facility grants exceeds this limitation, the Department of Education shall prorate the amount of funds available for facility grants among those school districts that qualified for a facility grant.

(8) Each fiscal year, the Department of Education shall transfer the amount of \$18 million from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

(9) Each fiscal year, the Department of Education shall transfer the amount of \$2.5 million from the State School Fund to the Small School District Supplement Fund established in ORS 327.360.

(10) Each fiscal year, the Department of Education may expend up to \$550,000 from the State School Fund for the contract described in ORS 329.488. The amount distributed to education service

districts from the State School Fund under this section and ORS 327.019 shall be reduced by the amount expended by the department under this subsection.

(11) Each biennium, the Department of Education may expend up to \$800,000 from the State School Fund for the administration of ORS 326.133 and 326.136.

(12) Each biennium, the Department of Education may expend up to \$350,000 from the State School Fund **to provide administration of and support for the development of** talented and gifted [program under ORS 343.391 to 343.413] **education under ORS 343.404.**

(13) Each biennium, the Department of Education may expend up to \$150,000 from the State School Fund for the administration of a program to increase the number of speech-language pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

SECTION 2. ORS 327.008, as amended by section 12, chapter 846, Oregon Laws 2007, is amended to read:

327.008. (1) There is established a State School Fund in the General Fund. The fund shall consist of moneys appropriated by the Legislative Assembly and moneys transferred from the Education Stability Fund. The State School Fund is continuously appropriated to the Department of Education for the purposes of ORS 327.006 to 327.077, 327.095, 327.099, 327.101, 327.125, 327.137, 327.348, 336.575, 336.580, 336.635, 342.173, 343.243, 343.533 and 343.961.

(2) There shall be apportioned from the State School Fund to each school district a State School Fund grant, consisting of the positive amount equal to a general purpose grant and a facility grant and a transportation grant and a high cost disabilities grant minus local revenue, computed as provided in ORS 327.013.

(3) There shall be apportioned from the State School Fund to each education service district a State School Fund grant as calculated under ORS 327.019.

(4) All figures used in the determination of the distribution of the State School Fund shall be estimates for the same year as the distribution occurs, unless otherwise specified.

(5) Numbers of students in average daily membership used in the distribution formula shall be the numbers as of June of the year of distribution.

(6) A school district may not use the portion of the State School Fund grant that is attributable to the facility grant for capital construction costs.

(7) The total amount of the State School Fund that is distributed as facility grants may not exceed \$25 million in any biennium. If the total amount to be distributed as facility grants exceeds this limitation, the Department of Education shall prorate the amount of funds available for facility grants among those school districts that qualified for a facility grant.

(8) Each fiscal year, the Department of Education shall transfer the amount of \$18 million from the State School Fund to the High Cost Disabilities Account established in ORS 327.348.

(9) Each fiscal year, the Department of Education may expend up to \$550,000 from the State School Fund for the contract described in ORS 329.488. The amount distributed to education service districts from the State School Fund under this section and ORS 327.019 shall be reduced by the amount expended by the department under this subsection.

(10) Each biennium, the Department of Education may expend up to \$800,000 from the State School Fund for the administration of ORS 326.133 and 326.136.

(11) Each biennium, the Department of Education may expend up to \$350,000 from the State School Fund **to provide administration of and support for the development of** talented and gifted [program under ORS 343.391 to 343.413] **education under ORS 343.404.**

(12) Each biennium, the Department of Education may expend up to \$150,000 from the State School Fund for the administration of a program to increase the number of speech-language pathologists and speech-language pathology assistants under ORS 348.394 to 348.406.

SECTION 3. ORS 343.401 is amended to read:

343.401. (1) **Except as provided in ORS 343.404,** the funds specifically appropriated for the program under ORS 343.391 to 343.413 shall be distributed to districts that have approved, written plans and have submitted an application to the Superintendent of Public Instruction [which] **that** has been approved.

(2) State funds shall be allocated on an approved program cost basis, the amount of which shall be established by the State Board of Education annually.

(3) *[No application shall be approved by]* The superintendent **may not approve an application** unless the district agrees to expend district funds for special educational programs for talented and gifted children in an amount equal or greater than the amount of state funds approved by the superintendent.

(4) The districts shall account for the grant funds as expended for the identified pupils on a form acceptable to the Department of Education, as described in rules adopted by the board.

SECTION 4. ORS 343.404 is amended to read:

343.404. (1) The Superintendent of Public Instruction may annually expend funds appropriated for the talented and gifted program to provide **administration of and** support for the development of talented and gifted education statewide.

(2) These services may include:

(a) Teacher training programs and workshops;

(b) Consultant and technical assistance to districts;

(c) Small grants to and contracts with school districts, education service districts, colleges and universities and private contractors to produce and disseminate curriculum and instruction materials to other school districts; *[and]*

(d) Training and assistance for parents of the talented and gifted children in meeting the educational needs of their children; **and**

(e) Contracting for the creation and administration of regional talented and gifted centers to provide services related to talented and gifted programs.

[(3) The amount of funds that may be expended for purposes described in this section shall not exceed 10 percent of the amount appropriated in a biennium for purposes of ORS 343.391 to 343.413.]

SECTION 5. ORS 342.726 is amended to read:

342.726. *[(1) The Department of Education shall work in conjunction with voluntary organizations approved to administer interscholastic activities under ORS 339.430 to develop and implement a program for kindergarten through grade 12 students of evidence-based education to prevent the use of anabolic steroids and performance-enhancing substances.]*

[(2)] (1) *[The department and]* School districts shall include information on anabolic steroids and performance-enhancing substances, including prevention strategies, strength-building alternatives and the understanding of health food labels, in health and physical education curricula **for kindergarten through grade 12 students.**

[(3)] (2) The Department **of Education** shall ensure that school districts are utilizing **evidence-based** programs such as the Oregon Health and Science University's Athletes Training and Learning to Avoid Steroids (ATLAS) and Athletes Targeting Healthy Exercise and Nutrition Alternatives (ATHENA), which have demonstrated effectiveness in reducing anabolic steroid and performance-enhancing substance use by high school athletes.

[(4)] (3) The department shall **work with voluntary organizations approved to administer interscholastic activities under ORS 339.430 to** require school district employees who are coaches or athletic directors to receive training once every four years on identifying the components of anabolic steroid abuse and use and prevention strategies for the use of performance-enhancing substances.

SECTION 6. Section 5, chapter 395, Oregon Laws 2007, is amended to read:

Sec. 5. (1) *[Sections 2 and 3 of this 2007 Act]* **ORS 342.723** first *[apply]* **applies** to the 2007-2008 school year.

(2) The amendments to ORS 342.726 by section 5 of this 2008 Act first apply to the 2008-2009 school year.

SECTION 7. Section 16, chapter 7, Oregon Laws 2007, is amended to read:

Sec. 16. *[Notwithstanding section 14 of this 2007 Act:]*

[(1) Before October 1, 2008, a district is not required to offer benefit plans that are provided and administered by the Oregon Educators Benefit Board under sections 1 to 14 of this 2007 Act.]

[(2) Except as provided in subsections (3) to (6) of this section, on and after October 1, 2008:]

[(a) A district may not offer a benefit plan unless the benefit plan is provided and administered by the board; and]

[(b) Eligible employees of a district may participate in benefit plans provided and administered by the board.]

[(3)(a) If a collective bargaining agreement exists between a district and employees of the district and the agreement expires after July 1, 2008, subsection (2) of this section does not apply to the district or employees of the district. However:]

[(A) If the collective bargaining agreement expires before October 1, 2010, section 14 of this 2007 Act first applies to the district and employees of the district upon the expiration of the agreement, except as provided in subsection (4) of this section; and]

[(B) In any case, on and after October 1, 2010, section 14 of this 2007 Act applies to the district and employees of the district.]

[(b) If no collective bargaining agreement exists between a district and employees of the district, and if a contract exists between the district and a carrier and the contract expires after October 1, 2008, subsection (2) of this section does not apply to the district or employees of the district. However:]

[(A) If the contract expires before October 1, 2010, section 14 of this 2007 Act first applies to the district and employees of the district upon the expiration of the contract, except as provided in subsection (4) of this section; and]

[(B) In any case, on and after October 1, 2010, section 14 of this 2007 Act applies to the district and employees of the district.]

[(4) A district that was self-insured before January 1, 2007, or a district that had an independent health insurance trust established and functioning before January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and administered by the board. However:]

[(a) Until October 1, 2010, the benefit plans provided or contracted for by the self-insured district or the district with an independent health insurance trust are not required to meet the condition provided in section 14 (2)(a) of this 2007 Act.]

[(b) On and after October 1, 2010, the benefit plans provided or contracted for by the self-insured district or the district with an independent health insurance trust must meet the condition provided in section 14 (2)(a) of this 2007 Act.]

[(c) This subsection does not apply to a community college district.]

[(5) A community college district may provide or contract for benefit plans other than benefit plans provided and administered by the board.]

[(6) In accordance with procedures adopted by the board to extend benefit plan coverage under sections 3 to 8 of this 2007 Act to eligible employees of a self-insured district, a district with an independent health insurance trust or a community college district, these districts may choose to offer benefit plans that are provided and administered by the board. Once employees of a district participate in benefit plans provided and administered by the board, the district may not thereafter provide or contract for benefit plans other than those provided and administered by the board.]

(1) Except as provided in this section, the requirements of ORS 243.886 become operative on October 1, 2008.

(2) If a collective bargaining agreement exists between a district and a group of employees of the district on July 1, 2007, and the contract does not expire before July 1, 2008, ORS 243.886 does not apply to the group of represented employees until the earlier of:

(a) October 1, 2009, if the collective bargaining agreement expires before July 1, 2009; or

(b) October 1, 2010, if the collective bargaining agreement expires on or after July 1, 2009.

(3) A district with represented and nonrepresented employees is not required to offer benefit plans to its nonrepresented employees in the manner provided by ORS 243.886 until the district is required to offer those plans to all or part of the represented employees of the district.

(4) The requirement of ORS 243.886 (2)(a) that self-insured districts and districts with independent health insurance trusts have premiums for benefits that are equal to or less

than the premiums for comparable benefit plans provided and administered by the Oregon Educators Benefit Board, becomes operative on October 1, 2010.

SECTION 8. ORS 342.223 is amended to read:

342.223. (1) For the purpose of requesting a state or nationwide criminal records check under ORS 181.534, the Teacher Standards and Practices Commission may require the fingerprints of:

(a) A person who is applying for initial issuance of a license under ORS 342.120 to 342.430 as a teacher, administrator or personnel specialist if the person has not submitted to a criminal records check by the commission within the previous year.

(b) A person who is applying for reinstatement of a license as a teacher, administrator or personnel specialist whose license has lapsed for at least three years.

(c) A person who is applying for initial issuance of a certificate under ORS 342.475 as a school nurse.

(d) A person who is registering with the commission for student teaching, practicum or internship as a teacher, administrator or personnel specialist, if the person has not submitted to a criminal records check by the commission within the previous [year] **three years** for student teaching, practicum or internship as a teacher, administrator or personnel specialist.

(e) A person who is applying for initial issuance of a registration as a public charter school teacher or administrator under ORS 342.125.

(2) The making of any false statement as to the conviction of a crime is grounds for refusal to issue, renew or reinstate a license, certificate or registration and is in addition to the grounds stated in ORS 342.143.

(3) A person may appeal the refusal to issue an initial license, certificate or registration under this section as a contested case under ORS 183.413 to 183.470, but the refusal to renew or reinstate a license or registration is subject to ORS 342.175 to 342.180, and the commission shall notify the person of the right to appeal.

SECTION 9. (1) **As used in this section:**

(a) **“Child” means a child, adopted child or stepchild of a service member.**

(b) **“Eligible post-secondary institution” means:**

(A) **A state institution of higher education listed in ORS 352.002; and**

(B) **The Oregon Health and Science University.**

(c) **“Qualified student” means a child, a spouse or an unremarried surviving spouse of a service member.**

(d) **“Service member” means a person who:**

(A) **As a member of the Armed Forces of the United States, died on active duty after September 11, 2001;**

(B) **As a member of the Armed Forces of the United States, died as a result of a military service connected disability sustained after September 11, 2001; or**

(C) **Is 100 percent disabled as the result of a military service connected disability sustained after September 11, 2001, as certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the United States.**

(2) **Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a master’s degree. A qualified student who received a tuition waiver for a baccalaureate degree may also qualify for a tuition waiver for a master’s degree.**

(3)(a) **The maximum waiver granted under this section shall be as follows:**

(A) **For a baccalaureate degree, the total number of credit hours that equals four years of full-time attendance at an eligible post-secondary institution.**

(B) **For a master’s degree, the total number of credit hours that equals two years of full-time attendance at an eligible post-secondary institution.**

(b) **Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number of credit hours the qualified student needs to graduate with a baccalaureate degree or a master’s degree.**

(4) A waiver may be granted under this section only for credit hours for courses that are offered by an eligible post-secondary institution and are available for enrollment regardless of whether the qualified student attends the course and pays tuition.

(5) A qualified student may receive a waiver under this section if the student:

(a) At the time of application for a waiver, is considered a resident of this state for the purpose of determining tuition to be paid at an eligible post-secondary institution; and

(b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree program or has been admitted to a master's degree program at an eligible post-secondary institution.

(6)(a) A child who applies for a waiver under this section must be 23 years of age or younger at the time the child applies for a waiver.

(b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age is eligible for a waiver for a master's degree if the child:

(A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years of age or younger; and

(B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate degree.

SECTION 10. (1) As used in this section, "qualified student" has the meaning given that term in section 9 of this 2008 Act.

(2) No later than February 1, 2009, each state institution of higher education listed in ORS 352.002, each community college as defined in ORS 341.005 and the Oregon Health and Science University shall report to the Seventy-fifth Legislative Assembly as provided in ORS 192.245.

(3) The report required by subsection (2) of this section shall describe how the institution, community college or university is accommodating the financial needs of qualified students, including:

(a) The number of qualified students who received a waiver under section 9 of this 2008 Act and the amounts of those waivers.

(b) Scholarships offered specifically to qualified students, the number of qualified students who received those scholarships and the amounts of those scholarships.

(c) Any other financial assistance provided to qualified students.

SECTION 11. ORS 342.126 is repealed.

SECTION 12. This 2008 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2008 Act takes effect on its passage.

Passed by Senate February 22, 2008

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Secretary of Senate

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President of Senate

Passed by House February 22, 2008

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Speaker of House

Received by Governor:

.....M,....., 2008

Approved:

.....M,....., 2008

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Governor

Filed in Office of Secretary of State:

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Secretary of State