



2016 ENACTED LEGISLATION

The 2016 Session

The 2016 short legislative session ran from February 1 to March 3 and was marked by debates over raising the minimum wage, expanding low income housing, and reducing carbon emissions. Republicans complained that Democrats were enacting laws that were too big a policy shift and complex for a short session and in response, Republicans (later, only Senate Republicans) declined to suspend rules that required bills be read in their entirety upon third reading, lengthening floor sessions considerably.

The March quarterly revenue forecast showed slow growth, a drop in corporate profits, and a struggling stock market. Job gains and wages were outpacing the average state. General Fund revenues were tracking closely to expectations, but declines in equity prices and corporate profits had led to a reduction in the revenue forecast. Oregon's tax system depends on volatile personal income tax collections. Economists stated that a recession was probably not in the offing, but did not rule it out. Economists predicted that revenue growth will decline as baby boomers retire and spend less.

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2016 Enacted Legislation

EDUCATION-RELATED BILLS

HB 4002

Relating to chronic absences

House Vote: 54-4

Senate Vote: 26-2

Directs the Department of Education and the Chief Education Office to develop a statewide education plan to address chronic absences of K-12 students. The department shall collaborate with the Department of Human Services, the Oregon Health Authority, the Early Learning Division, and community and education stakeholders to develop and implement the plan. The plan shall include (1) a process for publicly disclosing annual information on chronic absence rates for each school; (2) guidance and best practices for all schools and school districts to use to track, monitor, and address chronic absences and improve attendance; (3) a process for identifying schools in need of support to reduce chronic absences and improve attendance; and (4) a description of technical assistance available to schools identified as being in need of support, including technical assistance that will be provided by the department, and (5) the estimated costs associated with implementing the plan. A report is due no later than December 1, 2016 to interim committees on education summarizing the plan. Appropriated was \$25,500 for this portion of the bill.

HB 4002 also directs the Chief Education Office, in coordination with the Oregon Health Authority and the Department of Education, to

distribute grants to school districts and education service districts for the purpose of decreasing rates of school absenteeism based on a trauma-informed approach. Applicants must have a school-based health center or a school-based system for providing behavioral health services and care coordination that may include a school nurse, a school counselor, a school psychologist or a clinical psychologist, among other requirements. The plan must coordinate school and community resources and include a trauma specialist who is permanently assigned to the school-based health center and oversees the implementation of the plan. The application shall be evaluated by the office based on specified criteria including providing matching community funding and funding available under the federal Every Student Succeeds Act. No later than October 15, 2019, the Chief Education Office, the Oregon Health Authority, and the Department of Education, in collaboration with the statewide nonprofit organization shall submit a report to the interim legislative committees related to education regarding the outcomes of the program and any recommendations for legislation. Appropriated was \$500,000 for the program.

Effective Date: March 29, 2016

HB 4017

Relating to health care

House Vote: 36-22

Senate Vote: 18-10

Directs the Department of Consumer and Business Services, in collaboration with the Oregon Health Authority and a stakeholder advisory group, to create a blueprint for the Basic Health Program. Among its provisions, the

bill allows registered nurses that are employed by an education service district or a local public health authority to accept orders from out-of-state physicians.

Effective Date: March 8, 2016

HB 4022

Relating to reemployment of members of Public Employees Retirement System in the field of speech-language pathology

House Vote: 55-1

Senate Vote: 24-1

Allows a PERS retiree to return to work to a school district or education service district to provide speech-language pathologist or speech-language pathology assistant services. Retirees may collect both their pension and a salary. The bill responds to speech-language shortages. Without HB 4022, retirees are limited to working 1,040 hours of public service while collecting a pension.

Effective Date: March 1, 2016

HB 4023

Relating to residency for school purposes after district boundary changes

House Vote: 55-1

Senate Vote: 27-0

Requires that certain students be considered residents of the school district even if the boundary of the school district has changed and the student no longer resides in the district. For example, if a student has been attending Beaverton High School, but the district boundaries move such that he is now in

Hillsboro School District, he may continue to attend Beaverton High School.

Effective Date: July 1, 2016

HB 4033

Relating to cultural awareness of educators

House Vote: 60-0

Senate Vote: 25-0

Expands the permitted purposes of the Network of Quality Teaching and Learning fund to include the purpose of advancing the Educators Equity Act to improve the cultural competence of educators and to ensure educators are trained in culturally relevant educational practices. In the budget reconciliation bill, \$400,000 was appropriated to be divided evenly between the Center for Culturally Responsive Practices and the Teaching with Purpose organization.

Effective Date: March 1, 2016

HB 4057

Relating to moneys allocated from the State School Fund for students from families in poverty

House Vote: 55-0

Senate Vote: 25-0

Directs the Department of Education, in collaboration with the Chief Education Office, to prepare a report concerning students in poverty families. The report shall include 1) the amount of funding each school district receives from the poverty weight in the State School Fund formula; 2) any promising practices, programs, or services used or provided by the school district to improve student achievement for students; and 3) any recommendations from ODE or the CEEdO on whether additional

information should be collected. Allows school districts to describe promising practices or programs, their cost, and any programs the district would offer if funding were available. Sets forth components of the form for districts to complete. A report on the information collected is due no later than February 15, 2017 to interim education committees. ODE shall include information about any promising practices, programs, and services for students from poverty families.

Effective Date: March 1, 2016

HB 4075

Relating to student safety

House Vote: 58-0

Senate Vote: 29-0

Establishes an Oregon State Police statewide tip line for students and other members of the public to anonymously report threats to student safety on school grounds, on school-sponsored transportation, or at school-sponsored activities. "Threat to student safety" includes violence against others; suicide or self-harm; harassment, intimidation, bullying, or cyber-bullying. Expands membership of the Task Force on School Safety. Appropriates \$1 million to implement the hotline.

Effective Date: March 29, 2016

HB 5201

Relating to state financial administration

House Vote: 56-2

Senate Vote: 27-0

Modifies appropriations from lottery funds. Among other adjustments, the bill increases the amount appropriated to the State School Fund from \$408,150,516 to \$447,703,907. *See SB 5701 for a decrease in the same amount from state General Funds.*

Effective Date: March 29, 2016

SB 1512

Relating to seismic rehabilitation bonds

Senate Vote: 22-7

House Vote: 44-14

Permits Articles XI-M and XI-N bond proceeds to be used for surveying and engineering evaluations and associated costs to administer the seismic rehabilitation grant program.

Effective Date: March 15, 2016

SB 1537

Relating to payment for community college courses by school districts

Senate Vote: 28-0

House Vote: 47-11

Sets forth the criteria whereby school districts may use State School Funds to pay tuition and other community college costs for students who have met high school graduation requirements.

Students:

A "post-graduate scholar" is a student who has been in grades 9 through 12 for more than a total of four years and has satisfied his district's graduation requirements.

- The student must enroll in courses within one year after the student has satisfied the high school graduation requirements.
- The community college courses must be part of a course of study approved by the school district and may lead to a certificate or diploma.
- Post-graduate scholars must have completed and submitted the Free Application for Federal Student Aid, if eligible to file the application
- The student is not eligible for a grant under the Oregon Promise program because the student failed to meet the minimum

cumulative grade point average (2.5) or because the student did not receive an Oregon Promise grant.

- The student is not eligible for federal aid grants that equals or exceeds the tuition and fees charged by the community college.
- The student remains a legal resident within the boundaries of the school district in which the program operates.

Districts:

A school district may establish a post-graduate scholar program when:

- The district has a board-adopted policy for the program that describes program goals, minimum GPA requirements, participation, and in-person meetings with school district staff; how results will be measured; the approved courses of study;
- The district has entered into a written agreement with the community college whose service area includes the school district;
- The district has dedicated staff to support post-graduate scholars;
- The district ensures that a majority of students who are enrolled in courses at a community college is not a post-graduate scholar; or is homeless; or is a parent; or is enrolled in an alternative high school; or is in foster care; or has received a GED or modified diploma, or extended diploma; or is a first generation high school graduate.

Funding for the program will be 100% of ADMw for 2016-17, 85% for 2017-18, and 75% thereafter.

No later than November 1, 2018, the Department of Education shall report to interim legislative committees on education: the amount of moneys received by the school district from the SSF for post-graduate scholars; the number of post-graduate scholars; and make recommendations on fair and equitable

permanent funding mechanism and a per-student funding amount. The department must also report to each school district the number of post-graduate scholars enrolled at the school district; the number of post-graduate scholars who complete a full year in the program; and the percentage of post-graduate scholars enrolled at the school district who enrolled in a second (college) school year. The Higher Education Coordinating Commission must report to interim legislative committees no later than November 1, 2018, the costs incurred by community colleges and the amounts received by community colleges. Appropriated was \$82,102 to the Department of Education.

Effective Date: April 4, 2016

SB 1541

Relating to school financial accountability

Senate Vote: 27-1

House Vote: 21-9

Directs the Department of Education, in consultation with the Chief Education Office, to study expenditure variations among school districts. The study shall include a review of expenditures in the areas of instruction, support services, administration, transportation, and business services; amounts in reserve funds; identify factors that may affect expenditures; and whether expenditure variations are related to student outcomes. The report to interim legislative committees on education is due no later than December 15, 2016.

Effective Date: April 4, 2016

SB 1564

Relating to reporting requirements for English language learner programs

Senate Vote: 24-3

House Vote: 60-0

Modifies the requirements under HB 3499 (2015), that created the English Language Learner state plan. SB 1564 transfers reporting requirements related to English language learner programs from school districts to the Department of Education. The reporting requirements include funds that districts receive from the EL weight; expended for EL activities/programs, the progress of each school district in meeting the needs of EL students; the number of years students have been enrolled in EL programs; the average number of years the students have attended their current schools; and the percentage of students who also receive special education and related services. The bill amends the date by which this information is available on the department's website from September 1 to June 30. The first report is due June 30, 2016.

Effective Date: March 3, 2016

SB 1566

Relating to sunset of open enrollment law

Senate Vote: 26-0

House Vote: 58-2

Extends, for two years, the sunset on legal provisions that allow students whose legal residence is not within a school district to attend a school in that district as a resident if the student receives written consent of the receiving (nonresident) through a policy adopted by the school board district (open enrollment). Under open enrollment, a school district determines whether it will allow nonresident students to attend district schools and develops non-resident admission policies.

Effective Date: March 15, 2016

SB 5701

Relating to state financial administration

Senate Vote: 18-11

House Vote: 45-11

Increases and decreases certain biennial appropriations made from the General Fund to specified state agencies. The Department of Education had the following changes:

- Increases budget expenditure limit by \$7,130,223 for federal charter schools grant.
- Shifts \$51,458 from breakfast and summer food grants-in-aid to breakfast and summer food programs operations.
- Increases expenditure limit from federal funds for child nutrition grants by \$1,160,860.
- Increases maximum limit for payment of grants-in-aid by \$515,200 for students participating in the Hospital Program.
- Increases appropriation for the School for the Deaf for deferred maintenance by \$2,030,515.
- Shifts funding source of \$841,532 for debt service from Oregon Education Fund to Administrative Services Economic Development Fund.
- Increases funding for Oregon Prekindergarten grants-in-aid by \$5,300,000, bringing the total to \$145.3 million.
- Increases funding for early intervention services and early childhood special education programs by \$5,393,340 for a total of \$155.8 million.
- Increases funding for Department of Education operations by \$3,130,000 (Assessment & Accountability).
- Decreases funding for grants-in-aid by \$930,000.
- Increases expenditure limitation from federal funds by \$3,971,397.
- Decreases expenditure limitation for grants-in-aid, program costs, and purchased services from federal funds by \$2,000,000.

- Transfers \$2,000,000 of STEM grant-in-aid funds from ODE to HECC.
- Decreases General Fund monies to State School Fund by \$39,553,391 and increases lottery monies to the SSF for the same amount.
- Transfers \$17,540,357 to the Department of Education for the mixed delivery preschool program.
- Increases grants-in-aid \$95,000 for a grant to the World of Speed high school automotive career technical education program in a one-time grant.
- Increases grants-in-aid by \$400,000 to improve cultural competence of educators and to ensure educators are trained in culturally relevant educational practices. Grants of equal amounts are to be provided to the Center for Culturally Responsive Practices and the Teaching with Purpose organization.
- Increases grants-in-aid by \$300,000 for relief nurseries for a total of \$8.6 million for 2015-17.
- Increases grants-in-aid by \$1,400,000 for student transitional services and supports between secondary and post-secondary education (expansion of AVID or similar program for high schools).
- Increases for operations for student transitional services and supports between secondary and post-secondary education by \$50,000 (license for college and career readiness counselor training modules).
- Increases grants-in-aid by \$260,000 for the Burnt River Integrated Agriculture Science Research Ranch project in one-time funding.
- Decreases appropriation to State School Fund by \$39,553,391 (*see HB 5201 for an increase in lottery funds of the same amount for no net change in SSF*).
- Approves one permanent Research Analyst 3 position to manage the Class Roster data from school districts.
- Chief Education Office: Appropriates \$300,000 for summer summit for high

school and post-secondary staff including counselors and financial aid staff.

- Chief Education Office: Appropriates \$700,000 for local collaboration between high school counselors and post-secondary advisors.
- Chief Education Office: Appropriates \$5,505,280 for Statewide Longitudinal Data System.
- Teacher Standards & Practices Commission: Appropriates \$200,000 to support grants for national teacher accreditation.

Effective Date: March 29, 2016

STATE AGENCY-RELATED BILLS

HB 4067

Relating to employee whistleblowers

House Vote: 59-0

Senate Vote: 27-1

Expands the whistleblower statutes to include an affirmative defense to criminal or civil charges brought about as a result of an employee's good faith and objectively reasonable disclosure of information that the employee believes shows a violation of state, federal, or local law, regulation, or rule.

Effective Date: March 29, 2016

HB 4106

Relating to state agency adoption of temporary rules

House Vote: 58-0

Senate Vote: 24-0

Requires state agencies to annually report to the Legislative Assembly no later than February 1 of each year, information about temporary administrative rules adopted. The agency must

report the number of temporary rules adopted, amended, or repealed; a list of the temporary rules; a statement of need for each rule and how failure to act promptly would result in serious prejudice to the public interest; and an explanation for each rule why adopting temporary rules was the most appropriate method for adopting the rule.

Effective Date: January 1, 2017

HB 4135

Relating to fulfilling public records requests for electronic records

House Vote: 59-0

Senate Vote: 29-0

Directs the State Chief Information Officer to develop standards, protocols, and procedures for specified executive department agencies to use in fulfilling public records requests that seek records in electronic form. The Dept. of Administrative Services to coordinate efforts of certain executive department agencies in fulfilling public records requests for records in electronic form and to provide technical assistance to other specified executive department agencies in fulfilling public records requests for records in electronic form.

Effective Date: January 1, 2017

SB 1532

Relating to minimum wage

Senate Vote: 16-12

House Vote: 32-26

Phases in increases in the minimum wage in three tiers, depending on geographic location. The base wage is as follows:
 July 1, 2016 – June 30, 2017: \$9.75
 July 1, 2017 – June 30, 2018: \$10.25
 July 1, 2018 – June 30, 2019: \$11.25

July 1, 2019 – June 30, 2020: \$12.00

July 1, 2020 – June 30 2021: \$12.75

July 1, 2021 – June 30, 2022: \$13.50

The Portland area sees a faster phase-in, up to \$14.75 by July 1, 2022. After June 30, 2023, Portland area employers shall pay employees no less than \$1.25 per hour more. Rural area employers see a lower wage, starting at \$9.50 and topping out at \$12.50 and after June 30, 2023 those employers shall pay no less than \$1 per hour less than the base wage.

Effective Date: March 2, 2016

SB 1538

Relating to information security for the State of Oregon

Senate Vote: 27-0

House Vote: 56-2

Requires state agencies to notify the Legislative Fiscal Office of information security incidents that risks harm to the agency and the agency's actions to mitigate the any damage. Requires each state agency to periodically conduct an information security assessment and provide copies of the results to the Legislative Fiscal Office within 30 days. Information in the executive agency reports may only be disclosed with the written consent of the State Chief Information Officer.

Effective Date: April 4, 2016

SB 1539

Relating to materials that state contracting agencies must provide in connection with an information technology procurement

Senate Vote: 26-2

House Vote: 53-1

Requires state agencies that conduct a procurement cost analysis for information technologies to provide the State Chief Information Officer and the Legislative Fiscal Office with copies of the final cost analysis. The State Chief Information Officer shall adopt rules and policies for using the information in its oversight functions.

Effective Date: March 3, 2016

SB 1587

Relating to wages
Senate Vote: 21-7
House Vote: 59-1

Adds information that must be included in an itemized statement provided to employees each pay period. The statement must include the date of the payment; the dates of work covered by the payment; the name of the employee; the name and business registry number or business identification number; the address and telephone number of the employer; the rate or rates of pay; whether the employee is paid by the hour, shift, day, or week or on a salary, piece or commission basis; gross wages; net wages; the amount and purpose of each deduction made during the respective period of service that the payment covers; allowances claimed as part of a minimum wage; the regular hourly rate or rates of pay, overtime rate or rates of pay, the number of regular hours worked and pay for those hours, and the number of overtime hours worked and pay for those hours; and if the employee is paid on a piece rate, the applicable piece rate or rates of pay, the number of pieces completed at each piece rate and the total pay for each rate.

Effective Date: April 4, 2016

SB 1596

Relating to state financial administration
Senate Vote: 25-3
House Vote: 58-2

Revises procedures for preparation of Governor's budget. Requires state agencies, when preparing their budget requests to the Department of Administrative Services each even-numbered year, to include options for a ten percent reduction from the estimate, and include a description of the activities or programs the agency will not undertake. These activities and programs must be ranked in order of importance and priority on the basis of lowest cost for the benefit obtained. Expands role of the Legislative Fiscal Office to include preparation of a tentative budget for the following biennium, with the Department of Administrative Services. Requires supplemental information to be added to the budget, including the removal of one-time expenditures; program phase-ins and phase-outs; and personnel expenses compared to existing compensation plan agreements, including position vacancy experience calculations. Requires state agencies to notify the Legislative Fiscal Office of the establishment of any new personnel position or classification. Specifies that the President of the Senate and the Speaker of the House shall serve as co-chairpersons of the Emergency Board. Eliminates requirement that Emergency Board members approve members named to fill a vacancy on the board. Allows LFO to provide budget information to DAS, but that information is confidential unless LFO says it is not, in writing. Repeals redundant statutes, updates language.

Effective Date: April 4, 2016

Other Bills of Note That Were NOT Enacted

HB 4050 – Not Enacted

Relating to the Policy Advisory Council on Summer Learning

Creates the Policy Advisory Council on Summer Learning. The council is tasked with compiling and evaluating available summer education programs and developing policy recommendations to the Legislative Assembly.

HB 4091 – Not Enacted

Relating to virtual public charter schools

Directs the Department of Education to study virtual public charter schools. The study must include an evaluation of the financial management of each virtual public charter school.

SB 1536 – Not Enacted

Relating to funding of public charter schools

Increases the funding of charter schools that are not virtual charter schools to 95% of the General Purpose Grant per (weighted) student.

SB 1542 – Not Enacted

Relating to school mascots

Allows district school boards to enter into written agreements with Native American tribes to identify acceptable uses of name, symbol, or image of mascot that represents or is associated with Native American tribe.

BUDGET NOTES

None.

REPORTS

Bill	Description	Who	When
HB 4002	Absenteeism plan/report Pilot program report	ODE-CEdO	Dec. 1, 2016 Oct. 15, 2019
HB 4057	Poverty spending report	ODE	Feb. 15, 2017
HB 4106	Temporary OARs - annual	ODE	Feb. 1, 2017
SB 1537	Post-graduate scholar program use	ODE-HECC	Nov. 1, 2018
SB 1541	District financial accounting analysis	ODE - CEdO	Dec. 15, 2016
SB 1564	EL accounting information	ODE	June 30, 2016
SB 5701	Mixed delivery preschool update	ELD	Prior to June 1, 2016

TASK FORCES

None.