

1. The meeting location is accessible to persons with disabilities. For questions about accessibility or to request an accommodation, please contact Heidi Reinhardt Heidi.REINHARDT@tspc.oregon.gov **at least 48 hours before the meeting** ORS 192.630((5)(b)).
2. **Executive**  
Dr. Rae Ette Newman, Chair  
Dr. Michelle York, Vice Chair  
Jon Zwemke  
Robert Waltenburg
3. **Thursday, January 29, 2029**  
4:00-4:30 p.m  
**Call to Order**
4. Legislative/Budget Update
5. Review of the Commission Agenda (Additions/Corrections).
6. Bachelor's of Applied Science in Education (BASE) Update
7. Commission Correspondence
  - 7.1. School Nurse
  - 7.2. EI/ECSE Higher Education Consortium
  - 7.3. Adaptive PE, Michelle Dunn
8. **Senate Bill 3 [2023]**
9. Commission Professional Development

ITEM: LEGISLATIVE AND BUDGE UPDATE

ACTION: **DISCUSSION ITEM**

INFORMATION: House Bill 5037 (2025) included a budget note directing the agency to undertake a comprehensive review of the Commission's fee amounts and schedules and to submit a report with a recommended solution to a nearing revenue shortfall.

TSPC has submitted this report to respond to the budget note from House Bill 5037 (2025).

Our report includes the following sections:

1. A list of all fees collected by the Commission;
2. Current financial information, including 3 biennia of expenditure and revenue estimates;
3. History of licensing fee amounts and schedules;
4. History of revenue collection and licensure volumes;
5. Assessment of how different funding levels effect customer service, licensure processing, and investigation backlogs;
6. Proposed fee structures and renewal timelines that both increase revenue and streamline licensure fees;
7. Evaluation of any alternative revenue streams or solutions to provide a more stable funding model; and
8. Any other considerations that support improvements toward a more stable and functional fee model.

ATTACHMENTS:

HB 5037 Budget Note and Letter and Report TSPC Updated



# Oregon

Tina Kotek, Governor

TEACHER STANDARDS AND PRACTICES COMMISSION

250 Division Street N.E. Salem, OR 97301

[www.oregon.gov/tspc](http://www.oregon.gov/tspc)



January 16, 2026

The Honorable Kate Lieber, Co-Chair  
The Honorable Tawna Sanchez, Co-Chair  
Joint Committee on Ways & Means  
H-178 State Capitol  
Salem, OR 97310

Dear Co-Chairs Lieber and Sanchez:

## **Nature of the Request**

House Bill 5037 (2025) included a budget note directing the agency to undertake a comprehensive review of the Commission's fee amounts and schedules and to submit a report with a recommended solution to a nearing revenue shortfall.

## **Agency Action**

TSPC has developed a report to respond to the budget note from House Bill 5037 (2025). Our report includes the following sections:

1. A list of all fees collected by the Commission;
2. Current financial information, including 3 biennia of expenditure and revenue estimates;
3. History of licensing fee amounts and schedules;
4. History of revenue collection and licensure volumes;
5. Assessment of how different funding levels affect customer service, licensure processing, and investigation backlogs;
6. Proposed fee structures and renewal timelines that both increase revenue and streamline licensure fees;
7. Evaluation of any alternative revenue streams or solutions to provide a more stable funding model; and
8. Any other considerations that support improvements toward a more stable and functional fee model.

## **Executive Summary**

House Bill 5037 (2025) directed the Teacher Standards and Practices Commission (TSPC) to review its licensure fee amounts and schedules and to report to the Interim Joint Committee on Ways and Means with a recommended solution to an emerging revenue shortfall. Licensure fees are the Commission's primary source of operating revenue and support all core statutory functions, including educator licensure, professional discipline, and accreditation and oversight of educator preparation programs.

This review finds that TSPC's fee structure has changed infrequently over the past two decades and reflects incremental legislative actions rather than a comprehensive recalibration aligned with current operational demands. During the same period, the Commission's statutory responsibilities have expanded significantly. New requirements related to nontraditional licensure pathways, educator workforce data collection and reporting, early literacy preparation standards, and increased professional practices activity have materially increased workload. Many of these responsibilities are fixed in nature and do not scale down when licensure volume declines.

Licensure volume and revenue trends indicate that recent revenue growth was driven largely by temporary, pandemic-related conditions. Licensure activity peaked during the 2022–2023 period and is projected to stabilize at lower levels in the near term, with longer-term declines anticipated as statewide student enrollment continues to decline. Because TSPC is funded entirely through Other Funds, declining licensure volume is expected to result in corresponding revenue decline under the current fee-based model.

The analysis further demonstrates that addressing the projected revenue shortfall through licensure fee increases alone would require fees to more than double to achieve short-term budget stabilization, with additional increases likely required in future biennia. Reliance on fee increases as the sole solution would place increasing financial pressure on educators while failing to establish a durable or predictable funding structure, underscoring the structural limitations of a fee-only funding model.

In addition to revenue constraints, the Commission faces increasing operational risk related to aging information systems. The current licensure and case management systems were not designed to support the scale, complexity, or statutory data requirements now placed on the agency, limiting operational flexibility and increasing reliance on manual processes. The Commission is currently reviewing proposals for the Educator Data System.

The Commission is also experiencing sustained growth in investigative workload within its Professional Practices unit. Reports of alleged educator misconduct continue to increase, and Oregon takes licensure action in a relatively high proportion of cases compared to many other states. This reflects a statutory

framework that requires review and potential action across a broad range of conduct concerns, not solely those involving criminal convictions. While this approach supports early intervention, professional accountability, and public protection, it also generates higher investigative volume and resource demands. Maintaining timely investigations and appropriate disciplinary outcomes will require stable funding to avoid extended case timelines, increased district costs, and impacts to public trust.

Similarly, the Educator Preparation and Pathways unit has experienced significant expansion in scope. Legislative actions and executive directives—including HB 2166 (2021), SB 283 (2023), and Executive Order 23-12 (2023)—have added new preparation standards, licensure pathways, data reporting requirements, interagency coordination responsibilities, and ongoing program monitoring obligations. These responsibilities extend beyond baseline accreditation functions and require sustained staffing capacity and system support.

To inform legislative consideration, the report situates Oregon’s funding structure within a broader national context. Most states fund teacher licensing agencies primarily through the State General Fund, treating licensure and oversight as public responsibilities, with educator fees used secondarily to offset administrative costs. A smaller number of states operate hybrid models that combine fees with limited public funding. Oregon is distinct in operating a fee-only system in which educator-paid fees fund licensure, investigations into educator misconduct, and educator preparation program accreditation. Oregon also does not rely on a robust institution-paid accreditation fee structure, resulting in costs that are commonly borne by colleges and universities in other states being borne by individual educators. Federal Title II-A funds play a limited and restricted role across all states and cannot be used for routine licensure operations, enforcement, or staffing.

To support legislative decision-making, the report evaluates three funding scenarios: no revenue increase, fee increases alone, and a hybrid approach combining targeted fee adjustments with an additional revenue source.

The agency submits this report in response to the HB 5037 budget note and respectfully requests input and guidance from the Interim Joint Committee on Ways and Means regarding potential funding approaches to ensure the continued stability, effectiveness, and long-term sustainability of Oregon’s educator preparation, licensing, and oversight system.

### **Action Requested**

Acknowledge receipt of report and provide recommendations on funding options.

### **Legislation Affected**

None.

Sincerely,

A handwritten signature in blue ink that reads "Rachel Alpert". The signature is fluid and cursive, with a long horizontal stroke at the end.

Rachel Alpert  
Executive Director  
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# Teacher Standards & Practices Commission

## House Bill 5037 (2025) Budget Note Report

February 2026



**Rachel Alpert**

**Executive Director**

[rachel.alpert@tspc.oregon.gov](mailto:rachel.alpert@tspc.oregon.gov)

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## AGENCY BACKGROUND

TSPC is the state agency responsible for regulating the preparation, licensure, and professional conduct of Oregon's educators. Established in 1965, the Commission was created to maintain and improve performance in the education profession in service of Oregon students and communities.

TSPC carries out this responsibility through three core functions. First, the agency approves and oversees educator preparation programs offered by Oregon colleges and universities to ensure alignment with state standards and statutory requirements.

Second, the Commission licenses teachers, administrators, and other licensed school personnel employed in Oregon's public and private schools, ensuring that individuals entering and remaining in the profession meet established qualifications. Third, TSPC conducts investigations and takes disciplinary action when educators commit crimes or violate the Standards for Competent and Ethical Performance, fulfilling its public-protection role.

TSPC's mission is to ensure Oregon schools have access to well-trained, effective, and accountable education professionals so that all students have the opportunity to reach their full potential. Through its licensure, program approval, and professional practices functions, the Commission supports educator quality statewide while safeguarding student safety and public trust in the education profession.

## ANALYSIS/CONCLUSION

The analysis conducted in response to the House Bill 5037 (2025) budget note demonstrates that the Teacher Standards and Practices Commission's current funding structure is not sufficient to maintain acceptable ending fund balances or support ongoing operations on a sustainable basis. Financial projections show that, absent intervention, the Commission will experience declining and ultimately negative ending fund balances in upcoming biennia, creating significant fiscal and operational risk.

While licensure fees have historically supported the Commission's core functions, the existing fee-only model does not provide the revenue stability necessary to support the Commission's fixed statutory responsibilities—particularly the investigation and adjudication of allegations of educator misconduct. Investigative workload has increased in both volume and complexity, and the Commission must maintain sufficient staffing to manage active cases, reduce case backlogs, and ensure timely, fair, and consistent licensure action in the interest of student safety and public trust. These responsibilities do not scale down when revenues are constrained, and projected negative ending fund balances directly threaten the Commission's ability to sustain timely investigations and avoid prolonged case timelines that carry financial and operational consequences for school districts and educators alike.

The scenarios evaluated in this report illustrate that maintaining current fee levels would result in ending fund balances falling below minimum reserve thresholds, requiring service reductions or staffing cuts to maintain solvency. Conversely, addressing projected deficits through licensure fee increases alone would require substantial and recurring fee escalations over multiple biennia to restore acceptable ending fund balances. Even under those conditions, long-term fiscal stability would remain uncertain, and the financial burden would be borne almost entirely by individual educators.

In contrast, a hybrid funding approach that combines measured licensure fee adjustments with supplemental revenue sources provides a more balanced and sustainable path forward. This approach stabilizes ending fund balances at prudent reserve levels, supports continuity of core regulatory functions, and reduces reliance on repeated fee increases as the primary mechanism for fiscal correction.

## FULL REPORT

**Section 1. Inventory of Fees Collected by the Commission**

This section is intended to establish a clear baseline of existing fee authority and collections to support legislative review of the Commission's funding model and future fee policy considerations.

Pursuant to ORS 342.127, the Commission is authorized to establish and collect fees<sup>1</sup> related to educator licensure, registration, certification, and associated services, subject to a statutory cap of \$350 per fee, unless otherwise specified in rule.

All licensure fees collected by the Commission are used to support all three units within the agency:

1. **Educator Preparation and Pathways** - accreditation of all Oregon college and university educator preparation programs and alternative pathways to licensure
2. **Licensing** – review of applications for licensure and issuance of a license for which applicants are best qualified
3. **Professional Practices** - investigations and enforcement of professional standards

Fee Category	Fee Type	Amount (\$)	What the Fee Covers / How It's Applied
<b>Base Application &amp; Evaluation Fees</b>	Evaluation – In-State	\$182	Standard evaluation for most non-provisional licenses; primary revenue source
	Evaluation – Out-of-State / International	\$247	Includes \$65 additional evaluation cost
	Administrator License Increment	\$189	\$182 base fee + \$7 added administrator fee
<b>Renewal &amp; Ongoing Licensure</b>	Renewal / Reissue / Reauthorization	\$182	Same base fee as initial evaluation
<b>Endorsements &amp; Modifications</b>	Adding Endorsement or Specialization	\$182	Separate transaction unless done with initial license or renewal

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<sup>1</sup> ORS 342.127 – Authorizes the Commission to establish and collect licensure fees and establishes statutory fee caps  
 OAR 584-200-0050 through 584-200-0060 – Establishes licensure fees and related charges by rule

<b>Late Fees (Additive)</b>	Late Fee – 1 Month	\$40	Added to base fee
	Late Fee – 2 Months	\$80	Added to base fee
	Late Fee – 3 Months	\$120	Added to base fee
	Late Fee – 4 Months	\$160	Added to base fee
	Late Fee – 5+ Months	\$200	Maximum late fee
<b>Reinstatements</b>	Reinstatement of Suspended or Expired License	\$382	\$182 base fee + \$200 reinstatement fee
	Reinstatement of Revoked License	\$442	\$182 base fee + \$260 reinstatement fee
<b>Optional / Expedited Services</b>	Expedite Application Fee	\$194	Available only to districts and military spouses
<b>Required Transaction Fees</b>	Fingerprint / Background Clearance	\$61	Includes TSPC processing and OSP check; interacts with statutory cap
	License System Fee (eLicensing)	\$10	Portion retained by TSPC for system development (Tyler settlement)
	Portal Provider Fee	\$5	Portion retained by Tyler Technologies
<b>Legacy / Optional</b>	Gold-Seal Paper License	\$50	Current system cannot assess this fee

This inventory of fees provides the baseline reference point for the analyses that follow in response to the HB 5037 budget note, specifically:

- Section 3 (History of Licensing Fee Amounts and Schedules) builds from this inventory to document how current fee levels were established over time, including prior statutory changes, rulemaking actions, and historical policy decisions that have shaped today's fee structure.
- Section 6 (Proposed Fee Structures and Renewal Timelines) uses this inventory as the starting point for evaluating potential adjustments to fee levels, fee differentiation, and renewal timelines intended to improve revenue adequacy, equity, and administrative efficiency while remaining within statutory authority.

## Section 2: Current Financial and Historical Data Biennia Expenditure and Revenue Estimates

Current Biennium Expenditure and Revenue Projections Compared  
to Last Three Biennia Expenditure and Revenue

	Project AY27	AY2025	AY2023	AY2021
	Projected	ACTUALS	ACTUALS	ACTUALS
<b>Beginning Cash Balance</b>	\$ 9,564,605	\$ 8,834,825	\$ 6,111,530	\$ 3,800,631
<b>REVENUE</b>	\$ 10,659,220	\$ 11,112,472	\$ 12,505,214	\$ 8,198,530
<b>TOTAL TRANSFER IN</b>	\$ 1,792,240	\$ 4,988,702	\$ 5,360,304	\$ 2,518,552
<b>TOTAL REVENUES</b>	\$ 12,451,460	\$ 16,101,174	\$ 17,865,518	\$ 10,717,082
<b>TOTAL TRANSFER OUT intra fund</b>		\$ -	\$ (1,500,670)	
<b>TOTAL AVAILABLE REVENUE</b>	\$ 22,016,065	\$ 24,935,999	\$ 22,476,378	\$ 14,517,713
<b>TOTAL PERSONAL SERVICES</b>	\$ 9,468,077	\$ 7,554,685	\$ 6,227,157	\$ 5,066,268
<b>TOTAL SERVICES &amp; SUPPLIES</b>	\$ 6,815,397	\$ 4,620,419	\$ 2,868,340	\$ 2,097,516
<b>Total Special Payments</b>	\$ 976,339	\$ 3,172,447	\$ 4,546,058	\$ 1,242,399
<b>TOTAL EXPENDITURES</b>	\$ 17,259,813	\$ 15,347,551	\$ 13,641,555	\$ 8,406,183
Accounts Receivable not yet Received		\$ -		
<b>Total AR balance</b>		\$ 2,318		
<b>Ending Cash Balance</b>	\$ 4,756,252	\$ 9,564,605	\$ 8,834,823	\$ 6,111,530

### Section 3: History of Licensing Fee Amounts and Schedules

The Commission has made relatively few changes to its licensure fee structure over time. Fee adjustments have occurred only periodically and generally in response to discrete legislative actions. As a result, current fee levels reflect incremental decisions made across multiple biennia rather than a comprehensive recalibration of the fee model. This approach has limited the agency's ability to systematically align fees with contemporary service demands, licensure volume trends, investigation and enforcement responsibilities, expanded accreditation requirements, and additional programmatic work streams.

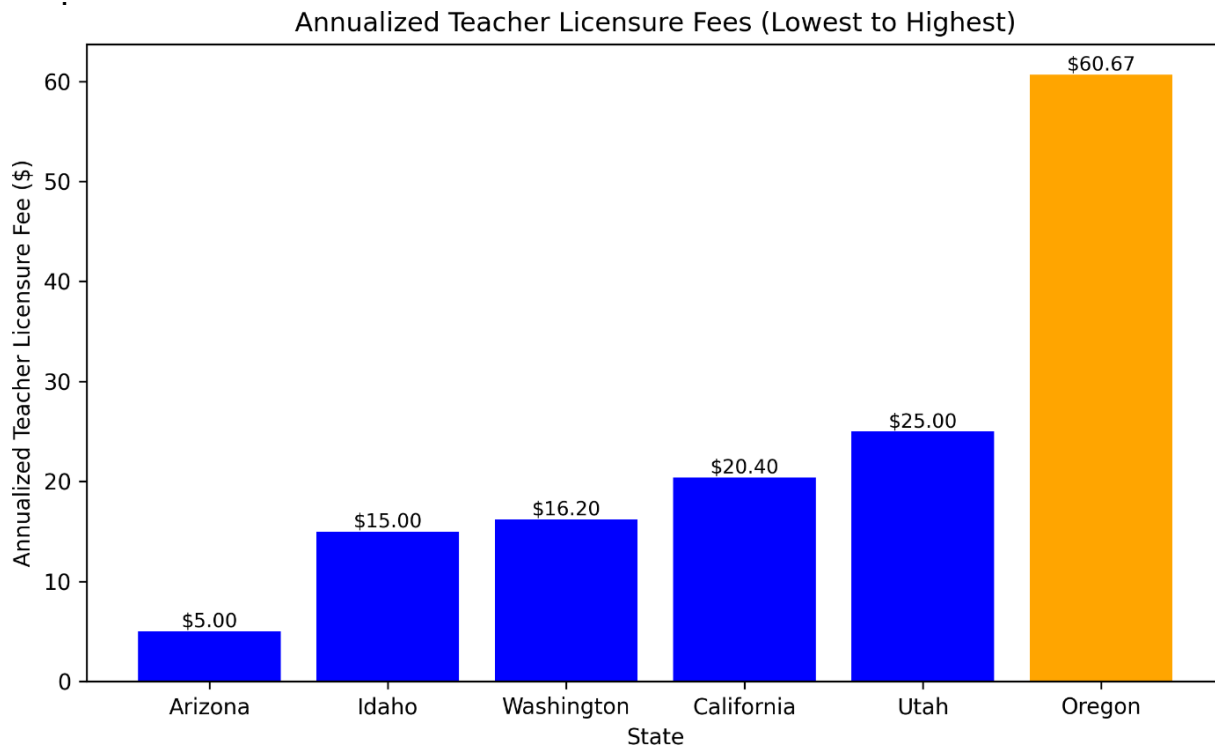
#### Licensing Fee Schedules

Year/Legislation	Base License Fee (Approx.)	Change Driver/Context
Prior to 2015	\$100	Statutory authority set caps
2015	\$140	Fee increase implemented
Post-2019	\$182	Legislative action and rule change Projected revenue insufficient to maintain services

- Limited differentiation across license types**  
 The current fee schedule applies a largely uniform base fee across license types, renewals, endorsements, and reissuances, with limited differentiation based on role, earning capacity, or relative workload. As a result, fee levels do not consistently reflect differences in regulatory oversight or administrative effort. In addition, the existing eLicensing system limits the agency's ability to implement significant structural changes to the fee model.
- Static renewal timelines**  
 License validity periods (e.g., three-year and five-year licenses) have remained largely unchanged and have not been systematically evaluated in relation to revenue stability or workload distribution. System limitations further constrain the agency's ability to modify renewal timelines.
- Incremental additive fees**  
 Additive fees for services such as reinstatement, late renewal, and expedited processing were implemented incrementally to address specific cost pressures. While these fees provide limited cost recovery, they were not designed as part of a comprehensive fee strategy and do not address broader structural funding needs.

To facilitate a clear and consistent comparison across states, the figure below presents annualized teacher licensure fees for selected Western

states, converting total licensure costs to an equivalent annual amount to account for differences in license duration. This normalization allows for a meaningful comparison of fee structures and provides important context for evaluating Oregon's licensure fees relative to neighboring states. As shown, Oregon emerges as a clear outlier in terms of annualized cost, underscoring the limits of relying further on teacher licensure fees and reinforcing the need to identify alternative revenue sources to address the agency's projected budget shortfall



## Section 4: History of Revenue Collection and Licensure Volumes

Because the Commission is historically funded through Other Funds, its revenue has been directly dependent on licensure activity. As licensure volume increases or decreases, fee revenue rises or falls accordingly. Given the anticipated stabilization—and longer-term decline—of licensure volume due to continuing declines in student enrollment, the agency expects to experience a parallel decline in revenue over time. This section therefore examines the implications of these trends for revenue sustainability and the agency’s ability to maintain core college and university accreditation, licensing, oversight, and public-protection functions.

<b>Fiscal Year (Approx.)</b>	<b>Total Licenses Issued (New/Renewal)</b>	<b>Trend</b>	<b>Revenue Implication</b>
<b>2019-2020</b>	17,300	Pre-COVID stable volume.	Stable, but insufficient funding for full operations
<b>2020-2021</b>	21,700	Rise due to COVID-emergency licenses.	Temporary revenue increase
<b>2022-2023</b>	34,400	Peak volume due to continued labor market crisis and substitute licenses.	Temporary spike in revenue
<b>Post-2024 (Projection)</b>	24,000	Anticipated return to a stable, elevated volume.	<b>Insufficient</b> to cover permanent, increased operating costs.

### Current Licensure Volume: Licenses in status Active and Active Grace Period

<b>License Type</b>	<b>License Count</b>
Administrator License for Conditional Assignment	68
American Indian Languages Teacher	14
Charter School Registry - Administrator	120
Charter School Registry - Teaching	718
District Substitute Teaching	889
Emergency Administrator	15
Emergency School Counselor	17
Emergency School Nurse	3
Emergency School Social Worker	1
Emergency Teaching	311
Five-Year Career and Technical Teaching	39
International Visiting Teacher	52

Legacy Administrator	3
Legacy School Counselor	6
Legacy Teaching	430
License for Conditional Assignment	525
Limited Student Services	120
Limited Teaching	95
Preliminary Administrator	2
Preliminary CTE Teaching	427
Preliminary School Counselor	1,895
Preliminary School Psychologist	620
Preliminary School Social Worker	284
Preliminary Teaching	23,947
Principal	3,297
Professional Administrator	2,311
Professional CTE Teaching	24
Professional School Counselor	211
Professional School Nurse	26
Professional School Psychologist	359
Professional School Social Worker	5
Professional Teaching	29,831
Reciprocal Administrator	138
Reciprocal School Counselor	1
Reciprocal Teaching	532
Restricted Administrator	84
Restricted CTE	179
Restricted School Counselor	156
Restricted School Social Worker	22
Restricted Substitute Teaching	5,157
Restricted Teaching	913
Substitute Teaching	2,260
Teacher Leader	20
<b>Total</b>	<b>76,127</b>

## Section 5: Assessment of Funding Effects on Operations

Fluctuations in licensure activity have direct operational implications for the Commission. As licensure volume stabilizes in the near term and is expected to decline over time, available resources to support agency operations are increasingly constrained. This section examines how these conditions affect the Commission's capacity to carry out core accreditation, licensing, oversight, and public-protection responsibilities, particularly in areas where workload demand is high and service expectations are time-sensitive.

### Customer Service and Licensure Processing

- **Understaffing Impact:** The TSPC licensure team operates with a low number of staff handling tens of thousands of applications annually. When license volume increased significantly (2021-2023), processing times experienced a proportional increase.
- **Processing Backlogs:** Processing times rose from an average of 48 days to over 60 days during peak periods. This delay can cause significant staffing disruptions for school districts with direct student/classroom impact.
- **Mitigation:** Despite backlogs, the agency has improved response times to a three-day email target and a yearly average of meeting the 30-day processing time Key Performance Measure (KPM), demonstrating efficient use of limited resources; however, the licensing system itself does not have the capacity to manage the typical spikes in application numbers during the summer months, giving the appearance of backlogs but averaging out over the course of the year.

### Investigation Backlogs (Professional Practices)

- **Case Backlog:** TSPC is currently managing more than 600 active investigative cases - per investigator, caseloads are roughly 1:150.
- **Consequences of Delay:** Extended investigation timelines have measurable consequences. Educators under investigation are frequently placed on paid administrative leave, resulting in substantial costs to school districts. Delays also affect public protection and educator fairness: when allegations are substantiated, prolonged timelines may allow continued employment; when allegations are unfounded, extended investigations can cause unnecessary reputational and professional harm.
- **Funding Solution Impact:** The expenditure limitation included in the 2025–2027 biennium to hire additional positions to address the backlog of cases has enabled progress to address case backlogs. However, without a sustainable, ongoing funding model, the ability to fund the additional expenditure limitation is unlikely to be maintained as licensure-driven revenue declines.

### Educator Preparation and Pathways (Accreditation, Education Initiatives)

- **Scope of responsibility and workload growth:** The Educator Preparation and Pathways unit is responsible for accrediting and monitoring all Oregon educator preparation programs across traditional, nontraditional, and apprenticeship pathways. Over the past several biennia, legislative actions and executive directives—including HB 2166 (2021)<sup>1</sup>, SB 283 (2023)<sup>2</sup>, and Executive Order 23-12 (2023)<sup>3</sup>—have substantially expanded this work through new preparation standards, rulemaking and rule revisions, interagency coordination, workforce data reporting, and the development, implementation, and monitoring of early literacy educator preparation standards. These responsibilities extend beyond baseline accreditation activities and require sustained staffing capacity and specialized expertise.
- **Fixed workload and funding constraints:** Unlike licensure processing, accreditation and program oversight workloads do not scale down as licensure volume declines. Program review cycles, compliance monitoring, rule-based enforcement, and technical assistance to preparation providers remain largely fixed and, in several areas, have increased due to new statutory and policy requirements. As Other Funds revenue becomes constrained, the unit has limited flexibility to absorb reductions without affecting the timeliness, consistency, or depth of accreditation and monitoring activities.
- **Operational and system impacts:** Sustained resource constraints may require prioritization among accreditation and oversight activities, potentially delaying program reviews, limiting proactive monitoring, or reducing support for implementation of new preparation standards,

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<sup>1</sup> HB 2166 (2021): Nontraditional Pathways and Oregon Registered Apprenticeship in Teaching (ORAT) HB 2166 required TSPC to establish and maintain standards for nontraditional educator preparation pathways, including district-based, partnership-based, and apprenticeship models. This work included extensive rule writing and revision, interagency coordination with BOLI, expansion of program approval and monitoring processes, and development of quality assurance systems to ensure nontraditional pathways meet licensure, preparation, and educator equity expectations.

<sup>2</sup> SB 283 (2023): Workforce Data, Licensure Operations, and Pathway Tracking SB 283 expanded TSPC's role in statewide educator workforce data collection and reporting, requiring changes to internal systems, licensure workflows, and data management practices. Additional responsibilities included implementing expedited licensure processes, maintaining new registries, aligning licensure operations to statutory timelines, and supporting data reporting related to nontraditional pathways and apprenticeship outcomes.

<sup>3</sup> Governor's Executive Order 23-12 (2023): Early Literacy Educator Preparation Executive Order 23-12 established the Early Literacy Educator Preparation Council and directed the development of new early literacy preparation standards aligned to the Science of Reading and Oregon's Early Literacy Framework. TSPC provided staff leadership and technical expertise, led rulemaking to adopt Division 420 standards, guided educator preparation providers through implementation, and integrated early literacy and culturally responsive teaching expectations into program approval, monitoring, and improvement processes.

including early literacy requirements. Over time, these pressures may affect the state's ability to ensure educator preparation programs remain aligned with statutory expectations, Commission standards, and statewide workforce and student outcome priorities.

### Section 6: Current Fee Structure and Renewal Timelines

License Type	Application Fee	Term (Years)	Notes
Preliminary Teaching License	\$182	3	Standard educator license; requires PDUs for renewal.
Professional Teaching License	\$182	5	Requires advanced competencies; 125 PDUs for renewal.
Reciprocal Teaching License (Out-of-State)	\$247	1	One-time license for educators from out of state.
Emergency Teaching License	\$182	1	Issued for shortage/emergency staffing situations.
Legacy Teaching License	\$182	3	Renewable; used for certain legacy situations.
Substitute Teaching License	\$182	3	Allows substitute teaching; requires background check.
Restricted Substitute License	\$182	1	District-sponsored; restricted to that district.
Administrator License (Principal)	\$182	3	For school administrators; higher requirements.
Administrator License (Professional Administrator)	\$182	5	Advanced administrator credential.
School Counselor License	\$182	3	Requires approved counseling program.

## Section 7: Evaluation of Alternative Revenue Streams

This section evaluates alternative revenue approaches developed in response to projected negative ending fund balances and the increasing misalignment between the Commission's statutory responsibilities and its exclusive reliance on educator-paid licensure fees. Financial projections demonstrate that, absent corrective action, the Commission's current funding structure will not sustain ongoing operations or maintain an acceptable ending fund balance<sup>4</sup>.

The Commission's funding challenge is not solely the result of near-term revenue fluctuations, but rather reflects a structural limitation inherent in a fee-only model. Licensure fees are the agency's sole ongoing revenue source, yet they are required to support a broad range of fixed public functions, including licensure, investigations into allegations of educator misconduct and subsequent licensure sanctions, and educator preparation program oversight. These functions do not scale proportionally with fee revenue and must be maintained regardless of external conditions. As a result, projected ending fund balances turn negative in future biennia under the status quo, signaling an unsustainable trajectory that requires policy intervention.

To inform legislative consideration, we present three funding scenarios that illustrate the fiscal and service-level implications of different approaches to addressing projected shortfalls. Together, these scenarios highlight the limitations of continued reliance on licensure fees alone and the potential benefits of diversifying revenue sources in alignment with national funding practices.

While all three scenarios are presented for comparison, the Commission recommends **Scenario C**, a hybrid approach combining targeted licensure fee adjustments with additional revenue sources. This approach most effectively stabilizes ending fund balances, moderates the financial burden placed on educators, and aligns Oregon's funding model more closely with those used in most other states.

The scenarios are summarized as follows:

- **Scenario A** examines the impacts of maintaining current fee levels with no revenue increase
- **Scenario B** evaluates addressing projected shortfalls through licensure fee increases alone

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<sup>4</sup> For purposes of this analysis, an acceptable ending fund balance is defined as a minimum of three months of operating expenditures, with a desired target of six months to provide sufficient capacity to manage revenue volatility, workload fluctuations, system investments, and unforeseen operational demands.

- **Scenario C** evaluates a hybrid approach that combines measured fee adjustments with additional revenue sources to support long-term operational sustainability

### **Scenario A: No Revenue Increase**

Scenario A assumes no changes to the Commission's current fee structure and no introduction of alternative revenue sources. Under this scenario, projected expenditures exceed revenues in upcoming biennia, resulting in ending fund balances that fall below acceptable levels and ultimately become negative.

As ending fund balances decline below the minimum three-month threshold, the Commission would be required to reduce staffing or curtail services to remain solvent. Such reductions would directly affect licensure processing capacity, investigative timelines related to allegations of educator misconduct and subsequent licensure sanctions, and the scope and consistency of educator preparation program oversight. These outcomes would increase operational risk, shift costs to school districts through delays and extended investigations, and impair the Commission's ability to meet statutory obligations.

Scenario A does not provide a viable or sustainable path forward and would leave the Commission unable to maintain acceptable ending fund balances necessary for stable operations.

The biennial projections chart below illustrates the agency's negative ending cash balances beginning in the next biennium:

- 2027-2029: **-\$5,920,710.75**
- 2029-2031: **-\$16,966,604.50**
- 2031-2033: **-\$30,234,711.48**

	AY23	AY25 LAB	AY27 LAB	AY29	AY31	AY33
Beginning Cash	6,111,530.00	8,834,823.00	9,570,886.00	3,138,662.00	(5,920,710.75)	(16,966,604.50)
Revenue	16,364,848.00	9,985,148.00	9,264,602.00	9,264,602.00	9,264,602.00	9,264,602.00
Transfer In ODE		4,300,000.00	1,792,240.00			
Fee Increase						
Sub Total Revenue		23,119,971.00	20,627,728.00	12,403,264.00	3,343,891.25	(7,702,002.50)
PS Expenditures	6,227,157.00	7,885,956.00	9,354,725.00	10,570,839.25	11,945,048.35	13,497,904.64
S&S	2,575,972.00	4,496,850.00	2,105,297.00	2,191,614.18	2,281,470.36	2,375,010.64
SFS Charges			1,901,760.00	2,091,936.00	2,301,129.60	2,531,242.56
SGSC			563,630.00	619,993.00	681,992.30	750,191.53
AG			882,109.00	1,014,425.35	1,166,589.15	1,341,577.53
Prof Svcs including IT	292,368.00	207,439.00	1,721,545.00	1,835,166.97	1,934,265.99	2,036,782.08
Special Payments	4,546,058.00	5,682,799.00	960,000.00		-	-
Sub Total Expenditures			17,489,066.00	18,323,974.75	20,310,495.75	22,532,708.98
Ending Cash	8,834,823.00	4,846,927.00	3,138,662.00	(5,920,710.75)	(16,966,604.50)	(30,234,711.48)
Avg Month Exp		761,376.83	688,711.08	763,498.95	846,270.66	938,862.87
Months of Cash		6.37	4.56	(7.75)	(20.05)	(32.20)
Total Expenditures			17,489,066.00	18,323,974.75	20,310,495.75	22,532,708.98
Total Revenue			11,056,842.00	9,264,602.00	9,264,602.00	9,264,602.00
Difference			(6,432,224.00)	(9,059,372.75)	(11,045,893.75)	(13,268,106.98)

### Scenario B: Fee Increase Only

Scenario B assumes that projected negative ending fund balances are addressed exclusively through increases to educator licensure fees. Financial projections indicate that under this approach, licensure fees would need to increase by more than 100 percent over the next several biennia to restore solvency and maintain acceptable ending fund balances, defined as at least three months of operating expenditures.

While Scenario B could temporarily achieve acceptable ending fund balances, it would do so by placing the entire cost of statewide licensure, investigations into allegations of educator misconduct and subsequent licensure sanctions, and oversight functions, on individual educators. Even at these increased levels, maintaining the desired six-month ending fund balance would require additional future fee increases as operating costs continue to rise.

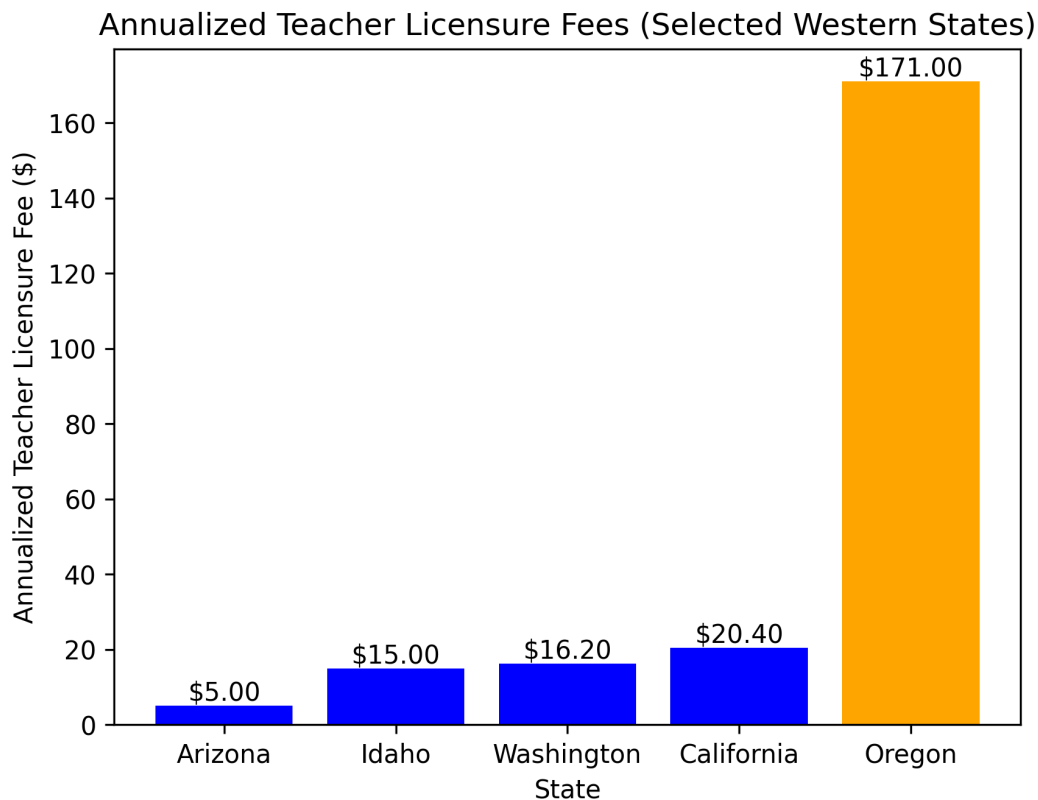
This approach would significantly increase the financial burden on educators, push Oregon further outside national norms, and perpetuate a structurally unstable funding model that relies on repeated fee increases to sustain fixed public responsibilities. For these reasons, Scenario B is not recommended as a standalone solution.

The projections chart below illustrates the required percentage increases to licensure

fees in upcoming biennia and their complementary ending fund balances:

- 2027-2029: 71% fee increase is projected to yield 0.11 months of ending fund balance
- 2029-2031: *An additional 50% fee increase* is projected to yield 3.17 months of ending fund balance (total fee increase of 121%)
- 2031-2033: *An additional 10% fee increase* is projected to yield 5.7 months of ending fund balance (total fee increase of 131%)

Rates to meet goal ending balance				
1.71				
Revenue Calculator	fee amount	# of fees	Total Revenue Estimate	Months of EFB
New Fee	311.22	24,000	7,469,280.00	
Out of State Fee	422.37	3,000	1,267,110.00	
Renewal Fee	311.22	21,000	6,535,620.00	
<b>Estimates Revenue AY29</b>	<b>1,044.81</b>	<b>48,000</b>	<b>15,272,010</b>	0.11
Rates to meet goal ending balance				
1.50				
Revenue Calculator	fee amount	# of fees	Total Revenue Estimate	Months of EFB
New Fee	466.83	24,000	11,203,920.00	
Out of State Fee	633.56	3,000	1,900,665.00	
Renewal Fee	466.83	21,000	9,803,430.00	
<b>Estimates Revenue AY31</b>	<b>1,567.22</b>	<b>48,000</b>	<b>22,908,015</b>	3.17
Rates to meet goal ending balance				
1.10				
Revenue Calculator	fee amount	# of fees	Total Revenue Estimate	Months of EFB
New Fee	513.51	24,000	12,324,312.00	
Out of State Fee	696.91	3,000	2,090,731.50	
Renewal Fee	513.51	21,000	10,783,773.00	
<b>Estimates Revenue AY33</b>	<b>1,723.94</b>	<b>48,000</b>	<b>25,198,817</b>	5.7



This graph illustrates the consequences of addressing projected revenue needs exclusively through licensure fee increases, showing that Oregon's annualized teacher licensure fee would significantly exceed those of neighboring Western states.

### Scenario C: Hybrid Two-Part Solution (Recommended)

Scenario C proposes a hybrid funding model that combines moderate, targeted increases to educator licensure fees with supplemental revenue from broader education funding sources to support the Commission's core regulatory functions. This approach reflects the understanding that educator licensure and investigations into allegations of educator misconduct and resulting sanctions serve a statewide public interest and should not be funded exclusively by individual educators through licensure fees.

Across the nation, states fund teacher licensure agencies using a mix of State General Fund appropriations, educator-paid fees, and limited supplemental revenue sources. Funding approaches vary based on policy choices about whether licensure and enforcement activities are treated primarily as public responsibilities or user-funded services. Most states—including Montana, North Carolina, Texas, Utah, and Washington—rely primarily on State General Fund support, with educator fees used to offset administrative costs rather than sustain core operations. Other states, such as Arizona, California, and Idaho, employ hybrid models that combine educator fees with limited public funding, resulting in a greater share of costs borne by educators.

Oregon currently operates a fee-only funding model, under which educator-paid fees fully support licensure operations and misconduct investigations. Unlike most states, Oregon does not rely on significant General Fund support, concentrating regulatory costs on individual educators and teacher candidates. Fee-heavy models such as this can affect workforce entry costs, equity, and the long-term sustainability of the educator workforce.

Under Scenario C, licensure fees would continue to play a role in supporting agency operations but would be calibrated to avoid the large, recurring increases required under a fee-only approach. Supplemental revenue would allow the Commission to stabilize ending fund balances at or above the minimum three-month operating threshold while working toward a prudent six-month ending fund balance. This structure provides the fiscal capacity needed to maintain core services, fund legislatively authorized increases to address case backlogs, and manage operational risk without imposing disproportionate cost increases on educators alone.

By aligning Oregon's funding approach more closely with national norms and distributing regulatory costs more equitably across the public beneficiaries of educator oversight, Scenario C represents the most balanced and sustainable option for maintaining acceptable ending fund balances while ensuring the continued effectiveness, equity, and stability of Oregon's educator licensure and oversight system.

### How Selected States Fund Teacher Licensing Agencies

Primary Funding Sources with Federal Title II-A Noted (Alphabetical by State)

State	Licensing Authority	Primary Funding Source	Secondary / Supplemental Sources	Overall Model
Arizona	Arizona State Board of Education	Educator fees	State General Fund	Hybrid
California	California Commission on Teacher Credentialing	Educator & program fees	Limited State General Fund; Federal Title II-A	Hybrid
Idaho	Idaho State Department of Education	Educator fees	State General Fund	Hybrid
Montana	Montana Board of Public Education	State General Fund	Minimal educator fees; Federal Title II-A	Primarily General Fund
North Carolina	North Carolina State Board of Education	State General Fund	Educator fees; Federal Title II-A	Primarily General Fund
Oregon	Teacher Standards and Practices Commission	Educator & program fees	None	Fee-only
Texas	Texas Education Agency	State General Fund	Certification fees; Federal Title II-A	Primarily General Fund (embedded)
Utah	Utah State Board of Education	State General Fund	Educator fees; Federal Title II-A	Primarily General Fund
Washington	Washington Professional Educator Standards Board	State General Fund	Educator fees; Federal Title II-A	Primarily General Fund

#### Notation on Federal Title II-A Funds:

- Title II-A (Supporting Effective Instruction) funds are federal formula grants received by all states.
- These funds may support educator preparation, mentoring, induction, and standards-related work.
- Title II-A funds do NOT pay for routine licensure operations such as application processing, enforcement, or staffing.
- States must rely on State General Fund appropriations and/or educator fees to operate licensing systems.

## Sample Scenario C Hybrid Funding Model: Phased Fee Increases with Supplemental Revenue

Under Scenario C, the Commission would implement a two-part, phased-in licensure fee adjustment combined with a supplemental revenue source to stabilize funding, maintain acceptable ending fund balances, and reduce reliance on educator-paid fees alone. This model is designed to address near-term fiscal pressures while enabling longer-term structural improvements following implementation of the Educator Data System (EDS).

### Phased Fee Increases

- **Phase 1: Interim Fee Increase (Effective July 1, 2026)**

Establish an immediate, uniform increase to the base licensure fee, raising standard licensure fees from **\$182 to \$200** effective July 1, 2026. This adjustment would provide near-term revenue relief, slow the erosion of ending fund balances, and reduce the magnitude of future increases required to maintain operations. This interim phase reflects the operational limitations of the current eLicensing system, which cannot support a comprehensive overhaul of the fee structure.

- **Phase 2: Tiered Fee Structure Following EDS Implementation (Effective July 1, 2027)**

This tiered fee structure is designed to reflect relative pay differences among first-time licensed educators, experienced educators, school principals, and district-level administrators. By aligning fees more closely with earning capacity, the model improves equity, moderates impacts on early-career educators, and more appropriately distributes regulatory costs. Phase 2 would be implemented effective July 1, 2027, following deployment of the Educator Data System (EDS), which would provide the technical capacity to support a more refined, tiered licensure fee structure aligned with license type, professional role, and relative earning capacity.

Under Phase 2, licensure fees could be structured as follows:

- \$200** — First-time teacher license
- \$250** — Renewals for teacher license
- \$300** — Principal license
- \$350** — Professional (district-level) administrator license

### Supplemental Revenue

Reroute a portion of other education agency funding to TSPC through the State School Fund Carve Out. The amount of supplemental revenue needed is dependent upon:

1. The percentage increase in licensure fees recommended by the legislature
2. Target ending fund balance recommended by the legislature

## Section 8: Other Considerations and Conclusion

The analysis conducted in response to the House Bill 5037 (2025) budget note demonstrates that the Teacher Standards and Practices Commission's current funding structure is not sufficient to maintain acceptable ending fund balances or support ongoing operations on a sustainable basis. Financial projections show that, absent intervention, the Commission will experience declining and ultimately negative ending fund balances in upcoming biennia, creating significant fiscal and operational risk.

While licensure fees have historically supported the Commission's core functions, the existing fee-only model does not provide the revenue stability necessary to support the Commission's fixed statutory responsibilities—particularly the investigation and adjudication of allegations of educator misconduct. Investigative workload has increased in both volume and complexity, and the Commission must maintain sufficient staffing to manage active cases, reduce case backlogs, and ensure timely, fair, and consistent licensure action in the interest of student safety and public trust. These responsibilities do not scale down when revenues are constrained, and projected negative ending fund balances directly threaten the Commission's ability to sustain timely investigations and avoid prolonged case timelines that carry financial and operational consequences for school districts and educators alike.

The scenarios evaluated in this report illustrate that maintaining current fee levels would result in ending fund balances falling below minimum reserve thresholds, requiring service reductions or staffing cuts to maintain solvency. Conversely, addressing projected deficits through licensure fee increases alone would require substantial and recurring fee escalations over multiple biennia to restore acceptable ending fund balances. Even under those conditions, long-term fiscal stability would remain uncertain, and the financial burden would be borne almost entirely by individual educators.

In contrast, a hybrid funding approach that combines measured licensure fee adjustments with supplemental revenue sources provides a more balanced and sustainable path forward. This approach stabilizes ending fund balances at prudent reserve levels, supports continuity of core regulatory functions, and reduces reliance on repeated fee increases as the primary mechanism for fiscal correction.

The agency submits this report to inform legislative deliberations and respectfully requests guidance from the Interim Joint Committee on Ways and Means regarding funding options that will ensure stable ending fund balances and the long-term sustainability of Oregon's educator licensure, preparation, and professional accountability system.

ITEM: REVIEW OF THE COMMISSION AGENDA

ACTION: **DISCUSSION ITEM**

INFORMATION: The purpose of this item is to approve a final agenda for the February 6, 2026, Commission meeting.

ITEM: BACHELOR'S OF APPIED SCIENCE IN EDUCATION

ACTION: **DISCUSSION ITEM**

INFORMATION: The purpose of this item is to provide the Commission with an overview of the required state approval process the BASE Community College Consortium must complete prior to offering licensure programs in Oregon, including coordination across the Higher Education Coordinating Commission, the Teacher Standards and Practices Commission, and relevant accreditors.

ITEM: COMMISSION CORRESPONDENCE

ACTION: **DISCUSSION ITEM**

INFORMATION: **School Nurse Preparation**

Staff received correspondence from Warner Pacific University's School of Nursing inquiring about licensing requirements for school nurses. The Director of Licensure responded to questions and received a reply suggesting possible further conversation.

Staff occasionally meets with representatives from the Oregon Board of Nursing and the Oregon Department of Education to discuss the possibility of strengthening Oregon's school nurse preparation and certification requirements, but no agency has capacity to engage in the work and the appetite for creating and approving programs has been limited.

The Executive Director requests direction from the Commission on any further action(s) resulting from this request.

### **Early Intervention/Early Childhood Special Education (EI/ECSE) Consortium**

The Executive Director presents the attached correspondence received from the Early Intervention/Early Childhood Special Education (EI/ECSE) Consortium for consideration by the Commission. This issue was last before the Commission in June of 2016 in the context of the Commission's Teaching License Redesign efforts being implemented during that time. The Redesign abolished the prior endorsement Authorization Levels of Early Childhood, Elementary, Middle School and High School, replacing them with a single authorization of PreK-12 for all licenses. The attached agenda item describes the intended result of the change along with Commission staff's response to the 2016 letter.

This new correspondence addresses a slightly different concern regarding authorizations offered by the Oregon Department of Education and expresses concern regarding the substance of those authorizations and how they might not meet the spirit of the Individuals with Disabilities Act (IDEA). Implementation of the requirements of federal law falls to the Oregon Department of Education, including rulemaking and determining appropriate licensure or authorization of staff assigned to complete work assignments under IDEA. With that in mind, [we can either]

The Executive Director requests direction from the Commission on next steps to address the suggestions included in the letter; OR

The Executive Director recommends a response to the Consortium from the Executive Director explaining the authority given to each agency and TSPC's role in implementing federal requirements.

## **Adapted PE Question**

The Executive Director received correspondence from an individual requesting consideration by the Commission to rename the specialization to an endorsement. When a content area is labeled as an “endorsement”, districts would be required to hire teachers holding the endorsement into work assignments identified as requiring the specialized preparation.

During the 2012-2016 Teaching License Redesign, the Commission agreed to a definition of Specialization:

Oregon Administrative Rule 584-225-0010: Specializations: General Provisions

(1) Purpose of Specializations: A specialization on an Oregon educator license is an optional indication of specialized expertise or preparation in an area the Commission recognizes as “added value” on a license. A specialization indicates the educator has demonstrated exceptional knowledge, skills and related abilities in that area. A specialization must meet standards or requirements set by the Commission.

(2) A specialization is distinguished from an endorsement in that a specialization is not required to teach or work in the specialized area, whereas an endorsement is required to work in the subject-matter area.

The Adapted Physical Education Specialization requires that the applicant holds a Preliminary, Professional, Teacher Leader or Legacy Teaching license with a Physical Education endorsement. The specialization may be added by completion of a Commission-approved program. Oregon State University is the only approved program offering the specialization.

The Executive Director requests direction from the Commission on any possible action(s) resulting from this request or how to respond to the individual. The individual intends to speak at the February Commission meeting as part of the Public Comment period.

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ITEM: SENATE BILL 3 (2023)

ACTION: **DISCUSSION ITEM**

INFORMATION: The purpose of this item is to ask that the Commission consider issuing a blanket statement to the effect that the Commission would not take enforcement action against holders of Preliminary or Professional CTE licenses who teach Personal Financial Education (PFE) and Higher Education & Career Path Skills (HECPS) courses during the 2026–27 and 2027–28 academic years.

SB 3 requires Oregon students graduating in 2027 or later to earn 0.5 credit in HECPS and 0.5 credit in PFE. OAR 581-021-0003 states that HECPS and PFE must be taught by licensed educators.

Eligible licenses are teaching licenses under OAR 584-210-0170 Atypical Assignments. To be eligible to teach the Atypical Assignments, educators must hold a Preliminary, Professional, Teacher Leader, Reciprocal or Legacy Teaching License. CTE licenses are not eligible to teach courses under the Atypical Assignments rule.

Commission rule under Assignment and Endorsement Authorization for all CTE licenses states that the CTE license "...qualifies the teacher to teach in: An instructional assignment from prekindergarten through grade 12 in an Oregon Department of Education approved Career and Technical Education program[s] and within the scope of the subject-matter endorsement. The scope of the endorsement shall be determined by the National Center for Educational Statistics (NCES) course codes included in the recommendation from the Oregon Department of Education."

TSPC Staff created some confusion in email advice to the Oregon Department of Education stating that CTE licenses were eligible to teach under the Atypical Assignments rule.

Guidance to the field created additional confusion for districts, Career and Technical Education (CTE) coordinators, and CTE educators about the Commission's Assignment and Authorization rule for CTE licenses. The guidance states that CTE licensed educators may teach Senate Bill 3 (SB 3) Personal Financial Education (PFE) and Higher Education & Career Path Skills (HECPS) courses. With the Commission's agreement to set aside potential discipline of any misassignment of CTE licensed teachers, ODE can give further consideration to the allowable licensure and endorsement for these two courses and work with the Commission on any potential rule changes required to correctly identify the teachers best prepared to deliver instruction for these two courses.

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ITEM: Atypical Assignment Additions

ACTION: **ACTION ITEM**

RECOMMENDATION: The Interim Executive Director recommends adoption of the following resolution:

**RESOLVED, that** OAR 584-210-0170 is amended and becomes effective July 1, 2024.

INFORMATION: The Interim Executive Director recommends the amendment of permanent rules in the Licensure Division, effective July 1, 2024.

Item 7.1 allows teachers with a valid, active, and unrestricted license to be assigned to teach Higher Education and Career Path Skills (HECPS). Also allows for such teachers to teach at approved Recovery Schools.

The proposed rules were reviewed at the Rules Advisory Committee meeting on April 22, 2024, and the Notice of Proposed Rulemaking was filed with the Secretary of State on April 24, 2024 (see attachment below.)

The public comment period on the proposed rules was open from May 1, 2024, through May 31, 2024. The agency also held a public hearing on May 15, 2024, at 2:00 p.m. and received no oral testimony from the public on these rules.

The Licensure Committee discussed the proposed rules on June 3, 2024, and the rule was approved for the full June Commission meeting.

If approved by the Commission at the June 2024 meeting, the permanent rules will become effective on July 1, 2024.

PERMANENT RULES FOR ADOPTION						
Rule Summary	Program Area	Type of Change	Rule Number	Rule Title	Summary of Change	Public Comment
7.1a	Licensure	Amend	584-210-0170	Atypical Assignments	Allows for teachers with a valid, active, and unrestricted license to be assigned to teach Higher Education and Career Path Skills (HECPS). Also allows for such teachers to teach at approved Recovery Schools.	No comment submitted

**Attachments**

7.1b 20240424\_Notice\_Proposed\_Rulemaking\_Atypical\_Assignment\_Additions

# Enrolled Senate Bill 3

Sponsored by Senators WAGNER, KNOPP, DEMBROW, SMITH DB, THATCHER; Senators ANDERSON, MANNING JR, PATTERSON, SOLLMAN, STEINER, TAYLOR, Representatives BOWMAN, BYNUM, CRAMER, OWENS, RUIZ, SOSA (at the request of GoWest Credit Union Association)

CHAPTER .....

AN ACT

Relating to diploma requirements; creating new provisions; and amending ORS 329.007, 329.025, 329.045 and 329.451.

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

**SECTION 1.** ORS 329.451, as amended by section 1, chapter 175, Oregon Laws 2021, and section 6, chapter 81, Oregon Laws 2022, is amended to read:

329.451. (1)(a) At or before grade 12, a school district or public charter school shall award a high school diploma to a student who completes the requirements established by subsection (2) of this section.

(b) A school district or public charter school shall award a modified diploma to a student who satisfies the requirements established by subsection (7) of this section, an extended diploma to a student who satisfies the requirements established by subsection (8) of this section or an alternative certificate to a student who satisfies the requirements established by subsection (9) of this section.

(c) A school district or public charter school may not deny a student who has the documented history described in subsection (7)(b) or (8)(b) of this section the opportunity to pursue a diploma with more stringent requirements than a modified diploma or an extended diploma for the sole reason that the student has the documented history.

(d) A school district or public charter school may award a modified diploma or extended diploma to a student only upon receiving consent as provided by subsection (6) of this section.

(2)(a) In order to receive a high school diploma from a school district or public charter school, a student must satisfy the requirements established by the State Board of Education and the school district or public charter school and, while in grades 9 through 12, must complete at least 24 total credits, which must include at least:

- (A) Three credits of mathematics;
- (B) Four credits of language arts; *[and]*
- (C) One half-credit of civics[.];
- (D) One half-credit of higher education and career path skills; and**
- (E) One half-credit of personal financial education.**

(b) If a school district or public charter school requires a student to complete more than 24 total credits, as provided by paragraph (a) of this subsection, the school district or public charter school may only require the student to complete additional credits for:

(A) Subjects for which the State Board of Education has established academic content standards under ORS 329.045;

(B) Courses provided as part of a career and technical education program; or

(C) Courses that provide, or qualify to provide, credit at post-secondary institutions of education.

(c)(A) A school district or public charter school that requires students to satisfy any requirements not specified by paragraph (a) of this subsection or by rule of the State Board of Education must grant to a student a waiver of the requirements established by the school district or public charter school if the student is or, at any time from grade 9 to 12, was:

(i) A foster child, as defined in ORS 30.297;

(ii) Homeless, as determined under rules adopted by the State Board of Education based on standards adopted by the Department of Human Services;

(iii) A runaway, as determined under rules adopted by the State Board of Education based on standards adopted by the Department of Human Services;

(iv) A child in a military family covered by the Interstate Compact on Educational Opportunity for Military Children, as determined under rules adopted by the State Board of Education;

(v) A child of a migrant worker, as determined under rules adopted by the State Board of Education; or

(vi) Enrolled in the Youth Corrections Education Program or the Juvenile Detention Education Program.

(B)(i) For any student identified under subparagraph (A) of this paragraph, a school district or public charter school must accept any credits earned by the student in an educational program in this state and apply those credits toward requirements specified by paragraph (a) of this subsection or by rule of the State Board of Education if the credits satisfied those requirements in that educational program in this state.

(ii) As used in this subparagraph, “educational program in this state” means an educational program that is:

(I) Provided by a school district, a public charter school, the Youth Corrections Education Program or the Juvenile Detention Education Program; or

(II) Funded as provided by ORS 343.243 for students in a long term care or treatment facility described in ORS 343.961 or a hospital identified in ORS 343.261.

**(d) The State Board of Education may adopt by rule requirements for courses, including teachers of courses, related to higher education and career path skills and personal financial education that allow the courses to satisfy multiple credit requirements for a high school diploma, including mathematics.**

(3) A student providing work samples to demonstrate proficiency in Essential Learning Skills as may be required under subsection (2) of this section must be allowed to use accommodations described in the student’s individualized education program or the student’s plan developed in accordance with section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794. As used in this subsection, the term “accommodations”:

(a) Includes, but is not limited to:

(A) Additional time to demonstrate proficiency.

(B) The ability to demonstrate proficiency in an alternative location that is secure and proctored.

(C) The use of text-to-speech or speech-to-text technology or other assistive technology.

(b) Does not include modifications that lower the proficiency standards or that are used solely to earn modified credit.

(4) A student may satisfy the requirements of subsection (2) of this section in less than four years. If a student satisfies the requirements of subsection (2) of this section and a school district or public charter school has received consent as provided by subsection (6) of this section, the school district or public charter school shall award a high school diploma to the student.

(5) If a school district or public charter school has received consent as provided by subsection (6) of this section, the school district or public charter school may advance the student to the next grade level if the student has satisfied the requirements for the student's current grade level.

(6)(a) For the purpose of receiving consent as provided by subsections (1)(d), (4) and (5) of this section, consent shall be provided by:

(A) The parent or guardian of the student, if the student:

(i) Is under 18 years of age and is not emancipated pursuant to ORS 419B.550 to 419B.558; or

(ii) Has been determined not to have the ability to give informed consent regarding the student's education pursuant to a protective proceeding under ORS chapter 125; or

(B) The student, if the student is 18 years of age or older or is emancipated pursuant to ORS 419B.550 to 419B.558.

(b) For the purpose of awarding a modified diploma or extended diploma as provided by subsection (1)(d) of this section or of awarding a high school diploma as provided by subsection (4) of this section, consent must be received during the school year for which the diploma will be awarded.

(7) A school district or public charter school shall award a modified diploma only to students who have demonstrated the inability to meet the full set of academic content standards for a high school diploma with reasonable modifications and accommodations. To be eligible for a modified diploma, a student must:

(a) Satisfy the requirements for a modified diploma established by the State Board of Education; and

(b) Have a documented history of an inability to maintain grade level achievement due to significant learning and instructional barriers or have a documented history of a medical condition that creates a barrier to achievement.

(8) A school district or public charter school shall award an extended diploma only to students who have demonstrated the inability to meet the full set of academic content standards for a high school diploma with reasonable modifications and accommodations. To be eligible for an extended diploma, a student must:

(a) While in grade nine through completion of high school, complete 12 credits, which may not include more than six credits earned in a self-contained special education classroom and shall include:

(A) Two credits of mathematics;

(B) Two credits of language arts;

(C) Two credits of science;

(D) Three credits of history, geography, economics or civics;

(E) One credit of health;

(F) One credit of physical education; and

(G) One credit of the arts or a world language; and

(b) Have a documented history of:

(A) An inability to maintain grade level achievement due to significant learning and instructional barriers;

(B) A medical condition that creates a barrier to achievement; or

(C) A change in the student's ability to participate in grade level activities as a result of a serious illness or injury that occurred after grade eight.

(9) A school district or public charter school shall award an alternative certificate to a student who does not satisfy the requirements for a high school diploma, a modified diploma or an extended diploma if the student meets requirements established by the board of the school district or public charter school.

(10) A student shall have the opportunity to satisfy the requirements of subsection (7), (8) or (9) of this section by the later of:

(a) Four years after starting grade nine; or

(b) The student reaching the age of 21 years, if the student is entitled to a public education until the age of 21 years under state or federal law.

(11)(a) A student may satisfy the requirements described in subsection (7), (8) or (9) of this section in less than four years if consent is provided in the manner described in subsection (6)(a) of this section.

(b) The consent provided under this subsection must be written and must clearly state that the parent, guardian or student is waiving the time allowed under subsection (10) of this section. A consent may not be used to allow a student to satisfy the requirements of subsection (7), (8) or (9) of this section in less than three years.

(c) A copy of all consents provided under this subsection for students in a school district must be forwarded to the district superintendent.

(d) Each school district must provide to the Superintendent of Public Instruction information about the number of consents provided during a school year.

(12)(a) A student who qualifies to receive or receives a modified diploma, an extended diploma or an alternative certificate shall:

(A) Have the option of participating in a high school graduation ceremony with the class of the student; and

(B) Have access to instructional hours, hours of transition services and hours of other services that are designed to:

(i) Meet the unique needs of the student; and

(ii) When added together, provide a total number of hours of instruction and services to the student that equals at least the total number of instructional hours that is required to be provided to students who are attending a public high school.

(b)(A) The number of instructional hours, hours of transition services and hours of other services that are appropriate for a student shall be determined by the student's individualized education program team. Based on the student's needs and performance level, the student's individualized education program team may decide that the student will not access the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection.

(B) A school district may not unilaterally decrease the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection, regardless of the age of the student.

(c) If a student's individualized education program team decides that the student will not access the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection, the school district shall annually:

(A) Provide the following information in writing to the parent or guardian of the student:

(i) The school district's duty to comply with the requirements of paragraph (a)(B) of this subsection; and

(ii) The prohibition against a school district's unilaterally decreasing the total number of hours of instruction and services to which the student has access.

(B) Obtain a signed acknowledgment from the parent or guardian of the student that the parent or guardian received the information described in subparagraph (A) of this paragraph.

(C) Include in the individualized education program for the student a written statement that explains the reasons the student is not accessing the total number of hours of instruction and services to which the student has access under paragraph (a)(B) of this subsection.

(d) For purposes of paragraph (a)(B) of this subsection, transition services and other services designed to meet the unique needs of the student may be provided to the student through an interagency agreement entered into by the school district if the individualized education program developed for the student indicates that the services may be provided by another agency. A school district that enters into an interagency agreement as allowed under this paragraph retains the responsibility for ensuring that the student has access to the number of service hours required to be provided to the student under this subsection. An agency is not required to change any eligibility criteria or enrollment standards prior to entering into an interagency agreement as provided by this paragraph.

(13) A school district or public charter school shall:

(a) Ensure that students have on-site access to the appropriate resources to achieve a high school diploma, a modified diploma, an extended diploma or an alternative certificate at each high school in the school district or at the public charter school.

(b) Provide literacy instruction to all students until graduation.

(c) Annually provide, to the parents or guardians of a student who has the documented history described in subsection (8)(b) of this section, information about the availability of a modified diploma, an extended diploma and an alternative certificate and the requirements for the diplomas and certificate:

(A) Beginning in grade five; or

(B) Beginning after a documented history described in subsection (8)(b) of this section has been established.

(14) A school district or public charter school shall allow a student to participate in the high school graduation ceremony with the class of the student and to wear:

(a) Native American items of cultural significance as provided by ORS 332.112; or

(b) A dress uniform issued to the student by a branch of the Armed Forces of the United States if the student:

(A) Qualifies to receive a high school diploma, a modified diploma, an extended diploma or an alternative certificate under this section; and

(B) Has completed basic training for, and is an active member of, a branch of the Armed Forces of the United States.

**SECTION 2. (1) The amendments to ORS 329.451 by section 1 of this 2023 Act become operative on January 1, 2027.**

**(2) The amendments to ORS 329.451 by section 1 of this 2023 Act apply to high school diplomas awarded on or after January 1, 2027.**

**(3) Notwithstanding subsections (1) and (2) of this section, a school district, a public charter school or an education service district may request a waiver of the credit requirements under ORS 329.451 (2)(a)(D) and (E) for the students of the district or school if the district or school is able to demonstrate to the satisfaction of the Department of Education, based on rules adopted by the State Board of Education, that the district or school is unable to provide courses necessary for students to satisfy the credit requirements described in ORS 329.451 (2)(a)(D) and (E) due to a lack of educators qualified to provide the courses. A waiver provided under this subsection is valid for one school year only and, for a district or school that receives a waiver, the requirements of ORS 329.451 (2)(a)(D) and (E) apply to high school diplomas awarded on or after January 1, 2028.**

**(4) The State Board of Education, the Department of Education, school districts, public charter schools and education service districts may take any necessary actions before the operative date specified in subsection (1) of this section to:**

**(a) Ensure that students who will be awarded high school diplomas on or after January 1, 2027, are able to satisfy the credit requirements of ORS 329.451, as amended by section 1 of this 2023 Act; or**

**(b) If the school district, public charter school or education service district requires a waiver under subsection (3) of this section:**

**(A) Request a waiver for students who will be awarded high school diplomas on or after January 1, 2027, and before January 1, 2028; and**

**(B) Ensure that students who will be awarded high school diplomas on or after January 1, 2028, are able to satisfy the credit requirements of ORS 329.451, as amended by section 1 of this 2023 Act.**

**SECTION 3.** ORS 329.007 is amended to read:

329.007. As used in this chapter, unless the context requires otherwise:

(1) "Academic content standards" means expectations of student knowledge and skills adopted by the State Board of Education under ORS 329.045.

(2) "Administrator" includes all persons whose duties require an administrative license.

(3) “Board” or “state board” means the State Board of Education.

(4) “Community learning center” means a school-based or school-linked program providing informal meeting places and coordination for community activities, adult education, child care, information and referral and other services as described in ORS 329.157. “Community learning center” includes, but is not limited to, a community school program as defined in ORS 336.505, family resource centers as described in ORS 417.725, full service schools, lighted schools and 21st century community learning centers.

(5) “Department” means the Department of Education.

(6) **“Higher education and career path skills” means instruction that provides guidance on:**

**(a) Applying for jobs, including preparing a resume or filling out a job application and developing job interview skills;**

**(b) Applying for admission to a post-secondary institution of education, including applying for financial aid and scholarships;**

**(c) Applying for post-secondary learning and job training opportunities and programs that do not require a four-year degree, including apprenticeships and how to meet the prerequisites for those opportunities and programs;**

**(d) Developing career-related skills, including improving employability skills, taking advantage of community-based experiential learning and gaining knowledge of career opportunities; and**

**(e) Seeking assistance, including accessing community resources and acting as a self-advocate for mental, physical and financial well-being.**

[(6)] (7) “History, geography, economics and civics” includes, but is not limited to, Oregon Studies.

[(7)] (8) “Language arts” includes reading, writing and other communications in any language, including English.

[(8)] (9) “Oregon Studies” means history, geography, economics and civics specific to the State of Oregon. Oregon Studies instruction in Oregon government shall include municipal, county, tribal and state government, as well as the electoral and legislative processes.

[(9)] (10) “Parents” means parents or guardians of students who are covered by this chapter.

(11) **“Personal financial education” means instruction that provides guidance on:**

**(a) Credit scores, including how to build credit, the costs and benefits of borrowing money on credit and the long-term impacts of high or low credit scores;**

**(b) Investments, asset building and debt, including how to open a bank account, different types of bank accounts, compound interest, the total cost of loan repayment, comparing investment options and types of investments and understanding different types of retirement accounts;**

**(c) Strategies for creating a budget, tracking and modifying spending patterns and understanding insurance products, including exploring common costs associated with rentals and home ownership;**

**(d) Taxes, including accessing tax credits, understanding tax cycles, being familiar with state and federal tax forms and being familiar with federal, state, regional and local taxes; and**

**(e) Building financial well-being, including evaluating the impact of behavioral economics and the psychology of money, explaining trends in financial health and evaluating consumer skills, including fraud and identity theft prevention.**

[(10)] (12) “Public charter school” has the meaning given that term in ORS 338.005.

[(11)] (13) “School district” means a school district as defined in ORS 332.002, a state-operated school or any legally constituted combination of such entities.

[(12)] (14) “Teacher” means any licensed employee of a school district who has direct responsibility for instruction, coordination of educational programs or supervision of students and who is

compensated for such services from public funds. “Teacher” does not include a school nurse, as defined in ORS 342.455, or a person whose duties require an administrative license.

[(13)] (15) “The arts” includes, but is not limited to, literary arts, performing arts and visual arts.

[(14)] (16) “World languages” includes sign language, heritage languages and languages other than a student’s primary language.

[(15)] (17) “21st Century Schools Council” means a council established pursuant to ORS 329.704.

**SECTION 4.** ORS 329.007, as amended by section 6, chapter 253, Oregon Laws 2019, and section 3, chapter 178, Oregon Laws 2021, is amended to read:

329.007. As used in this chapter, unless the context requires otherwise:

(1) “Academic content standards” means expectations of student knowledge and skills adopted by the State Board of Education under ORS 329.045.

(2) “Administrator” includes all persons whose duties require an administrative license.

(3) “Board” or “state board” means the State Board of Education.

(4) “Community learning center” means a school-based or school-linked program providing informal meeting places and coordination for community activities, adult education, child care, information and referral and other services as described in ORS 329.157. “Community learning center” includes, but is not limited to, a community school program as defined in ORS 336.505, family resource centers as described in ORS 417.725, full service schools, lighted schools and 21st century community learning centers.

(5) “Department” means the Department of Education.

(6) **“Higher education and career path skills” means instruction that provides guidance on:**

**(a) Applying for jobs, including preparing a resume or filling out a job application and developing job interview skills;**

**(b) Applying for admission to a post-secondary institution of education, including applying for financial aid and scholarships;**

**(c) Applying for post-secondary learning and job training opportunities and programs that do not require a four-year degree, including apprenticeships and how to meet the prerequisites for those opportunities and programs;**

**(d) Developing career-related skills, including improving employability skills, taking advantage of community-based experiential learning and gaining knowledge of career opportunities; and**

**(e) Seeking assistance, including accessing community resources and acting as a self-advocate for mental, physical and financial well-being.**

[(6)] (7) “History, geography, economics and civics” includes, but is not limited to, Holocaust and genocide studies and Oregon Studies.

[(7)] (8) “Holocaust and genocide studies” means studies on the Holocaust, genocide and other acts of mass violence that comply with the requirements described in ORS 329.494.

[(8)] (9) “Language arts” includes reading, writing and other communications in any language, including English.

[(9)] (10) “Oregon Studies” means history, geography, economics and civics specific to the State of Oregon. Oregon Studies instruction in Oregon government shall include municipal, county, tribal and state government, as well as the electoral and legislative processes.

[(10)] (11) “Parents” means parents or guardians of students who are covered by this chapter.

(12) **“Personal financial education” means instruction that provides guidance on:**

**(a) Credit scores, including how to build credit, the costs and benefits of borrowing money on credit and the long-term impacts of high or low credit scores;**

**(b) Investments, asset building and debt, including how to open a bank account, different types of bank accounts, compound interest, the total cost of loan repayment, comparing investment options and types of investments and understanding different types of retirement accounts;**

(c) **Strategies for creating a budget, tracking and modifying spending patterns and understanding insurance products, including exploring common costs associated with rentals and home ownership;**

(d) **Taxes, including accessing tax credits, understanding tax cycles, being familiar with state and federal tax forms and being familiar with federal, state, regional and local taxes; and**

(e) **Building financial well-being, including evaluating the impact of behavioral economics and the psychology of money, explaining trends in financial health and evaluating consumer skills, including fraud and identity theft prevention.**

[(11)] (13) “Public charter school” has the meaning given that term in ORS 338.005.

[(12)] (14) “School district” means a school district as defined in ORS 332.002, a state-operated school or any legally constituted combination of such entities.

[(13)] (15) “Teacher” means any licensed employee of a school district who has direct responsibility for instruction, coordination of educational programs or supervision of students and who is compensated for such services from public funds. “Teacher” does not include a school nurse, as defined in ORS 342.455, or a person whose duties require an administrative license.

[(14)] (16) “The arts” includes, but is not limited to, literary arts, performing arts and visual arts.

[(15)] (17) “World languages” includes sign language, heritage languages and languages other than a student’s primary language.

[(16)] (18) “21st Century Schools Council” means a council established pursuant to ORS 329.704.

**SECTION 5.** ORS 329.025 is amended to read:

329.025. It is the intent of the Legislative Assembly to maintain a system of public elementary and secondary schools that allows students, parents, teachers, administrators, school district boards and the State Board of Education to be accountable for the development and improvement of the public school system. The public school system shall have the following characteristics:

(1) Provides equal and open access and educational opportunities for all students in the state regardless of their linguistic background, culture, race, gender, capability or geographic location;

(2) Assumes that all students can learn and establishes high, specific skill and knowledge expectations and recognizes individual differences at all instructional levels;

(3) Provides each student an education experience that supports academic growth beyond proficiency in established academic content standards and encourages students to attain aspirational goals that are individually challenging;

(4) Provides special education, compensatory education, linguistically and culturally appropriate education and other specialized programs to all students who need those services;

(5) Supports the physical and cognitive growth and development of students;

(6) Provides students with a solid foundation in the skills of reading, writing, problem solving and communication;

(7) Provides opportunities for students to learn, think, reason, retrieve information, use technology and work effectively alone and in groups;

(8) Provides for rigorous academic content standards and instruction in mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, physical education, health, the arts and world languages;

(9) Provides increased learning time;

(10) Provides students an educational background to the end that they will function successfully in a constitutional republic, a participatory democracy and a multicultural nation and world;

(11) Provides students with the knowledge and skills that will provide the opportunities to succeed in the world of work, as members of families and as citizens;

(12) Provides students with the knowledge and skills that lead to an active, healthy lifestyle;

(13) Provides students with the knowledge and skills to take responsibility for their decisions and choices;

(14) Provides opportunities for students to learn through a variety of teaching strategies;

- (15) Emphasizes involvement of parents and the community in the total education of students;
- (16) Transports children safely to and from school;
- (17) Ensures that the funds allocated to schools reflect the uncontrollable differences in costs facing each district;
- (18) Ensures that local schools have adequate control of how funds are spent to best meet the needs of students in their communities; and
- (19) Provides for a safe, educational environment.

**SECTION 6.** ORS 329.045 is amended to read:

329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Education shall regularly and periodically review and revise its Common Curriculum Goals, performance indicators and diploma requirements.

(b) The review and revision conducted under this section shall:

(A) Include Essential Learning Skills and rigorous academic content standards in mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, physical education, health, the arts and world languages.

(B) Involve teachers and other educators, parents of students and other citizens and shall provide ample opportunity for public comment.

(C) Encourage increased learning time. As used in this subparagraph, “increased learning time” means a schedule that encompasses a longer school day, week or year for the purpose of increasing the total number of school hours available to provide:

(i) Students with instruction in core academic subjects, including mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, the arts and world languages;

(ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph (i) of this subparagraph, including health and physical education;

(iii) Students with the opportunity to participate in enrichment activities that contribute to a well-rounded education, including learning opportunities that may be based on service, experience or work and that may be provided through partnerships with other organizations; and

(iv) Teachers with the opportunity to collaborate, plan and engage in professional development within and across grades and subjects.

(c) Nothing in this subsection prevents a school district or public charter school from maintaining control over course content, format, materials and teaching methods.

(2) The State Board of Education shall continually review and revise all adopted academic content standards necessary for students to successfully transition to the next phase of their education.

(3)(a) School districts and public charter schools must offer students instruction in mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, physical education, health, the arts and world languages.

(b) Instruction required under paragraph (a) of this subsection must:

(A) Meet the academic content standards adopted by the State Board of Education; and

(B) Meet the requirements adopted by the State Board of Education and the board of the school district or public charter school.

*[(4) School districts and public charter schools are encouraged to offer students courses or other educational opportunities in civics and financial literacy to allow every student who wants to receive instruction in civics and financial literacy to be able to receive the instruction.]*

**SECTION 7.** ORS 329.045, as amended by section 1, chapter 202, Oregon Laws 2019, and section 6, chapter 178, Oregon Laws 2021, is amended to read:

329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Education shall regularly and periodically review and revise its Common Curriculum Goals, performance indicators and diploma requirements.

(b) The review and revision conducted under this section shall:

(A) Include Essential Learning Skills and rigorous academic content standards in mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, physical education, health, the arts and world languages.

(B) Ensure that the academic content standards for history, geography, economics and civics include sufficient instruction on the histories, contributions and perspectives of individuals who:

- (i) Are Native American;
- (ii) Are of African, Asian, Pacific Island, Chicano, Latino or Middle Eastern descent;
- (iii) Are women;
- (iv) Have disabilities;
- (v) Are immigrants or refugees; or
- (vi) Are lesbian, gay, bisexual or transgender.

(C) Involve teachers and other educators, parents of students and other citizens and shall provide ample opportunity for public comment.

(D) Encourage increased learning time. As used in this subparagraph, “increased learning time” means a schedule that encompasses a longer school day, week or year for the purpose of increasing the total number of school hours available to provide:

(i) Students with instruction in core academic subjects, including mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, the arts and world languages;

(ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph (i) of this subparagraph, including health and physical education;

(iii) Students with the opportunity to participate in enrichment activities that contribute to a well-rounded education, including learning opportunities that may be based on service, experience or work and that may be provided through partnerships with other organizations; and

(iv) Teachers with the opportunity to collaborate, plan and engage in professional development within and across grades and subjects.

(c) Nothing in this subsection prevents a school district or public charter school from maintaining control over course content, format, materials and teaching methods.

(2) The State Board of Education shall continually review and revise all adopted academic content standards necessary for students to successfully transition to the next phase of their education.

(3)(a) School districts and public charter schools must offer students instruction in mathematics, science, language arts, history, geography, economics, civics, **higher education and career path skills, personal financial education**, physical education, health, the arts and world languages.

(b) Instruction required under paragraph (a) of this subsection must:

(A) Meet the academic content standards adopted by the State Board of Education; and

(B) Meet the requirements adopted by the State Board of Education and the board of the school district or public charter school.

*[(4) School districts and public charter schools are encouraged to offer students courses or other educational opportunities in civics and financial literacy to allow every student who wants to receive instruction in civics and financial literacy to be able to receive the instruction.]*

**SECTION 8. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Education by section 1 (1), chapter \_\_\_\_\_, Oregon Laws 2023 (Enrolled House Bill 5014), for the biennium beginning July 1, 2023, for operations, is increased by \$426,367, for developing academic content standards in higher education and career path skills and in personal financial education.**

**Passed by Senate June 20, 2023**

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Lori L. Brocker, Secretary of Senate

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Rob Wagner, President of Senate

**Passed by House June 21, 2023**

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Dan Rayfield, Speaker of House

**Received by Governor:**

.....M,....., 2023

**Approved:**

.....M,....., 2023

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2023

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Secretary of State

ITEM: COMMISSION PROFESSIONAL DEVELOPMENT

ACTION: **DISCUSSION ITEM**

INFORMATION: The purpose of this item is to receive Commission input on training or professional development needs related to the conduct of Commission business.