









2019 Legislative Review

COSA Executive Summer Retreat

July 29, 2019 • Sunriver, Oregon



Agenda

-  K-12 Funding
-  Student Success Act & Toolkit
-  SB 1049 - PERS
-  Key 2019 Bills
-  Other Policy Issues
-  Questions

K-12 Funding for the 2019-21 Biennium

Key Investments

- House Bill 5016 - \$9.0 Billion State School Fund
 - Distributed 49-51
- Measure 98 Full Funding - \$303 million
 - Funding Tied to Student Success Act (\$133 million)
 - ODE memo allowing full funding in 19-20
- Student Success Act (House Bill 3427) - \$475 million Student Investment Account in 20-21
- K-12 Facilities Bonding (House Bill 5005)
 - \$125 million for OSCIM bond matching grants
 - \$100 million for Seismic Rehabilitation Grants



The Student Success Act

HB 3427 - The largest education investment in Oregon history

Joint Committee on Student Success

Overview of Student Success Act Revenue Package (HB 3427)

Corporate Activity Tax

- Low, broad-based tax on Oregon businesses
- Only applies to businesses with “taxable business receipts” over \$1,000,000.
- \$250 flat fee plus 0.57% tax on “taxable business receipts” above \$1,000,000
- Businesses may subtract the cost of inputs or labor up to 35% of their commercial activity
- Exemptions for groceries, utilities, petroleum/gasoline, hospitals, and others

Other Provisions

- 0.25% reduction in all personal income tax brackets except for the top-earning bracket
- All net revenue dedicated exclusively to the Fund for Student Success
- Preempts local taxes on business receipts (but grandfathers in existing taxes)
- Requires registration with Oregon Department of Revenue for all businesses with receipts exceeding \$750,000
- Takes effect 91 days after adjournment; tax begins Jan 1, 2020.

Joint Committee on Student Success

Overview of the \$2 Billion of Student Success Act Investments (HB 3427)

At Least 50% for an Equity-Focused Student Investment Account (SIA)*

- Expanded Learning Time
- Student Health and Safety
- Class Size Reductions
- Well-Rounded Learning Experiences

Up to 30% for Statewide Initiatives

1. Full funding for Measure 98
2. Expanded nutrition access
3. Reengagement pilot program
4. School Safety Task Force Recs
5. Statewide equity initiatives
6. Student Success Teams/ODE staff/supports/accountability
7. ESD funds to support districts
8. Summer Learning in Title I schools
9. High Cost Disability Fund

At Least 20% for Early Learning Programs

1. EI/ECSE
2. Relief Nurseries
3. Early Childhood Equity Fund
4. Oregon Pre-K Program
5. PD for early childhood
6. Early Head Start
7. Preschool Promise

*Distributed by ADMw w/ a doubled poverty weight

How will this impact 2019-21? \$900 million

HB 3427 Funds begin flowing during the 2020-21 School Year via HB 5047

Equity-Focused Student Investment Account (SIA)*

2020-21 School Year
Appropriation = \$472.7 million

- Expanded Learning Time
- Student Health and Safety
- Class Size Reductions
- Well-Rounded Learning Experiences

Statewide Initiatives

2020-21 School Year Key
Appropriations

1. Full funding for Measure 98 (\$133 million)
2. Expanded nutrition access (\$41.6 million)
3. Equity initiatives (\$8 million)
4. ESDs (\$24 million)
5. High Cost Disability Fund in the SSF (\$20 million)

Early Learning Programs

2020-21 School Year Key
Appropriations

1. EI/ECSE (\$37.5 million)
2. Early Childhood Equity Fund (\$10 million)
3. Oregon Pre-K Program (\$44.4 million)
4. Early Head Start (\$22.3 million)
5. Preschool Promise (\$30.8 million)

Student Success Act Implementation Toolkit

Resources for school district leaders

Strategic Planning Process

Using an inclusive, public process to build community support



The Student Success Act requires an inclusive public strategic planning process that includes:

- A completed needs assessment (included in your CIP)
- Input from district stakeholders, including:
 - School employees
 - Students from underserved groups [Section 9 (2)(b)]
 - Parents of those students
- The use of data to enable district to make equity-based decisions
- Analysis of potential academic impact for:
 - Students in your district
 - Underserved student groups defined in the bill [9 (2)(b)]

District Plans/Applications

After the strategic planning process, what must be submitted in district plans?

- Plans must be 4-year plans submitted every 2 years (NOTE: your first plan will be a three-year plan because of the mid-biennium start, and it must be updated after the first year) in ODE-approved format and be part of your CIP
- Plans must include completed needs assessment (in CIP)
- Plans must identify which of the “allowed uses” (the four buckets) districts will use, and which of those will be used to:
 - “Meet students’ mental and behavioral health needs”
 - Increase academic achievement
 - Reduce academic disparities (and which student groups will benefit)
- Plans should include budgets for how district will use funds



An Inclusive Public Process

Engaging your community in Student Success Act implementation.

An open and inclusive public process is critical for building support and ultimately protecting this investment.

- Plans must be orally presented to your board by an administrator
- Public must have ability to comment in an open meeting
- Plans must be approved by your board
- Plans must be available at district office and on district website



SSA Toolkit for Districts

How can we best support your work?

Proposed Toolkit Components:

- Part 1: SSA Overview
 - Background/context
 - Student Investment Account overview
 - Requirements for community engagement
 - Timeline
- Part 2: Designing a Comprehensive Engagement Strategy
 - Planning for Engagement
 - Getting started; collaborating with partners; communications templates
 - Conducting Engagement
 - Logos, social media posts, talking points for different groups, letter to parents, flyers for community meetings, feedback input form, FAQs, powerpoint for meetings, requirement checklist
- Part 3: Use Input to Inform Your District Needs Assessment
 - Incorporate your communities voice
 - Align SSA requirements with CIP requirements

Questions



- What is missing from the toolkit?
- What other information or resources would be useful from ODE and/or COSA?
- How else can we support your work?

PERS Reform - SB 1049

Includes: New amortization period, workback, benefit changes, funds for employer matching account

State Level Changes

- Tier 1 and Tier 2 Unfunded Accrued Liabilities are re-amortized
- \$100 million appropriation to state matching account
- Dedicates future State Lottery sports betting proceeds to matching state matching account

Employee Cost Sharing

- IAP redirect to Employee Pension Stability Account - dedicated to funding defined benefit - July 1, 2020
- Tier 1 and 2 redirect 2.5%
- OPSRP redirect .75%
- Employees below \$30,000 per year/\$2500 per month exempted
- Redirect occurs when system funding drops below 90%

Other Provisions

- Final Average Salary Cap of \$195,000 indexed to annual inflation
- Eliminates 1039 hour limitation for calendar years 2020-2024
- Employers must pay full PERS rate on all retired employees
- All changes together expected to reduce contribution rates by 5.43 percentage points beginning in 2021-23

Key Legislation Passed in 2019

Major bills school districts and ESDs need to be aware of

- Suicide Prevention Bills (SB 52 and SB 707)
- Student Success Act citizen referral - January 21, 2020 special election date if referred (SB 116)
- Holocaust Instruction (SB 664)
- Paid Family Medical Leave (HB 2005)
- Collective Bargaining (HB 2016)
- Employee Misconduct & Employee Records (SB 155)
- Restores OEBC double coverage/opt-out (HB 2266)
- Student Restraint (SB 963)
- ODE Budget (HB 5015)
- Paid Family Changes (SB 123)
- School Board and ESD Elections (HB 3310)
- OSAA (HB 3409)



Policies Not Implemented and Bills That Did Not Pass

Major issues not resolved during the 2019 Session

- Class Size - Mandatory Subject (SB 764)
- Open Enrollment Extension
- Dual Credits (SB 800)
- Funding for “Grow Your Own” (HB 2742)
- 180 Day School Year Mandate
- Special Education Evaluation Timelines (SB 486)
- Classroom Disruption Reporting (HB 2902)



Questions



Do you have any questions?

Are you interested in serving
on any stakeholder group to
design rules, processes, and
supports for the SSA?

We are here to serve you.

We want to hear from you. Please don't hesitate to reach out with any questions or concerns.

Contact

Morgan Allen

Deputy Executive Director

(503) 201-1864

morgan@cosa.k12.or.us

Ben Bowman

Legislative Affairs Specialist

(503) 819-0121

ben@cosa.k12.or.us