Senate Bill 1581

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Identifies positions that will be under direction and control of Chief Education Officer for matters related to design and organization of state's education system.

Requires education entities to enter into achievement compact with Oregon Education Investment Board. Describes terms that must be included in achievement compact.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to education; creating new provisions; amending ORS 326.300, 326.375, 351.075 and 351.725 and sections 1, 2 and 4, chapter 519, Oregon Laws 2011; and declaring an emergency.

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

SECTION 1. Section 2, chapter 519, Oregon Laws 2011, is amended to read:

Sec. 2. (1) The Oregon Education Investment Board established by section 1 [*of this 2011 Act*]**, chapter 519, Oregon Laws 2011,** shall appoint a Chief Education Officer who shall serve at the pleasure of the board.

(2) The Chief Education Officer shall be a person who, by training and experience, is well qualified to:

(a) Perform the duties of the office, as determined by the board; and

(b) Assist in carrying out the functions of the board, as described in section 1 [*of this 2011 Act*]**, chapter 519, Oregon Laws 2011**.

(3)(a) For the purpose of furthering the mission of the Oregon Education Investment Board to oversee a unified public education system, the Chief Education Officer shall have direction and control over the positions identified in paragraph (b) of this subsection for matters related to the design and organization of the state's education system, including early childhood services provided by the state.

(b) The positions over which the Chief Education Officer shall have direction and control are:

(A) The Commissioner for Community College Services.

(B) The Chancellor of the Oregon University System.

(C) The executive director of the Oregon Student Access Commission.

(D) The Early Childhood System Director.

(E) The executive director of the Higher Education Coordinating Commission.

(F) The Deputy Superintendent of Public Instruction.

(c) The authority of the Chief Education Officer granted under paragraph (a) of this subsection does not include the authority to appoint or remove a person from a position

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

identified in paragraph (b) of this subsection.

(d) If a person in a position identified in paragraph (b) of this subsection is appointed by an entity other than the Governor, the Governor shall resolve any dispute between the Chief Education Officer and the appointing authority of the person. The Governor's decision is final.

SECTION 2. The amendments to section 2, chapter 519, Oregon Laws 2011, by section 1 of this 2012 Act do not apply to any Deputy Superintendent of Public Instruction appointed by the Superintendent of Public Instruction who was holding office on August 5, 2011.

SECTION 3. ORS 326.375 is amended to read:

326.375. (1) The State Board of Education shall appoint a Commissioner for Community College Services who shall**:**

(a) Serve at the pleasure of the board.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

(2) The commissioner shall be a person who by training and experience is well qualified to perform the duties of the office and to assist in carrying out the functions of the board under ORS 326.041, 326.051, 326.375, 341.005, 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

(3) The commissioner shall:

(a) Be the executive head of the Department of Community Colleges and Workforce Development[*;*]**.**

(b) Direct and supervise all activities of the Department of Community Colleges and Workforce Development[*;*]**.**

(c) Hire staff, as authorized by the State Board of Education to assist in carrying out the duties of the commissioner. The staff shall be considered employees of the Department of Community Colleges and Workforce Development for purposes of ORS chapters 240 and 243[*; and*]**.**

(d) Be responsible directly to**:**

(A) The State Board of Education for those duties enumerated in ORS chapter 341.

(B) The Chief Education Officer for matters related to the design and organization of the state's education system.

(4) The commissioner, with approval of the State Board of Education, shall be responsible for the representation of community college interests to the Governor, the Legislative Assembly, state agencies and others. The commissioner, with the approval of the state board, shall be responsible for submitting community college budget requests and budget reports for the Department of Community Colleges and Workforce Development to the Legislative Assembly. The state board shall [*insure*] **ensure** that the budget request for community colleges and for the Department of Community Colleges and Workforce Development are separate and distinct from its other requests to the Legislative Assembly.

SECTION 4. ORS 351.075 is amended to read:

351.075. **(1)** The State Board of Higher Education shall appoint a chief executive officer who shall be known as the Chancellor of the Oregon University System [*and who*]**.**

(2) The chancellor shall**:**

(a) Serve at the pleasure of the board.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization

of the state's education system.

SECTION 5. Section 4, chapter 519, Oregon Laws 2011, is amended to read:

Sec. 4. (1) The Early Learning Council is established. The council shall function under the direction and control of the Oregon Education Investment Board established by section 1 [*of this 2011 Act*]**, chapter 519, Oregon Laws 2011**.

(2) The council is established for the purpose of assisting the board in overseeing a unified system of early childhood services, including the funding and administration of those services.

(3)(a) The council consists of nine members who are appointed by the Governor and serve at the pleasure of the Governor.

(b) When determining who to appoint to the council, the Governor shall:

(A) Ensure that at least one of the members is an appointed member of the Oregon Education Investment Board;

(B) Ensure that each congressional district of this state is represented by at least one member of the council;

(C) For a member who is not an appointed member of the Oregon Education Investment Board, ensure that the member meets the following qualifications:

(i) Demonstrates leadership skills in civics or the member's profession;

(ii) To the greatest extent practicable, contributes to the council's representation of the geographic, ethnic, gender, racial and economic diversity of this state; and

(iii) Contributes to the council's expertise, knowledge and experience in early childhood development, early childhood care, early childhood education, family financial stability, populations disproportionately burdened by poor education outcomes and outcome-based best practices; and

(D) Solicit recommendations from the Speaker of the House of Representatives for at least two members and from the President of the Senate for at least two members.

(4) The activities of the council shall be directed and supervised by the Early Childhood System Director[*, who is*]**. The director shall:**

(a) Be appointed by the Governor and [*serves*] **serve** at the pleasure of the Governor.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

SECTION 6. ORS 351.725 is amended to read:

351.725. (1) The Higher Education Coordinating Commission shall appoint an executive [*officer*] **director** to**:**

(a) Serve at the pleasure of the commission.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

(2) The appointment of the executive [*officer*] **director** must be by written order, filed with the Secretary of State.

(3) Subject to any applicable provisions of ORS chapter 240, the executive [*officer*] **director** shall appoint all subordinate officers and employees of the commission, prescribe their duties and fix their compensation.

SECTION 7. ORS 326.300 is amended to read:

326.300. (1) As provided by section 1, Article VIII of the Oregon Constitution, the Governor is the Superintendent of Public Instruction.

(2)(a) The Governor, acting as Superintendent of Public Instruction, shall appoint a Deputy Superintendent of Public Instruction. The deputy superintendent must have at least five years of experience in the administration of an elementary school or a secondary school. The appointment of the deputy superintendent shall be subject to confirmation by the Senate as provided by ORS 171.562 and 171.565.

(b) The deputy superintendent shall**:**

(A) Perform any act or duty of the office of Superintendent of Public Instruction that is designated by the Governor, and the Governor is responsible for any acts of the deputy superintendent.

(B) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

(3) The deputy superintendent may be removed from office by the Governor following consultation with the State Board of Education.

(4) The deputy superintendent shall receive a salary set by the Governor, and shall be reimbursed for all expenses actually and necessarily incurred by the deputy superintendent in the performance of official duties.

SECTION 8. The amendments to ORS 326.300 by section 7 of this 2012 Act do not apply to any Deputy Superintendent of Public Instruction appointed by the Superintendent of Public Instruction who was holding office on August 5, 2011.

SECTION 9. ORS 326.375, as amended by section 3 of this 2012 Act, is amended to read:

326.375. (1) The State Board of Education shall appoint a Commissioner for Community College Services who shall[*:*]

[*(a)*] serve at the pleasure of the board.

[*(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.*]

(2) The commissioner shall be a person who by training and experience is well qualified to perform the duties of the office and to assist in carrying out the functions of the board under ORS 326.041, 326.051, 326.375, 341.005, 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

(3) The commissioner shall:

(a) Be the executive head of the Department of Community Colleges and Workforce Development.

(b) Direct and supervise all activities of the Department of Community Colleges and Workforce Development.

(c) Hire staff, as authorized by the State Board of Education to assist in carrying out the duties of the commissioner. The staff shall be considered employees of the Department of Community Colleges and Workforce Development for purposes of ORS chapters 240 and 243.

(d) Be responsible directly to[*:*]

[*(A)*] the State Board of Education for those duties enumerated in ORS chapter 341.

[*(B) The Chief Education Officer for matters related to the design and organization of the state's education system.*]

(4) The commissioner, with approval of the State Board of Education, shall be responsible for the representation of community college interests to the Governor, the Legislative Assembly, state agencies and others. The commissioner, with the approval of the state board, shall be responsible for submitting community college budget requests and budget reports for the Department of Com-

munity Colleges and Workforce Development to the Legislative Assembly. The state board shall ensure that the budget request for community colleges and for the Department of Community Colleges and Workforce Development are separate and distinct from its other requests to the Legislative Assembly.

SECTION 10. ORS 351.075, as amended by section 4 of this 2012 Act, is amended to read:

351.075. (1) The State Board of Higher Education shall appoint a chief executive officer who shall be known as the Chancellor of the Oregon University System.

(2) The chancellor shall[*:*]

[*(a)*] serve at the pleasure of the board.

[*(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.*]

SECTION 11. ORS 351.725, as amended by section 6 of this 2012 Act, is amended to read:

351.725. (1) The Higher Education Coordinating Commission shall appoint an executive director to[*:*]

[*(a)*] serve at the pleasure of the commission.

[*(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.*]

(2) The appointment of the executive director must be by written order, filed with the Secretary of State.

(3) Subject to any applicable provisions of ORS chapter 240, the executive director shall appoint all subordinate officers and employees of the commission, prescribe their duties and fix their compensation.

SECTION 12. ORS 326.300, as amended by section 7 of this 2012 Act, is amended to read:

326.300. (1) As provided by section 1, Article VIII of the Oregon Constitution, the Governor is the Superintendent of Public Instruction.

(2)(a) The Governor, acting as Superintendent of Public Instruction, shall appoint a Deputy Superintendent of Public Instruction. The deputy superintendent must have at least five years of experience in the administration of an elementary school or a secondary school. The appointment of the deputy superintendent shall be subject to confirmation by the Senate as provided by ORS 171.562 and 171.565.

(b) The deputy superintendent shall[*:*]

[*(A)*] perform any act or duty of the office of Superintendent of Public Instruction that is designated by the Governor, and the Governor is responsible for any acts of the deputy superintendent.

[*(B) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.*]

(3) The deputy superintendent may be removed from office by the Governor following consultation with the State Board of Education.

(4) The deputy superintendent shall receive a salary set by the Governor, and shall be reimbursed for all expenses actually and necessarily incurred by the deputy superintendent in the performance of official duties.

SECTION 13. The amendments to ORS 326.300, 326.375, 351.075 and 351.725 by sections 9 to 12 of this 2012 Act become operative on March 15, 2016.

SECTION 14. (1) For the purposes of this section:

(a) "Achievement compact" means an agreement entered into between the Oregon Education Investment Board and the governing body of an education entity as described in this section.

(b) "Education entity" means:

(A) A school district, as defined in ORS 332.002;

(B) An education service district operated under ORS chapter 334;

(C) A community college district or community college service district operated under ORS chapter 341;

(D) The Oregon University System established by ORS 351.011; or

(E) The health professions and graduate science programs of the Oregon Health and Science University operated under ORS chapter 353.

(2)(a) Prior to the beginning of each fiscal year, each education entity must enter into an achievement compact with the Oregon Education Investment Board for the fiscal year.

(b) Education entities identified in subsection (1)(b)(A) to (C) of this section shall enter into achievement compacts as part of the budgeting process under ORS 294.305 to 294.565 and shall submit achievement compacts to the board prior to July 1 of each year.

(c) The board shall specify a process for adoption and a timeline for submission of achievement compacts for education entities identified in subsection (1)(b)(D) and (E) of this section.

(3) The board shall establish the terms for achievement compacts, which may include:

(a) A description of goals for performance outcomes that are consistent with the educational goals identified in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS 351.009

(b) A description of the outcomes and measures of progress that will allow each education entity to quantify:

(A) Completion rates for critical stages of learning and programs of study and for the attainment of diplomas, certificates and degrees by the students of the education entity;

(B) Validations of the quality of knowledge and skills acquired by students of the education entity; and

(C) The relevance of the knowledge and skills acquired by the students of the education entity and the means by which those skills and knowledge will contribute to the workforce, the economy and society as described in state policy.

(c) Other information suggested by an education entity and approved by the board.

(4) Each education entity shall identify a target number and percentage of students for achievement of the outcomes, measures of progress and goals specified in the achievement compact for the fiscal year.

(5) As part of the process of entering into an achievement compact, an education entity shall ensure that open communications are provided to parents, students, teachers or faculty, employees, exclusive bargaining representatives and community representatives for the purposes of explaining and discussing the target outcomes, measures of progress and goals specified in the achievement compact for the fiscal year.

(6) The board shall specify the format of the achievement compacts and provide model achievement compacts to each education entity.

(7) The board may adopt a timeline and method for education entities to provide the

board with a report at the end of a fiscal year that describes the achievements made by the education entities during the fiscal year. The achievements may be reported in numbers and percentages and in relation to the outcomes, measures of progress and goals specified in the achievement compact for the fiscal year.

SECTION 15. (1) For the purpose of entering into achievement compacts under section 14 of this 2012 Act and achieving the outcomes, performance measures and goals described in achievement compacts, the Oregon Education Investment Board:

(a) May direct the State Board of Education, the State Board of Higher Education and any other state agency, and the executive directors or officers executing the policies of state agencies, to waive state laws or compliance reporting requirements as specified by the Oregon Education Investment Board and as permitted by federal or state law.

(b) Shall direct the State Board of Education to waive for the 2012-2013 fiscal year compliance reporting requirements that are adopted by the State Board of Education pursuant to rules adopted under ORS 327.103 and that are related to standards that school districts are required to meet.

(2) If the Oregon Education Investment Board directs that a state law or a compliance reporting requirement be waived as provided by subsection (1) of this section, the state agency and any executive directors or officers executing the policies of the state agency may not find an education entity, as defined in section 14 of this 2012 Act, deficient or nonstandard or otherwise penalize the education entity for failure to comply with the waived state law or compliance reporting requirement.

SECTION 16. Sections 14 and 15 this 2012 Act are repealed on July 1, 2015.

SECTION 17. Section 1, chapter 519, Oregon Laws 2011, as amended by section 8, chapter 519, Oregon Laws 2011, is amended to read:

Sec. 1. (1) The Oregon Education Investment Board is established for the purpose of ensuring that all public school students in this state reach the education outcomes established for the state. The board shall accomplish this goal by overseeing a unified public education system that begins with early childhood services and continues throughout public education from kindergarten to post-secondary education.

(2)(a) The board consists of 13 members as follows:

(A) The Governor, or the designee of the Governor; and

(B) Twelve members who are appointed by the Governor, subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565, and who serve at the pleasure of the Governor.

(b) When determining who to appoint to the board, the Governor shall:

(A) Ensure that each congressional district of this state is represented by at least one member of the board; and

(B) Solicit recommendations from the Speaker of the House of Representatives for at least two members and from the President of the Senate for at least two members.

(3) The Governor, or the Governor's designee, shall serve as chairperson of the Oregon Education Investment Board.

(4) The duties of the board include:

(a) Ensuring that early childhood services are streamlined and connected to public education from kindergarten through grade 12 and that public education from kindergarten through grade 12 is streamlined and connected to post-secondary education. To assist the board in fulfilling this duty, the board shall oversee:

(A) The Early Learning Council established by section 4 [*of this 2011 Act*]**, chapter 519, Oregon Laws 2011**.

(B) The Higher Education Coordinating Commission established by [*section 1, chapter 637, Oregon Laws 2011*] **ORS 351.715**.

(b) Recommending strategic investments in order to ensure that the public education budget is integrated and is targeted to achieve the education outcomes established for the state.

(c) Providing an integrated, statewide, student-based data system that monitors expenditures and outcomes to determine the return on statewide education investments. The board shall provide the data system described in this paragraph by:

(A) Developing the data system or identifying or modifying an existing data system that accomplishes the goals of the data system; and

(B) Ensuring that the data system is maintained.

(d) Entering into achievement compacts and administering sections 14 and 15 of this 2012 Act.

(5) An appointed member of the board is entitled to compensation and expenses as provided in ORS 292.495.

(6) A majority of the members of the board constitutes a quorum for the transaction of business.

(7) The board shall meet at such times and places specified by the call of the chairperson or of a majority of the members of the board.

(8) In accordance with applicable provisions of ORS chapter 183, the board may adopt rules necessary for the administration of the laws that the board is charged with administering, including any rules necessary for the oversight of the direction and control of the Higher Education Coordinating Commission.

SECTION 18. Section 1, chapter 519, Oregon Laws 2011, as amended by section 8, chapter 519, Oregon Laws 2011, and section 17 of this 2012 Act, is amended to read:

Sec. 1. (1) The Oregon Education Investment Board is established for the purpose of ensuring that all public school students in this state reach the education outcomes established for the state. The board shall accomplish this goal by overseeing a unified public education system that begins with early childhood services and continues throughout public education from kindergarten to post-secondary education.

(2)(a) The board consists of 13 members as follows:

(A) The Governor, or the designee of the Governor; and

(B) Twelve members who are appointed by the Governor, subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565, and who serve at the pleasure of the Governor.

(b) When determining who to appoint to the board, the Governor shall:

(A) Ensure that each congressional district of this state is represented by at least one member of the board; and

(B) Solicit recommendations from the Speaker of the House of Representatives for at least two members and from the President of the Senate for at least two members.

(3) The Governor, or the Governor's designee, shall serve as chairperson of the Oregon Education Investment Board.

(4) The duties of the board include:

(a) Ensuring that early childhood services are streamlined and connected to public education from kindergarten through grade 12 and that public education from kindergarten through grade 12 is streamlined and connected to post-secondary education. To assist the board in fulfilling this duty,

the board shall oversee:

(A) The Early Learning Council established by section 4, chapter 519, Oregon Laws 2011.

(B) The Higher Education Coordinating Commission established by ORS 351.715.

(b) Recommending strategic investments in order to ensure that the public education budget is integrated and is targeted to achieve the education outcomes established for the state.

(c) Providing an integrated, statewide, student-based data system that monitors expenditures and outcomes to determine the return on statewide education investments. The board shall provide the data system described in this paragraph by:

(A) Developing the data system or identifying or modifying an existing data system that accomplishes the goals of the data system; and

(B) Ensuring that the data system is maintained.

[*(d) Entering into achievement compacts and administering sections 14 and 15 of this 2012 Act.*]

(5) An appointed member of the board is entitled to compensation and expenses as provided in ORS 292.495.

(6) A majority of the members of the board constitutes a quorum for the transaction of business.

(7) The board shall meet at such times and places specified by the call of the chairperson or of a majority of the members of the board.

(8) In accordance with applicable provisions of ORS chapter 183, the board may adopt rules necessary for the administration of the laws that the board is charged with administering, including any rules necessary for the oversight of the direction and control of the Higher Education Coordinating Commission.

SECTION 19. The amendments to section 1, chapter 519, Oregon Laws 2011, by section 18 of this 2012 Act become operative on July 1, 2015.

SECTION 20. This 2012 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect on its passage.