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80th LEGISLATIVE ASSEMBLY
JOINT COMMITTEE ON STUDENT SUCCESS

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April 4, 2019

Members of the Joint Committee on Student Success:

Enclosed herewith, are our conceptual proposals for inclusion in House Bill 2019. We believe this to encompass the recommendations of our work groups last fall, as well as the work of our subcommittees during the legislative session.

We want to thank all of you for your hard work and dedication to improving Oregon's education system. Your efforts to attend all the site visits, public hearings, and roundtable discussions during the committee's travels have informed the process of building an education package that will put our students on a path to success through a dedicated, sustainable investment that ties funding to outcomes, requires ongoing accountability, and closes measurable gaps for our historically underserved students.

Sincerely,

Representative Barbara Smith Warner
House Co-Chair

Senator Arnie Roblan
Senate Co-Chair

Fund for Student Success

The bill will create the Fund for Student Success.

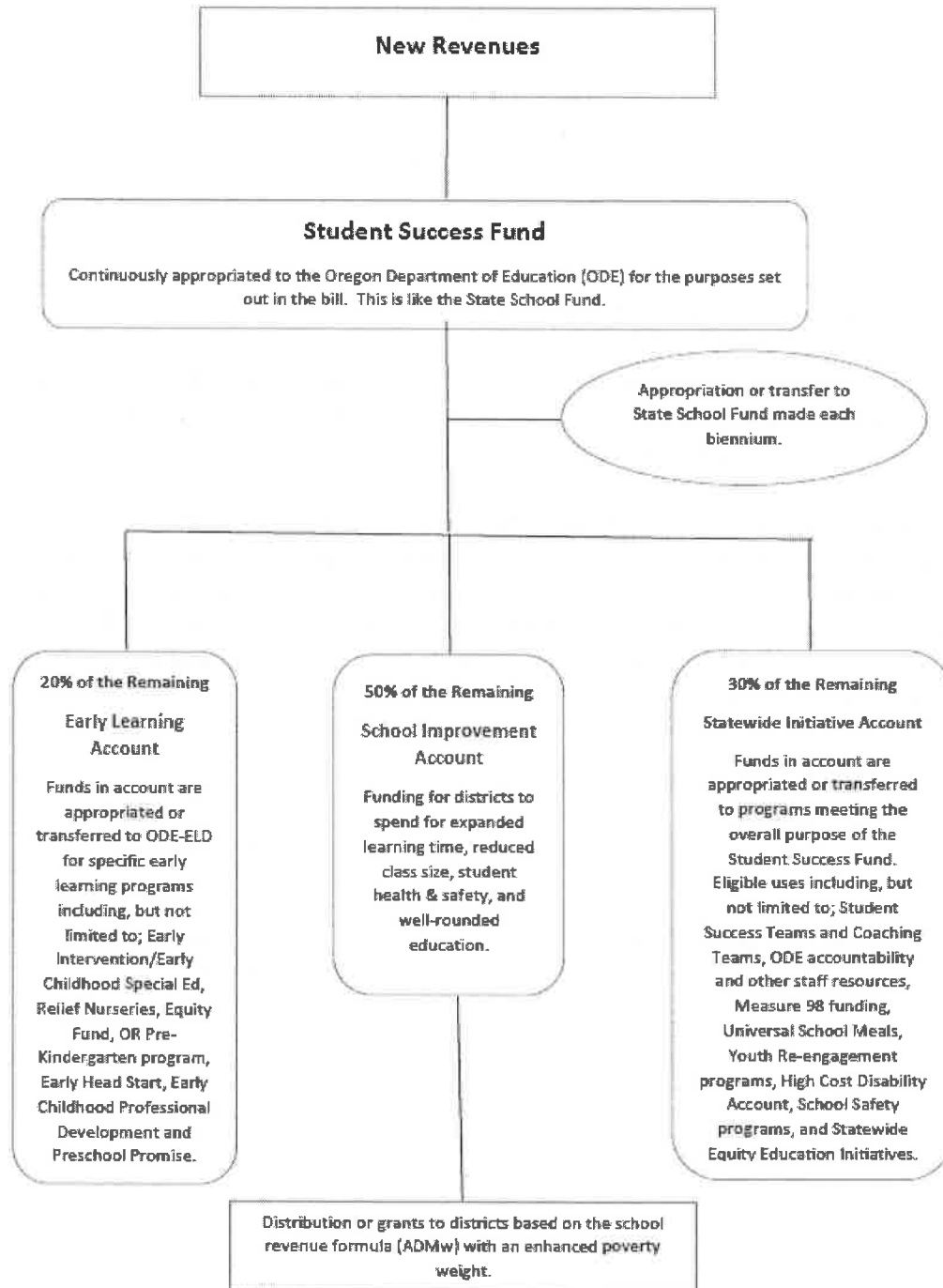
Within that fund, the bill allocates \$ _____ to the State School Fund.

Remaining moneys will be allocated to:

Early Learning Account – 20%

School Improvement Account – 50%

Statewide Initiatives Account – 30%



Early Learning Account

Of the remaining money in the Student Success Fund, 20 percent will be allocated to the Early Learning Account. Programs to be funded from this account include, but are not limited to, the following:

- 1. Full funding of Early Intervention/Early Childhood Special Education**
Funds intervention services for children not yet in kindergarten who experience delays.
- 2. Relief nurseries**
Funding to expand programs for families with children ages zero to six who are at risk of abuse and neglect.
- 3. Establish Early Childhood Equity Fund**
Funding for culturally specific early learning programs provided by community-based organizations.
- 4. Oregon Prekindergarten Program**
Funding for Oregon's state companion to the federal Head Start program, serving students from families with incomes up to 100% of the federal poverty level.
- 5. Professional development for early childhood educators**
Funding for early childhood educators to increase their level of educational attainment and earn credentials.
- 6. Early Head Start**
Funding for programs serving infants and toddlers under the age of three, as well as pregnant women.
- 7. Preschool Promise**
Funding for Oregon's public preschool program that serves children in families earning up to 200% of the federal poverty level.

School Improvement Account

Of the remaining money in the Student Success Fund, 50 percent will be allocated to the School Improvement Account.

This outline includes the following sections:

- Eligible Applicants
- Grant Application Requirements
- Eligible Uses
- Distribution
- Accountability
- Student Success Teams

PURPOSE

The School Improvement Account is established for the purpose of funding grants that districts can use to increase student achievement and reduce academic disparities for economically disadvantaged students, students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, and students who are English language learners.

ELIGIBLE APPLICANTS

Each school district may apply to the Department of Education for a grant.

ELIGIBLE USES

The bill will place limits on the allowable uses to which districts may put the new funding. There are four allowable use categories for which districts may use the funds:

1. **Expanded Learning Time** - Increases in instructional time, including:
 - Increasing hours or days
 - Summer programs
 - Before- and after-school programs
 - Technological investments to minimize class time lost to assessments
2. **Student health and safety, including:**
 - Social-emotional learning and development
 - Mental and behavioral health
 - Improving school climate
 - Student health and wellness
 - Trauma-informed practices

- School health professionals and assistants
 - Facility improvements directly related to improving student health and safety
- 3. Class size reduction to ensure appropriate student-teacher ratios or staff caseloads using evidence-based criteria**
- 4. Expand student access and participation in well-rounded learning experiences, including:**
- Developmentally-appropriate, evidence-based early literacy practices and programs in pre-kindergarten through 3rd grade.
 - Evidence-based practices and programs in middle-school, including:
 - College and career-connected learning
 - Counseling
 - Student support
 - Broadening curricular options at all levels, including:
 - Access to the arts, music, and physical education classes
 - STEM education
 - Career-technical education
 - Access to engaging electives
 - Dual credit courses
 - International Baccalaureate courses
 - Advanced Placement courses
 - Dropout prevention programs and transition supports
 - Life skills classes
 - Talented and Gifted programs
 - Access to trained, licensed school librarians

DISTRIBUTION

Funds will be distributed to districts based on their weighted average daily membership (ADMw), with a poverty weight double that used to distribute State School Fund dollars.

GRANT APPLICATION REQUIREMENTS

Districts must create and submit a four-year plan for use of SIA funds. Plans shall be drawn from districts' Continuous Improvement Plans, and shall include:

- A completed school district needs assessment that meets the following requirements:
 - Shall be conducted in a manner that is inclusive of students, parents, and families who are members of underserved communities.
 - Shall address the following five priorities:

1. Reduce measurable disparities for:
 - students of color
 - students with disabilities
 - students who are English language learners
 - rural students
 - students from tribal communities; and
 - low-income students.
 2. Students' mental and behavioral health needs
 3. Equitable access to academic courses across the school district, specifically for students from historically underserved and underrepresented communities
 4. Teacher collaboration time sufficient for teachers and staff to review data on students' grades, absences and discipline by school and by course and to develop strategies to ensure at-risk students stay on-track to graduate.
 5. Identify partnership with other organizations, federally-recognized tribes, school districts, education service districts, regional achievement collaboratives, post-secondary institutions, education partners, or non-profit programs and community-based programs that have demonstrated achievement of positive outcomes in work with underserved populations, to achieve the purposes of the SIA
- Plans shall contain proposals to address students' mental and behavioral health needs
 - Plans shall include a budget estimate for each eligible use for which the district proposes to use SIA resources.
 - Plans shall explain how the district intends to increase achievement or reduce academic disparities for economically disadvantaged students, students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, and students who are English language learners. In determining how best to meet the needs of these students, the school district shall apply an equity lens and review student data disaggregated by student population including historically and traditionally marginalized and historically underrepresented students. The district may use an equity lens that has been adopted by the school district or the equity lens that has been adopted by the Oregon Department of Education.

Plans must be based on:

- Community-engaged strategic planning, resulting in a final document approved by the school board;
- The academic return on investment of all district programs;
- An estimated budget, with each specific line item tied to the district's board-approved plan; and
- Analyzing and using data for equity-based decision making.

ACCOUNTABILITY

Grant Agreements

- The Oregon Department of Education (ODE) must review district plans in accordance with application criteria.
- If ODE approves a plan, ODE and district must enter into a grant agreement in order to obligate SIA funds.
- The grant agreement must include all eligibility requirements and performance targets for measuring growth.
- School boards must approve grant agreements at a board meeting.

Performance Targets

ODE will establish performance targets for each district using the following metrics:

1. On-time graduation rate
 - Overall district-wide graduation rate
 - Gaps in disaggregated on-time graduation rates
2. Percentage of students who finish 9th grade with 6 credits toward graduation
 - Overall district-wide percentage of students who finish 9th grade on track
 - Gaps in disaggregated 9th grade on-track rates
3. Percentage of 3rd graders reading at or above grade level
 - Overall district-wide percentage of 3rd graders reading at or above grade level
 - Gaps among 3rd graders in disaggregated reading proficiency levels
4. Percentage of students classified as “regular attenders.”
 - Overall district-wide chronic absenteeism rate
 - Gaps in disaggregated chronic absenteeism rates
5. Additional optional local measures may be included.

Audits

- Additional expenditures will be included in the district’s annual audit in order to track how SIA funds are spent. Districts will be required to write a summary of how additional funds (including Measure 98) were spent and include the summary in their comprehensive annual financial report (CAFR).
- In addition to financial audits, districts will be required to conduct district-wide performance reviews every four years. The Legislative Assembly may require districts to conduct a focused district-wide audit or an audit on a specific funding area at any point.
- ODE will ensure monies from the SIA are being spent appropriately by:
 - Identifying after the end of each fiscal year school districts that are not spending SIA monies in accordance with the school district’s approved plan, and partnering

with these school districts to determine and implement specific interventions and technical assistance

- Identifying at the end of the biennium, school districts that are not making progress on the targets identified in their approved plans. The Department will determine the reasons for the lack of progress and may, if necessary, direct the expenditure of funds or revise the school district's plan.

Technical Assistance

- If a district does not meet its performance targets, the district will enter the ODE Student Success Team Coaching program for one year.
- ODE shall make available technical assistance to school districts to help evaluate the academic return on investments for SIA expenditures.
- ODE shall make available technical assistance to school districts to help with strategic planning best practices and recourses.
- ODE shall apply its equity lens when reviewing plans submitted by school districts and when monitoring and providing technical assistance to school districts.
- ODE shall share best practices for improving student progress toward meeting the goals of the SIA.
- ODE's technical assistance will:
 - Include the application of its equity lens; and
 - Be tailored to the school district's needs and unique student population.

Transparency

- School Boards must take the following actions in open meeting:
 - Approve district's SIA plan and grant application
 - Approve the SIA grant agreement
 - Receive the annual report on the SIA performance targets
- ODE must report annually to the legislature the performance of each school district, including the following information:
 - Whether or not each district received a SIA grant;
 - Students' progress toward on-time graduation rates and gaps in disaggregated rates;
 - percentage of students who finish 9th grade with 6 credits toward graduation and gaps in disaggregated rates;
 - percentage of 3rd graders reading at or above grade level and gaps in disaggregated rates;
 - percentage of students classified as regular attenders; and
 - additional optional local measures.

STUDENT SUCCESS TEAMS

The Student Success Team Program is created within ODE to provide expertise and coaching to Oregon's highest needs school districts.

Staffing

- ODE will develop Student Success Teams composed of personnel with expertise in:
 - effective strategic planning;
 - Oregon's content standards and guidelines;
 - school improvement frameworks;
 - differentiated instructional strategies;
 - inclusionary practices;
 - multi-tiered systems of support;
 - social-emotional learning models;
 - the use of equity-based decision tools;
 - formative assessment;
 - budget planning; and/or
 - facilitation.

Intensive Program

- ODE shall establish an intensive program for Oregon's highest needs districts based on progress toward meeting the performance targets.
- The intensive program shall be four years in duration.
- ODE shall identify and select districts to participate in the program.
- Districts selected should be geographically diverse.
- Districts in the intensive program are eligible for additional funding per student in addition to the SIA grant allocation.
- ODE will use its Student Success Teams to advise and counsel districts on how to improve outcomes.
- Districts must commit to regular student success plan meetings to monitor practices, develop fidelity review systems, use data to track student progress, and determine academic return on investment for interventions.
- Districts will have access to a student success coach during the monitoring process and opportunities to learn from one another in a student success network.
- The Student Success Teams shall present recommendations to the local school board.
- Districts shall implement recommendations of the Student Success Teams.

Coaching Program

- ODE shall establish a coaching program for districts that fail to meet their performance targets.
- The Coaching program is one year in duration.
- The coaching program shall include the implementation of an improvement framework, ongoing professional learning, and peer collaboration.
- The coaching program shall be one year in duration with opportunity for ongoing professional learning and peer collaboration through ODE hosted student success networks.
- ODE will use its Student Success Team consultants to advise and counsel districts on how to meet their performance targets.

Statewide Initiatives

Of the remaining money in the Fund for Student Success, 30 percent will be allocated to the Account for Statewide Initiatives, including but not limited to the following:

1. Student Success Teams

Teams of consultants and coordinating staff within ODE to provide support and assistance to districts who fail to meet their annual growth targets or to those districts identified and selected by the department for participation in the intensive program.

2. ODE oversight and other costs to implement provisions of this bill

Staff to review and approve districts' plans; staff to review districts' expenditures to ensure spending meets grant requirements; staff to coordinate all new initiatives assigned to the department.

3. Full funding of Measure 98

An additional \$170 million for dropout prevention, career and technical education, and dual enrollment options for students.

4. Expansion of Nutrition Programs

Additional funding for school lunch and breakfast programs.

5. Establishment of Reengagement Pilot Program

Establishes a pilot program to test out new policies for bringing youth who have left high school back into the educational system. The pilot program will require districts to find community partners such as nonprofit organizations or community colleges, and will provide funding for students who are reentering the education system.

6. High Cost Disability Fund

Adds \$_____ to the High Cost Disability Fund, which reimburses districts for the costs of providing a free, appropriate public education to students with severe disabilities.

7. School Safety Task Force recommendations (see SB 584/HB 2327)

Implements the recommendations of the School Safety Task Force, including a statewide safety net for students, suicide prevention personnel in every region of the state,

8. Statewide equity initiatives

Provides funding for the Black Students Success Plan, establishes the Latino Students Success Plan and the Native American Students Success Plan. Distributes funding to culturally specific community-based organizations who work in schools to improve student engagement and graduation rates.

9. Planning for increased transparency and accountability in Oregon's education system

- Funding for interim work to review Oregon's accountability systems, including the state's ESSA plan and Division 22 standards, to make sure they are aligned and incentivize increased educational equity and improved outcomes for all students.
- Funding for interim work to review the availability and accessibility of information about Oregon's education system and its component parts and to reduce the reporting burden on districts while improving transparency for Oregon's taxpayers.

Options for Education Revenue, JCSS Subcommittee on Revenue

	CAT	MCAT 1	MCAT 2
Who Pays	All Business Entities	All Business Entities	All Business Entities
Tax Rate	0.37%	0.45%	0.90%
Fee	\$250	\$250	\$250
Thresholds			
To File	\$150,000	\$150,000	\$150,000
To Tax Rate	\$1,000,000	\$1,000,000	\$1,000,000
Exemptions			
Petroleum	Yes	Yes	Yes
Medical Provider			
Taxpayers	Yes	Yes	Yes
Possible Others	?	?	?
Deduction	None	25% of Inputs or Labor	100% of Inputs or Labor
Personal Income Tax	4.75%, 6.75%, 8.75%, 9.9%	4.75%, 6.75%, 8.75%, 9.9%	4.75%, 6.75%, 8.75%, 9.9%
Effective Date	1/1/2020	1/1/2020	1/1/2020

CAT Estimated Revenue Impacts (\$M)

	2019-21	2021-23	2023-25	2025-27
Commercial Activity Tax	\$1,721	\$2,652	\$2,891	\$3,156
Personal Income Tax	-\$311	-\$477	-\$521	-\$570
Net Revenue Impact	\$1,410	\$2,176	\$2,370	\$2,586

MCAT 1,2 Estimated Revenue Impacts (\$M)

	2019-21	2021-23	2023-25	2025-27
Commercial Activity Tax	\$1,749	\$2,696	\$2,939	\$3,208
Personal Income Tax	-\$311	-\$477	-\$521	-\$570
Net Revenue Impact	\$1,438	\$2,219	\$2,418	\$2,638