Senate Bill 1581: Summary of Provisions

Background: Senate Bill 909 (2011) created the Oregon Education Investment Board, assisted by a Chief Education Officer, to ensure that all students in the state reach the education outcomes established for the state. To accomplish this purpose, SB 909 contained strategies that included the development of a unified public education system from early childhood through K-12 and post-secondary education and the use of strategic investments to achieve the state's education outcomes. Senate Bill 253 (2011) defined those outcomes to include the "40/40/20" goals for high school and college completion by 2025. The OEIB filed its report to the Legislature in December 2011 and recommended legislation to implement strategies contained in SB 909 and reach the goals of SB 253.

Purpose: Senate Bill 1581-A contains two key recommendations of the Oregon Education Investment Board related to the design of the state's unified education system and a strategic approach to budgeting and accountability for educational outcomes. Specifically, this legislation:

- Authorizes the Chief Education Officer to direct other state education officials in the design and organization of the state's unified public education system; and,
- Requires that all of the state's education entities enter into annual achievement compacts with the Oregon Education Investment Board beginning with the 2012-13 school year.

The provisions related to the authority of the Chief Education Officer are contained in Sections 1-13.

Section 1 defines the "direction and control" authority proposed for the CEdO to be limited to "matters related to the design and organization" of the state's P-20 education system. It defines the positions over which the CEdO will have this authority as: the Commissioner for Community College Services, the Chancellor of OUS, the executive director of OSAC, the Early Childhood System Director, the executive director of the Higher Education Coordinating Commission and the Deputy Superintendent of Public Instruction (when effective per SB 552). It further clarifies that this is not hire-and-fire authority and specifies that the Governor shall resolve any dispute related to the exercise of this authority.

Sections 2 & 8 specify that the CEdO's authority does not apply to any Deputy Superintendent of Public Instruction appointed by the incumbent Superintendent (clarifying that the "Deputy" refers to the position of that name to be appointed by the Governor after the tenure of Superintendent Castillo).

Sections 3-7 contain the language changes needed to conform existing statutes governing the positions listed above with the CEdO's authority.

Sections 9-13 are necessitated by the existing sunset date for the OEIB of March 15, 2016. Unless the OEIB is authorized to continue beyond that date, the CEdO's direction and control authority over the above-referenced positions will end on that date.

The provisions related to achievement compacts are contained in Sections 14-20.

Section 14 defines achievement compacts and lists the education entities required to enter into such compacts on an annual basis, beginning with FY 2012-13: K-12 districts, education service districts; community college districts; the Oregon University System and each of its seven universities; and OHSU (for its health professions and graduate science programs). This section further specifies that:

- Achievement compacts are to be adopted by education entities as the time they adopt their budgets and shall be submitted to the OEIB by July 1 of each year;

- The board shall provide to each K-12 school district a number quantifying its estimated level of funding for the next fiscal year needed to ensure the quality education goals of ORS 327.506;
- The OEIB shall specify the format for and establish the terms of the compacts, which may include outcomes and measures of progress for completion rates for critical stages of learning and programs of study, attainment of diplomas, certificates and degrees, achievement of the state's 40/40/20 goals and a projection of the progress needed to achieve them, validation of knowledge and skills and the relevance of such knowledge and skills to the workforce, the economy and society;
- The governing body of the education entity shall set the targets for the outcomes and measures of progress it intends to achieve and may add other measures approved by the OEIB;
- The compacts shall including targets in numbers and percentages for all disadvantaged subgroups of students in the aggregate, as required by federal law or specified by the OEIB;
- OHSU's compact shall be limited to the enrollment and attainment of degrees by Oregon residents in programs for which the state provides funding;
- The governing body shall ensure open communications with parents, students, teachers or faculty, employees, bargaining representatives and community representatives to explain and discuss the targets it sets in its compacts;
- The OEIB shall set a timeline and method for year-end reports, which must include disaggregated data for each disadvantaged student group.

Section 15 waives the requirement for districts to file compliance reports, known as Division 22 reports, related to mandates and regulations in state law; removes penalties for not filing but retains penalties for not complying with the regulations themselves. Allows the OEIB to direct the Board of Education to waive provisions for local district continuous improvement plans, as permitted by federal law.

Sections 16 & 17 require each K-12 district and education service district to form an achievement compact advisory committee to involve teachers, administrators and other appropriate education personnel to develop plans for implementation of achievement compacts in 2012-13 and recommend targets to be set in annual achievement compacts thereafter.

Section 18 gives state associations representing educators, administrators and governing boards of K-12 and post-secondary institutions the opportunity to develop recommendations for the OEIB regarding collaborative models and resources, including professional development.

Section 19 repeals the authority of the OEIB to enter into and administer the achievement compacts beginning with the 2015-17 biennium, consistent with its March 15, 2016 sunset date.

Section 20 adds to the OEIB's list of duties the authority to enter into achievement compacts and to work with the Quality Education Commission to identify best practices for school districts and the costs and benefits of adopting such practices.

Implementation and conformity with existing sunset provisions are contained in Sections 21-23.

Sections 21 & 22 end the OEIB's authority for entering into and administering achievement compacts on July 1, 2015, in anticipation of the OEIB's sunset on March 15, 2016.
Sections 22a-c conform this legislation to House bill 4165 (Early Learning Council).
Section 23 is the standard emergency clause, making the bill effective upon passage.

SB 1581 was signed by Governor John Kitzhaber on March 6, 2012
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