

# Chapter 334

2011 EDITION

## Regional Education

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**EDUCATION SERVICE DISTRICTS**  
(Generally)

**334.003 Definitions.** For purposes of this chapter:

(1) “Component school district” means a common school district or a union high school district that:

(a) Is located within the territory of an education service district; and

(b) Is not withdrawn from the education service district as provided in ORS 334.015.

(2) “Education service district” means a district created under ORS 334.010 that provides regional educational services to component school districts.

(3) “Joint school district” means a common school district or a union high school district located within the territory of more than one education service district. [1995 c.611 §20; 2001 c.518 §1; 2011 c.705 §4]

**334.005 Mission; purpose; accountability.** (1) The mission of education service districts is to assist school districts and the Department of Education in achieving Oregon’s educational goals by providing equitable, high quality, cost-effective and locally responsive educational services at a regional level.

(2) An education service district plays a key role in:

(a) Ensuring an equitable and excellent education for all children in the state;

(b) Implementing the Oregon Educational Act for the 21st Century;

(c) Fostering the attainment of high standards of performance by all students in Oregon’s public schools; and

(d) Facilitating interorganizational coordination and cooperation among educational, social service, health care and employment training agencies.

(3) An education service district’s role is one of leadership and service. Education service districts shall maintain the distinction between their role as service organizations and the regulatory role of the Department of Education and other state agencies.

(4) To ensure that an education service district is locally responsive, an education service district shall provide:

(a) Opportunities for component school districts to participate in decisions about the services that are offered by the education service district; and

(b) A variety of flexible service delivery models.

(5) An education service district shall remain accountable to:

(a) The public at large;

(b) The component school districts; and

(c) The State Board of Education. [1963 c.544 §1; 1975 c.477 §1; 1983 c.610 §2; 1993 c.784 §1; 2001 c.518 §2]

**334.010 Education service districts.** There is created in each region a district to be known as the education service district to consist of the counties and the area of the common school districts as listed in ORS 334.013, with a governing body thereof to be known as the education service district board. [Amended by 1961 c.153 §1; subsections (3) and (4) enacted as 1961 c.153 §2; 1963 c.544 §29; 1965 c.100 §170; 1977 c.481 §1; 1993 c.784 §2]

**334.013 Composition of education service districts.** (1) On and after the effective date of the order entered under section 25, chapter 784, Oregon Laws 1993, except as the boundaries of an education service district may be changed by merger under ORS 334.710 to 334.770 or other provision of law, the education service districts are as follows:

(a) Region 1. Clatsop, Columbia, Tillamook and Washington Counties.

(b) Region 2. Multnomah County.

(c) Region 3. Marion and Polk Counties.

(d) Region 4. Lincoln, Linn and Benton Counties.

(e) Region 5. Lane County.

(f) Region 6. Douglas County.

(g) Region 7. Coos and Curry Counties and the area lying within the Reedsport School District.

(h) Region 8. Jackson, Josephine and Klamath Counties.

(i) Region 9. Hood River and Wasco Counties.

(j) Region 10. Crook and Deschutes Counties.

(k) Region 11. Lake County.

(l) Region 12. Umatilla and Morrow Counties.

(m) Region 13. Union and Baker Counties.

(n) Region 14. Malheur County and the area comprising the Huntington School District.

(o) Region 15. Clackamas County.

(p) Region 16. Yamhill County.

(q) Region 17. Harney County.

(r) Region 18. Wallowa County.

(s) Region 19. Sherman, Gilliam and Wheeler Counties.

(t) Region 20. Grant County.

(u) Region 21. Jefferson County and the area comprising the Warm Springs Reservation.

(2) Where a boundary change or formation of a component school district results in a joint school district, the joint school district shall be included in the education service district in which the joint district's administrative office is located. [Formerly 334.020]

**334.015 Withdrawal of school district; effective date.** (1) Notwithstanding ORS 334.010 and 334.013, one or more component school districts of an education service district may withdraw from the education service district if the component school district is located in:

(a) A region described in ORS 334.013 (1)(a), (b), (c) or (p); or

(b) Baker County.

(2) A school district board may choose to withdraw a school district from an education service district as provided in subsection (1) of this section by an affirmative vote of two-thirds of the members of the school district board.

(3)(a) A school district board that chooses to withdraw a school district from the education service district must submit a notice of intent to withdraw to the board of directors of the education service district no later than November 1 of the year prior to the year in which the school district plans to withdraw from the education service district.

(b) A school district board that submitted a notice of intent to withdraw as provided by paragraph (a) of this subsection must submit a notice of withdrawal to the board of directors of the education service district no later than March 1 of the year in which the school district plans to withdraw from the education service district.

(c) Within 60 days of receiving the notice of withdrawal under paragraph (b) of this subsection, the board of directors of the education service district shall issue an order that recognizes the withdrawal of the school district from the education service district.

(4) The withdrawal of a school district from an education service district becomes effective on July 1 after the board of directors of the education service district issues the order described in subsection (3) of this section. [2011 c.705 §2]

**334.017 Interview requirements for school district that withdraws.** (1) A school district that withdraws from an education service district as provided by ORS 334.015 and that seeks to fill a vacant position of employment shall interview persons who:

(a) Were employed by the education service district prior to the withdrawal of the school district; and

(b) Performed duties similar to the duties that will be performed in the position that the school district is seeking to fill.

(2) Nothing in this section requires a school district to interview a person who had been employed by an education service district if the school district does not have a similar and vacant position.

(3) The interview requirement described in this section does not apply to the superintendent of the education service district or to any other administrators, as defined in ORS 342.120, of the education service district.

(4) The interview requirement described in this section applies only during the 12 calendar months immediately following the effective date of the withdrawal of the school district from the education service district. [2011 c.705 §23]

**334.019 Rejoining of school district; effective date.** (1) A school district board that withdrew a school district from an education service district as provided in ORS 334.015 may choose to rejoin the school district to the education service district.

(2) A school district board that chooses to rejoin a school district to an education service district as provided in subsection (1) of this section may rejoin by an affirmative vote of two-thirds of the members of the board. A vote described in this subsection must occur no later than November 1 of the year prior to the year in which the school district board plans to rejoin the school district to the education service district.

(3) The school district board shall notify the board of directors of the education service district no later than November 1 of the year prior to the year in which the school district board plans to rejoin the school district to the education service district. Within 60 days of receiving the notice, the board of directors of the education service district shall issue an order that recognizes the rejoining of a school district to the education service district.

(4) The rejoining of a school district to an education service district becomes effective on July 1 after the board of directors of the education service district issues the order described in subsection (3) of this section. [2011 c.705 §3]

**334.020** [Amended by 1957 c.678 §2; 1963 c.544 §30; 1965 c.100 §171; 1975 c.770 §39; 1993 c.784 §3; 1995 c.611 §6; renumbered 334.013 in 2011]

**334.022 Prohibition on distinction in state funding between multicounty and single county districts.** In adopting any rule relating to the distribution of state funds to education service districts, the State Board of Education shall not make any dis-

tion based on the administrative structure of multicounty education service districts and the administrative structure of single county education service districts. [1993 c.784 §38]

**Note:** 334.022 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 334 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

### (Board)

**334.025 Number of board members; election; local advisory committees.** (1) The board of directors of an education service district shall consist of seven, nine or 11 members.

(2) In education service districts, not fewer than five of the directors shall be elected, one from each of the zones established under ORS 334.032. At the discretion of the board of directors, one or two board members may be elected from the district at large.

(3) On the petition of two component school districts, the board shall establish local advisory committees to represent the interests of areas within the petitioning districts. The local advisory committees shall advise the board on matters of concern within the advisory committee's area. Local advisory committees shall represent two or more component school districts.

(4) The board of directors may by resolution increase or decrease the number of members of the board. The board's resolution shall be entered with sufficient time for the board to give the required information to the elections officer under ORS 255.069, and the board's resolution shall have no effect on the terms of any current board members. [1957 c.678 §4; 1961 c.323 §1; 1965 c.100 §172; 1981 c.131 §1; 1993 c.784 §4; 1995 c.611 §7; 2001 c.518 §3]

**334.030** [Repealed by 1957 c.678 §1]

**334.032 Zones; representation of counties within district.** (1) The board of directors of an education service district shall divide the education service district into not more than 11 zones as nearly equal in census population as may be practicable, measured along common school district boundary lines except that zones may be established using voting precinct boundaries in order to achieve greater equality of population. If possible, the board shall establish the zones so that each county within the education service district, the majority of the land area of which lies within the boundaries of the education service district, has at least one member on the board.

(2) Each county within the education service district, the majority of the land area of which lies within the boundaries of the

education service district, shall have at least one member on the board or shall have at least one member on the budget committee of the education service district.

(3) The board may readjust the boundaries of the zones once each year and shall readjust the boundaries of the zones immediately upon any change of the boundaries of the education service district. [1965 c.100 §173; 1975 c.206 §1; 1981 c.131 §2; 1993 c.784 §6; 1995 c.611 §8; 2001 c.518 §4]

**334.035 Nomination of candidates.** (1) In education service districts having a population of less than 550,000 according to the latest federal census, a candidate for the district board shall be nominated in accordance with ORS 255.235 except as provided in this section. When a candidate is nominated from a zone by a nominating petition, the nominating petition must be signed by electors registered in the zone in which the candidate is a resident and who are qualified to vote in their respective component school districts. When a candidate is nominated at large by a nominating petition, the nominating petition must be signed by electors of the district. A candidate for education service district board member must be qualified to vote in the election in which the individual is a candidate.

(2) In education service districts having a population of 550,000 or more according to the latest federal census, the name of any qualified person nominated as provided by ORS 255.235 shall be placed on the ballot as a candidate for the office of director of the education service district. [1957 c.678 §5; 1963 c.544 §32; 1965 c.100 §174; 1973 c.796 §47; 1974 c.45 §5; 1981 c.131 §3; 1983 c.83 §66; 1983 c.350 §180; 1993 c.784 §7; 1995 c.611 §9]

**334.040** [Amended by 1957 c.310 §15; repealed by 1957 c.678 §1]

**334.045 Election procedure.** (1) In education service districts, members of the board shall be elected at the time of the regular district election described in ORS 255.335 for the term commencing July 1 as provided in ORS 334.090. For this purpose, a district election shall be held in such districts in those zones from which a member or members of the board are to be elected, and in the district as a whole if a member or members at large are to be elected. The registrar of elections of the county in which such district is located shall be the elections officer for such elections.

(2) The education service district shall pay the actual cost of printing ballots and tally sheets for each election under this section, and the cost of checking signatures on certificates of nomination, together with such proportionate part of the general expenses of such election as provided in ORS 255.305.

(3) All elections of members of the board shall be held as provided in ORS chapter 255. [1957 c.678 §8; 1963 c.544 §33; 1965 c.100 §175; 1973 c.796 §48; 1975 c.647 §29b; 1977 c.149 §3; 1981 c.131 §4; 1983 c.350 §181; 1993 c.784 §8; 1995 c.258 §5; 1995 c.611 §10a]

**334.050** [Repealed by 1957 c.678 §1]

**334.060** [Amended by 1957 c.622 §8; repealed by 1957 c.678 §1]

**334.070** [Amended by 1957 c.678 §6; repealed by 1965 c.100 §456]

**334.080** [Repealed by 1957 c.678 §1]

**334.090 Term; eligibility; election of successors; vacancies.** (1) The term of office of director of an education service district shall be four years.

(2) The term of office of each director of an education service district shall begin on July 1 next following the date of election. A director shall serve until June 30 next following the election of a successor.

(3) A director of an education service district must qualify by taking an oath of office before assuming the duties of office.

(4) A newly appointed director of an education service district shall take office at the meeting of the education service district board next following the appointment.

(5) A person is not eligible to serve as a director of an education service district unless the person is an elector of the district and has resided therein for a period of one year immediately preceding the election or appointment.

(6) No employee of an education service district is eligible to serve as a director of the education service district by which the employee is employed.

(7) A regular district election shall be held in a district to fill any vacancy and to elect a successor for any director whose term expires June 30 next following the election. A successor shall be elected as follows:

(a) If the director was elected from a zone established under ORS 334.032, a successor from the same zone shall be elected by the electors of the zone.

(b) If the director was elected at large a successor shall be elected at large by the electors of the district.

(8) Notwithstanding subsection (7) of this section, in any district having a population of 550,000 or more according to the latest federal census that becomes zoned according to ORS 334.032, the board shall determine prior to the nomination of school directors which positions shall be from zones and which positions shall be at large.

(9) Any vacancy on the board from any zone shall be filled by the remaining directors from among the qualified persons in that zone. Any such vacancy from the district at

large shall be filled by the remaining directors from among the qualified persons in the district. However, if vacancies occur in a majority of the positions on the board, the State Board of Education shall fill the vacancies from among the qualified persons of the zones, if any, or from among other persons who are qualified to serve. The period of service of an appointee under this subsection expires June 30 next following the next regular district election at which a successor is elected. The successor shall be elected to serve the remainder, if any, of the term for which the appointment was made. If the term for which the appointment was made expires June 30 after the election of the successor, the successor shall be elected to a full term. In either case, the successor shall take office July 1 next following the election. [Amended by 1957 c.678 §9; 1965 c.100 §176; 1971 c.47 §4; 1973 c.796 §49; 1975 c.770 §40; 1981 c.131 §5; 1983 c.350 §182; 1983 c.379 §8; 1993 c.784 §9; 1995 c.611 §11]

**334.095 Declaration of vacancy in office of director; removal; recall.** (1) The education service district board shall declare the office of director vacant upon the happening of any of the following:

(a) When an incumbent dies or resigns;

(b) When an incumbent is removed from office or the election thereto has been declared void by the judgment of any court;

(c) When an incumbent ceases to be a resident of a school district that is a component school district of the education service district;

(d) Subject to the provision of subsection (2) of this section, when an incumbent ceases to be a resident of the zone from which nominated;

(e) When an incumbent ceases to discharge the duties of office for two consecutive months unless prevented therefrom by sickness or other unavoidable cause; or

(f) When an incumbent is recalled.

(2) A director nominated from a zone who changes permanent residence from one zone to another zone in which another director resides shall continue to serve as director until the next regular election when a successor shall be elected to serve for the remainder of the unexpired term.

(3) A director guilty of misfeasance or malfeasance in office, by the appropriate proceeding, may be removed from office by a court of competent jurisdiction.

(4) Members may be recalled in the manner provided in ORS 249.865 to 249.877. If the member was elected by a zone, the recall petition shall be signed by electors from that zone and electors from the zone are the only electors eligible to vote in the recall election. If the member was elected at large,

the recall petition shall be signed by electors from the district and electors from the district are eligible to vote in the recall election. [1981 c.131 §§7,8; 1993 c.784 §10; 2003 c.576 §435; 2011 c.705 §5]

**334.100 Organization of board; meetings; quorum; compensation.** (1) Each education service district board shall meet during July and organize by electing one of its members chairperson and one vice chairperson, each of whom shall serve until a successor is elected and qualified. No member shall serve as chairperson for more than two years in succession.

(2) Regular meetings of an education service district board shall be held on meeting dates determined by the board. Special meetings may be held on dates to be determined by the board.

(3) Members of the education service district board shall receive no compensation for their services, but shall be reimbursed for all traveling and other expenses necessarily incurred in performing their duties as members of the board.

(4) A majority of the members of the education service district board shall constitute a quorum. A lesser number may meet and adjourn from time to time and compel the presence of absent members. The affirmative vote of a majority of members of the board is required to transact any business.

(5) Any duty imposed upon the education service district board as a body must be performed at a regular or special meeting and must be made a matter of record. The consent to any particular measure obtained of individual members when the board is not in session is not an act of the board and is not binding upon the district. [Amended by 1963 c.544 §34; 1965 c.100 §177; 1975 c.477 §8; 1975 c.647 §29c; 1975 c.770 §41a; 1981 c.131 §5]

**(Temporary provisions relating to pilot education service districts)**

**Note:** Sections 10 and 11, chapter 828, Oregon Laws 2005, provide:

**Sec. 10. Definitions.** As used in sections 11 to 14, chapter 828, Oregon Laws 2005, "pilot education service district" means:

- (1) The Willamette Education Service District;
- (2) The High Desert Education Service District; and
- (3) The Northwest Regional Education Service District. [2005 c.828 §10; 2007 c.589 §1; 2010 c.59 §1]

**Sec. 11. Board of directors; appointment; election; zones; vacancies.** (1) Notwithstanding ORS chapter 334, the board of directors of a pilot education service district shall consist of nine members as follows:

(a) Five directors shall represent zones established under ORS 334.032 and shall be elected by the boards of the component school districts; and

(b) Four directors shall be appointed by the directors described in paragraph (a) of this subsection, in-

cluding one at-large director and a director representing each of the following:

- (A) Public post-secondary institutions located within the pilot education service district;
- (B) Social service providers; and
- (C) The business community.

(2) The board of directors of a pilot education service district shall divide the pilot education service district into five zones as nearly equal in census population as may be practicable, measured along common school district boundary lines.

(3) The board of directors of a pilot education service district may readjust the boundaries of the zones once each year and shall readjust the boundaries of the zones immediately upon any change of the boundaries of the pilot education service district or a component school district.

(4)(a) Prior to the end of the term of office of any elected director of a pilot education service district, the boards of the component school districts within the zone the director represented shall elect a successor whose term begins on July 1 next following. Each component school district board shall have one vote. A director is eligible for reelection.

(b) Prior to the end of the term of office of any appointed director of a pilot education service district, the directors described in subsection (1)(a) of this section shall appoint a successor whose term begins on July 1 next following. A director who was appointed under subsection (1)(b) of this section is eligible for reappointment.

(5) Any vacancy on the board of directors of a pilot education service district that occurs before the end of the term of office of a director of a pilot education service district shall be filled following the process described in this section. [2005 c.828 §11; 2007 c.589 §3; 2010 c.59 §2; 2011 c.9 §34]

**Note:** Sections 4 and 5, chapter 59, Oregon Laws 2010, provide:

**Sec. 4.** Section 5 of this 2010 Act is added to and made a part of sections 11 to 14, chapter 828, Oregon Laws 2005. [2010 c.59 §4]

**Sec. 5. Terms of office for directors.** (1) The term of office of a director who serves on the board of directors of the Northwest Regional Education Service District terminates on June 30, 2013, if:

(a) The director was elected or appointed under section 11, chapter 828, Oregon Laws 2005; and

(b) The director's term of office has not been completed by June 30, 2013.

(2)(a) The term of office of a director who serves on the board of directors of the Willamette Education Service District or the High Desert Education Service District and who was elected or appointed under section 11, chapter 828, Oregon Laws 2005, for a term beginning prior to or on June 30, 2010, terminates on June 30, 2010. Vacancies on the board of directors shall be filled following the process described in section 11, chapter 828, Oregon Laws 2005.

(b) The term of office of a director who serves on the board of directors of the Willamette Education Service District or the High Desert Education Service District and who was elected or appointed under section 11, chapter 828, Oregon Laws 2005, for a term beginning after June 30, 2010, shall be determined by lot. The boards of directors of the Willamette Education Service District and the High Desert Education Service District shall draw lots to ensure that the term of office of:

(A) Two of the directors who were elected under section 11, chapter 828, Oregon Laws 2005, terminate on June 30, 2012;

(B) Two of the directors who were appointed under section 11, chapter 828, Oregon Laws 2005, terminate on June 30, 2012;

(C) Three of the directors who were elected under section 11, chapter 828, Oregon Laws 2005, terminate on June 30, 2013; and

(D) Two of the directors who were appointed under section 11, chapter 828, Oregon Laws 2005, terminate on June 30, 2013.

(c) Except as provided in paragraph (b) of this subsection, the term of office of a director who serves on the board of directors of the Willamette Education Service District or the High Desert Education Service District terminates on June 30, 2013. [2010 c.59 §5]

**Note:** Sections 12 to 15, chapter 828, Oregon Laws 2005, provide:

**Sec. 12. Declaration of vacancy in office of director.** (1) ORS 334.095 does not apply to a pilot education service district. However, the board of directors of a pilot education service district shall declare the office of director vacant upon the occurrence of any of the following:

(a) When an incumbent dies or resigns;

(b) When an incumbent is removed from office or the election or appointment thereto has been declared void by the judgment of any court;

(c) When an incumbent ceases to be a resident of the pilot education service district;

(d) When an incumbent ceases to be a resident of the zone from which elected; or

(e) When an incumbent ceases to discharge the duties of office for two consecutive months unless prevented therefrom by sickness or other unavoidable cause.

(2) A director guilty of misfeasance or malfeasance in office, by the appropriate proceeding, may be removed from office by a court of competent jurisdiction. [2005 c.828 §12]

**Sec. 13. Legislative report.** Each pilot education service district shall biennially report to the interim legislative committees relating to education on the governance structure of the board of the pilot education service district prior to October 1 of each even-numbered year. [2005 c.828 §13; 2007 c.589 §4]

**Sec. 14. Zones; special election.** (1)(a) Prior to February 1, 2013, the board of directors of each pilot education service district shall divide the education service district into as many zones as the board considers necessary, but not fewer than seven or more than 11.

(b) The zones shall be as nearly equal in census population as may be practicable. If possible, the board shall establish the zones so that each county within the education service district, the majority of the land area of which lies within the boundaries of the education service district, has at least one member on the board.

(2) The board shall call a special election in the education service district for the purpose of electing directors, one of whom shall be elected by the electors of each zone established under subsection (1) of this section. The election shall be held on a date specified in ORS 255.345.

(3) ORS 334.750 applies to a board of directors elected under this section. [2005 c.828 §14; 2007 c.589 §5; 2010 c.59 §3]

**Sec. 15.** (1) Sections 11 to 14, chapter 828, Oregon Laws 2005, are repealed on June 30, 2013.

(2) The amendments to ORS 260.432 by section 8, chapter 589, Oregon Laws 2007, become operative on June 30, 2013. [2005 c.828 §15; 2007 c.589 §6; 2010 c.59 §6]

**334.110** [Repealed by 1965 c.100 §456]

**334.120** [Amended by 1957 c.678 §10; 1963 c.544 §35; 1965 c.100 §183; renumbered 334.225]

### (Powers and Duties of District)

**334.125 Status of board; powers and duties; rules.** (1) The education service district is a body corporate.

(2) The education service district board is authorized to transact all business coming within the jurisdiction of the education service district and may sue and be sued.

(3) The education service district board shall perform all duties required by law, including but not limited to:

(a) Distribution of such school funds as it is empowered to apportion;

(b) Conduct of audits;

(c) Duties as district boundary board;

(d) Budget and tax levying duties, including the levying of taxes under ORS 280.060;

(e) Contracting a bonded indebtedness and levying direct ad valorem taxes on all taxable property within the education service district in the manner that component school districts are authorized to issue bonds and levy taxes under ORS 328.205 to 328.304 and other laws applicable to the issuance of bonds and levying of taxes by school districts; and

(f) Creating a county education bond district under ORS 328.304 from a county within the district.

(4) In addition to its duties under subsection (3) of this section, an education service district board:

(a) May provide services required by the local service plan developed pursuant to ORS 334.175;

(b) May provide funds to a component school district to provide services required by the local service plan in lieu of the component school district receiving services from the education service district;

(c) Shall provide funds as specified in ORS 327.019 (9) to a school district located within the territory of the education service district that has withdrawn from the education service district as provided in ORS 334.015; and

(d) For the purpose of providing services consistent with the local service plan, may enter into contracts with school districts that have withdrawn from the education service district as provided in ORS 334.015 or that are located outside the territory of the education service district.

(5) The education service district board may employ and fix the compensation of such

personnel as it considers necessary for carrying out duties of the board.

(6) In carrying out its duties, the education service district board:

(a) May locate, buy, accept by gift or lease such land, buildings and facilities as may be required for district purposes. Leases authorized by this section may be for a term of up to 30 years and include lease-purchase agreements whereunder the district may acquire ownership of the leased property.

(b) May acquire personal property by a lease-purchase agreement or contract of purchase for a term exceeding one year. A lease-purchase agreement is one in which the rent payable by the district is expressly agreed to have been established to reflect the savings resulting from the exemption from taxation, and the district is entitled to ownership of the property at a nominal or other price which is stated or determinable by the terms of the agreement and was not intended to reflect the true value of the property.

(c) May lease property or sell and convey property of the district as the board considers unnecessary to its purposes.

(d) May purchase relocatable structures in installment transactions in which deferred installments of the purchase price are payable over not more than 10 years from the date of delivery of the property to the district and are secured by a security interest in the property. The transactions may take the form of, but are not limited to, lease-purchase agreements.

(e) May accept money or property donated for the use or benefit of the district and use the money or property for the purpose for which it was donated.

(7) The education service district board may adopt rules it considers necessary to carry out the duties of the board.

(8) The education service district may contract with public and private entities for service delivery.

(9)(a) The education service district shall work cooperatively with component school districts and review periodically with component school districts the operations of component school districts and shall submit to the component school districts plans for operations that achieve economies and efficiencies through consolidation of various operations of all or some of the districts. The education service district and its component school districts shall submit an annual report on the effectiveness of the consolidation of operations to the State Board of Education.

(b) As used in this subsection, "operations" means services involving transportation, payroll, student records, auditing, legal

services, insurance, printing, investment and other similar services. [1965 c.100 §179; 1975 c.477 §6; 1977 c.56 §1; 1981 c.406 §1; 1983 c.133 §1; 1983 c.187 §3; 1985 c.457 §1; 1993 c.784 §11; 1995 c.333 §11; 1995 c.611 §12; 1997 c.600 §4; 2001 c.518 §5; 2005 c.828 §4a; 2011 c.705 §§6,7]

**Note:** The amendments to 334.125 by section 7, chapter 705, Oregon Laws 2011, become operative July 1, 2012. See section 8, chapter 705, Oregon Laws 2011. The text that is operative until July 1, 2012, including amendments by section 6, chapter 705, Oregon Laws 2011, is set forth for the user's convenience.

**334.125.** (1) The education service district is a body corporate.

(2) The education service district board is authorized to transact all business coming within the jurisdiction of the education service district and may sue and be sued.

(3) The education service district board shall perform all duties required by law, including but not limited to:

(a) Distribution of such school funds as it is empowered to apportion;

(b) Conduct of audits;

(c) Duties as district boundary board;

(d) Budget and tax levying duties, including the levying of taxes under ORS 280.060;

(e) Contracting a bonded indebtedness and levying direct ad valorem taxes on all taxable property within the education service district in the manner that component school districts are authorized to issue bonds and levy taxes under ORS 328.205 to 328.304 and other laws applicable to the issuance of bonds and levying of taxes by school districts; and

(f) Creating a county education bond district under ORS 328.304 from a county within the district.

(4)(a) In addition to its duties under subsection (3) of this section, an education service district board:

(A) May provide services required by the local service plan developed pursuant to ORS 334.175;

(B) Except as provided by subparagraph (C) of this paragraph, may provide funds to a component school district to provide services required by the local service plan in lieu of the component school district receiving services from the education service district;

(C) Shall provide funds in the manner described in paragraph (b) of this subsection to a component school district to provide services required by the local service plan in lieu of the component school district receiving services from the education service district if:

(i) The school district received funds under subparagraph (B) of this paragraph for the 2010-2011 fiscal year; and

(ii) The school district requests that the funds be provided by this subparagraph;

(D) Shall provide funds as specified in ORS 327.019 (9) to a school district located within the territory of the education service district that has withdrawn from the education service district as provided in ORS 334.015; and

(E) For the purpose of providing services consistent with the local service plan, may enter into contracts with school districts that have withdrawn from the education service district as provided in ORS 334.015 or that are located outside the territory of the education service district.

(b) If an education service district board is required to provide funds to a school district under paragraph (a)(C) of this subsection, the education service district board shall provide the funds as a percentage of the

funds available to the education service district under ORS 334.177 that is at least equal to the lesser of:

(A) The percentage that the education service district board provided to the school district in the 2010-2011 fiscal year; or

(B) The percentage requested by the school district, as provided by paragraph (a)(C) of this subsection.

(5) The education service district board may employ and fix the compensation of such personnel as it considers necessary for carrying out duties of the board.

(6) In carrying out its duties, the education service district board:

(a) May locate, buy, accept by gift or lease such land, buildings and facilities as may be required for district purposes. Leases authorized by this section may be for a term of up to 30 years and include lease-purchase agreements whereunder the district may acquire ownership of the leased property.

(b) May acquire personal property by a lease-purchase agreement or contract of purchase for a term exceeding one year. A lease-purchase agreement is one in which the rent payable by the district is expressly agreed to have been established to reflect the savings resulting from the exemption from taxation, and the district is entitled to ownership of the property at a nominal or other price which is stated or determinable by the terms of the agreement and was not intended to reflect the true value of the property.

(c) May lease property or sell and convey property of the district as the board considers unnecessary to its purposes.

(d) May purchase relocatable structures in installment transactions in which deferred installments of the purchase price are payable over not more than 10 years from the date of delivery of the property to the district and are secured by a security interest in the property. The transactions may take the form of, but are not limited to, lease-purchase agreements.

(e) May accept money or property donated for the use or benefit of the district and use the money or property for the purpose for which it was donated.

(7) The education service district board may adopt rules it considers necessary to carry out the duties of the board.

(8) The education service district may contract with public and private entities for service delivery.

(9)(a) The education service district shall work cooperatively with component school districts and review periodically with component school districts the operations of component school districts and shall submit to the component school districts plans for operations that achieve economies and efficiencies through consolidation of various operations of all or some of the districts. The education service district and its component school districts shall submit an annual report on the effectiveness of the consolidation of operations to the State Board of Education.

(b) As used in this subsection, "operations" means services involving transportation, payroll, student records, auditing, legal services, insurance, printing, investment and other similar services.

**334.127 Title of real property when district ceases or school district withdraws.** (1) Whenever an education service district ceases to exist, its real property shall pass to the successor district, which is authorized to treat the property in the same manner as did the predecessor district.

(2) Whenever a school district withdraws from an education service district as provided in ORS 334.015, the school district and

education service district shall determine the disposition of any real property of the education service district that is located within the boundaries of the school district. If the school district and the education service district are unable to agree on how to dispose of the real property, the education service district shall retain the property. [1975 c.477 §7; 2011 c.705 §9]

**334.130** [Repealed by 1957 c.678 §1]

**334.135** [1963 c.544 §50k; 1965 c.100 §184; renumbered 334.235]

**334.140** [Repealed by 1957 c.678 §1]

**334.145 Office space provided by county; rent; additional space; purchase of required space; providing space.** (1) At the discretion of the county court or board of county commissioners of any county within the education service district, the county may provide space for the board, superintendent and staff of the education service district and may charge the district a reasonable sum as rent for this space.

(2) The board of an education service district may rent such space as may be required when the space offered by the county, if any, is considered to be inadequate. Subject to ORS 334.125 and the funding allocation of the education service district, the board may purchase such required space.

(3) The education service district may provide space for the offices of other education, employment training and human service providers. [1967 c.379 §§2,3; 1975 c.477 §5; 1977 c.56 §2; 1993 c.784 §12; 2001 c.518 §6]

**334.150** [Repealed by 1957 c.678 §1]

**334.160** [Amended by 1963 c.544 §36; repealed by 1965 c.100 §456]

**334.170** [Repealed by 1957 c.678 §1]

**334.175 Core services; local service plan.** (1) An education service district shall provide regionalized core services to component school districts. The goals of these services are to:

(a) Assist component school districts in meeting the requirements of state and federal law;

(b) Improve student learning;

(c) Enhance the quality of instruction provided to students;

(d) Enable component school districts and the students who attend schools in those districts to have equitable access to resources; and

(e) Maximize operational and fiscal efficiencies for component school districts.

(2) The services provided by an education service district shall be provided according to a local service plan developed by the education service district and component school districts. The education service district and

component school districts shall develop the local service plan to meet the goals specified in subsection (1) of this section. The local service plan must include services in at least the following areas:

(a) Programs for children with special needs, including but not limited to special education services and services for at-risk students.

(b) Technology support for component school districts and the individual technology plans of those districts, including but not limited to technology infrastructure services, data services, instructional technology services and distance learning.

(c) School improvement services for component school districts, including but not limited to:

(A) Services designed to support component school districts in meeting the requirements of state and federal law;

(B) Services designed to allow the education service district to participate in and facilitate a review of the state and federal standards related to the provision of a quality education by component school districts;

(C) Services designed to support and facilitate continuous school improvement planning;

(D) Services designed to address schoolwide behavior and climate issues; and

(E) Services designed to support career and technical education.

(d) Administrative and support services for component school districts, including but not limited to services designed to consolidate component school district business functions, liaison services between the Department of Education and component school districts and registration of children being taught by private teachers, parents or legal guardians pursuant to ORS 339.035.

(e) Other services that an education service district is required to provide by state or federal law, including but not limited to services required under ORS 339.005 to 339.090.

(3) In addition to the services specified in subsection (2) of this section, a local service plan may include other services that are designed to meet regional needs.

(4) A local service plan shall also contain annual performance measures for the education service district.

(5) A local service plan must:

(a) Be adopted by the board of the education service district.

(b) After being adopted by the board of the education service district, be approved on

or before March 1 by resolution of two-thirds of the component school districts that are a part of the education service district and that have at least a majority of the pupils included in the average daily membership of the education service district, as determined by the reports of such school districts for the preceding year, enrolled in the schools of the school districts.

(6) Notwithstanding the process for approval and adoption required by subsection (5) of this section, if the component school districts approve an amendment to a local service plan pursuant to subsection (5)(b) of this section, the board of an education service district may amend a local service plan that has been previously adopted by the board and approved by the component school districts. An amendment to a local service plan may be done at any time.

(7) If a component school district determines that a local service plan, or the provision of services under a local service plan, does not meet the service needs of the component school district, the component school district may contract with a public entity for the provision of services.

(8) An education service district may provide the services required by the local service plan directly through the staff of the district. In addition, an education service district may provide services required by the local service plan through the operation of a public school, a public charter school pursuant to ORS chapter 338, an alternative school or a preschool.

(9) An education service district may provide the services required by the local service plan in cooperation with another education service district or with a school district. In addition, an education service district may contract with a public or private entity for the provision of services. [1963 c.544 §§10,12; 1965 c.100 §180; 1967 c.542 §16; 1985 c.200 §1; 1991 c.280 §1; 1993 c.784 §13; 1995 c.611 §13; 2005 c.828 §3; 2009 c.94 §7; 2011 c.705 §10]

**334.177 Expenditure of percentage of amounts received on services.** (1) As used in this section, “local revenues of an education service district” has the meaning given that term in ORS 327.019 but does not include any local revenues distributed under ORS 327.019 (8).

(2) An education service district board shall expend at least 90 percent of all amounts received from the State School Fund and at least 90 percent of all amounts considered to be local revenues of an education service district on services or programs that have been approved by the component school districts of the education service district through the resolution process described in ORS 334.175.

(3) An education service district board shall expend 100 percent of all amounts received from the School Improvement Fund on services or programs that have been approved by the component school districts of the education service district through the resolution process described in ORS 334.175.

(4) The expenditure requirements of this section apply only to amounts retained by the education service district after making any distributions required under ORS 327.019 (9). [2001 c.695 §27; 2001 c.695 §29; 2007 c.578 §4; 2009 c.705 §1; 2011 c.705 §11]

**334.180** [Repealed by 1957 c.678 §1]

**334.185 Entrepreneurial services and facilities.** (1) An education service district may provide entrepreneurial services and facilities to public and private entities and to school districts that are not component school districts of the education service district if:

(a) The services are part of the local service plan developed pursuant to ORS 334.175;

(b) The services are provided pursuant to a business plan; and

(c) The primary purpose of the services is to address a need of component school districts.

(2) An education service district must submit entrepreneurial services and facilities to component school districts for approval to ensure that component school districts receive information about the costs and benefits of providing services and facilities, including identification of the funding sources for the services and facilities and an explanation of whether any moneys received from the State School Fund or local revenues of the education service district, as defined in ORS 327.019, may be required to finance the services or facilities.

(3) Pupils residing in school districts that are not component school districts of an education service district but that receive entrepreneurial services or use facilities under this section may not be included in the computation of the percentage required by ORS 334.175 (5)(b).

(4) Entrepreneurial services and facilities may be provided under contract or on a reimbursable basis. Expenditures by the education service district board for entrepreneurial services and facilities provided on a reimbursable basis under this section shall be limited to the moneys received for the purpose specified and are not subject to the Local Budget Law (ORS 294.305 to 294.565) but are subject to an annual financial report to the component school districts.

(5) Budget estimates of expenditures for entrepreneurial services and facilities pro-

vided under this section must show the estimates of moneys receivable and must be shown as offsetting revenue items. [1965 c.100 §181; 1993 c.784 §14; 1995 c.611 §14; 2005 c.828 §8]

**334.190** [Repealed by 1957 c.678 §1]

**334.195** [1993 c.766 §4; repealed by 1995 c.798 §4]

**334.200** [Repealed by 1957 c.678 §1]

**334.205** [1953 c.390 §2; renumbered 334.510 and then 334.310]

**334.210** [Amended by 1957 c.678 §18; renumbered 334.520 and then 334.320]

**334.215 Gifts.** (1) An education service district board may accept gifts and bequests of money for the establishment and conduct of child guidance clinics and for any other purpose consistent with the powers and duties of the district.

(2) The board shall deposit any such money received in a special fund and the money shall be expended under the direction of the board for the purposes for which it was donated. [Formerly 343.925; 1993 c.784 §15; 1995 c.611 §16]

**334.217 Standards of adequacy of services and facilities; plans for nonstandard districts; effect of failure to comply; sanctions; rules.** (1) The State Board of Education by rule shall establish standards to determine the adequacy of services and facilities provided by the education service districts. In establishing such standards, the state board shall consider the most economic method of providing services and facilities, the quality of the services and facilities according to the best educational standards, and the needs of the students.

(2) When the Superintendent of Public Instruction determines pursuant to rule that an education service district is nonstandard, the district designated nonstandard shall file a plan to meet standards over a specified period of time. The Superintendent of Public Instruction may accept, reject or modify the plan and order the nonstandard district to comply with the plan as approved by the superintendent. Once a plan is approved, the district shall be conditionally standard until all deficiencies are corrected. If a district corrects all deficiencies, the district shall be designated as standard. The district shall have 180 days from the date the plan is accepted to make all corrections. After that time, the Superintendent of Public Instruction may impose sanctions on the district if the district has not made the necessary corrections.

(3) The state board shall establish by rule appropriate sanctions for noncompliance. The sanctions may include:

(a) Mandatory merger of the nonstandard education service district with a contiguous education service district that is standard;

(b) The sanctions described in ORS 342.173, if applicable;

(c) The withholding of funds from the State School Fund;

(d) The removal of the superintendent of the education service district;

(e) The temporary governance of the education service district by the state board; or

(f) Dissolution of the education service district. [1975 c.477 §3; 1989 c.491 §21; 1993 c.784 §16; 1999 c.1054 §1; 2011 c.705 §38]

**334.219 Report on performance and finances; distribution and accessibility of report.** (1) No later than October 1 of each year, the board of directors of an education service district shall produce an annual report related to the performance and the finances of the education service district for the previous school year. The purpose of the report is to provide information to parents, component school districts and the Department of Education and to improve education service districts through greater involvement of persons who are interested in the success of education service districts.

(2) The annual report that is produced as required by this section must include:

(a) The size and demographics of the education service district;

(b) The number of students served by the education service district, identified by school district;

(c) Services provided by the education service district, and how those services align with the goals described in ORS 334.175 and the local service plan developed for the education service district;

(d) The number of hours of services provided by the education service district, identified by category;

(e) The staff of the education service district, identified by category;

(f) The use of distance learning; and

(g) The education service district's revenue and expenditures, including employee salary information.

(3) The board of directors of the education service district must:

(a) Submit the report produced as required by this section to:

(A) The component school districts of the education service district; and

(B) The Department of Education.

(b) Make the report produced as required by this section available to the public at the administrative offices of the education service district and on the website for the education service district. [2011 c.705 §25]

**Note:** Section 26, chapter 705, Oregon Laws 2011, provides:

**Sec. 26.** Notwithstanding section 25 of this 2011 Act [334.219], the first report required under section 25 of this 2011 Act shall be produced no later than October 1, 2012. [2011 c.705 §26]

**334.220** [Renumbered 334.530 and then 334.330]

### (Superintendent)

**334.225 Superintendent; duties; compensation.** (1) The education service district board shall employ a superintendent who must hold an administrative license as a superintendent. The superintendent shall serve as the board's executive officer, give an official bond or an irrevocable letter of credit issued by an insured institution, as defined in ORS 706.008, and have the duties prescribed by the board and the laws of this state. The board shall fix the term and compensation of the superintendent, provide office room for the superintendent and allow all of the superintendent's necessary traveling expenses.

(2) The education service district board shall designate the superintendent as the district clerk. The board may appoint qualified persons as deputies to the superintendent to perform the duties required of the district clerk by law or by the board. [Formerly 334.120; 1975 c.278 §9; 1975 c.477 §9a; 1983 c.379 §9; 1985 c.195 §1; 1991 c.331 §56; 1997 c.631 §462]

**Note:** The amendments to 334.225 by section 28, chapter 705, Oregon Laws 2011, become operative July 1, 2013, and apply to superintendents of education service districts hired before, on or after August 2, 2011. See section 29, chapter 705, Oregon Laws 2011. The text that is operative on and after July 1, 2013, is set forth for the user's convenience.

**334.225.** (1) The education service district board shall employ a superintendent who must hold an administrative license as a superintendent and a certificate described in ORS 342.121 (2)(b). The superintendent shall serve as the board's executive officer, give an official bond or an irrevocable letter of credit issued by an insured institution, as defined in ORS 706.008, and have the duties prescribed by the board and the laws of this state. The board shall fix the term and compensation of the superintendent, provide office room for the superintendent and allow all of the superintendent's necessary traveling expenses.

(2) The education service district board shall designate the superintendent as the district clerk. The board may appoint qualified persons as deputies to the superintendent to perform the duties required of the district clerk by law or by the board.

**334.230** [Amended by 1953 c.429 §2; 1957 c.678 §19; renumbered 334.540 and then 334.295]

**334.235** [Formerly 334.135; repealed by 1975 c.770 §49]

### (Budget and Tax Levies)

**334.240 District budget; budget committee; audits.** (1) Except as provided in subsection (2) of this section, the education service district board shall be subject in all respects to ORS 294.305 to 294.565, except that in addition to other qualifications,

members of the budget committee who are not members of the education service district board shall be members of component school district boards within the education service district or shall be designees of a school district board.

(2) Notwithstanding ORS 294.414 and 294.423, a majority of the members of the budget committee of an education service district must consist of members of the component school district boards or designees of a school district board. The budget committee may meet to conduct business if the education service district board is unable to fill all of the positions on the budget committee.

(3) The budget committee shall prepare a budget for the operational and administrative expenses of the education service district. The budget shall include amounts necessary to provide services required by the local service plan of the district developed under ORS 334.175. The budget must be adopted by the board of the education service district.

(4) The board of the education service district shall ensure that an annual audit of the accounts of the education service district is prepared in accordance with the Municipal Audit Law, as provided in ORS 297.405 to 297.555 and 297.990. [1957 c.678 §12; 1963 c.544 §37; 1965 c.100 §185; 1981 c.131 §10; 1993 c.784 §16a; 1995 c.611 §17; 1999 c.1054 §2; 2005 c.828 §5; 2011 c.705 §12]

**334.250** [1957 c.678 §13(1); 1957 s.s. c.4 §1(1); 1965 c.100 §186; repealed by 1977 c.840 §19]

**334.260** [1957 c.678 §13(2); 1957 s.s. c.4 §1(2); 1965 c.100 §187; repealed by 1977 c.840 §19]

**334.262** [1977 c.840 §12; 1981 c.836 §1; 1983 c.610 §3; repealed by 1993 c.784 §37]

**334.263** [1977 c.840 §13; 1979 c.445 §1; repealed by 1983 c.610 §8]

**334.264** [1977 c.840 §14; repealed by 1983 c.610 §8]

**334.270** [1957 c.678 §13(3); 1957 s.s. c.4 §1(3); 1965 c.100 §188; 1977 c.840 §10; 1993 c.784 §33; repealed by 2005 c.209 §39]

**334.280** [1957 c.678 §13(4); 1957 s.s. c.4 §1(4); 1965 c.100 §189; repealed by 1977 c.840 §19]

**334.285 Apportionment of taxes; split between elementary and secondary school purposes.** (1) Before July 15 of each year, the education service district board shall certify the amount of ad valorem property taxes as provided in ORS 310.060 and the apportionment to the county assessor. The county assessor shall extend the levy on the assessment and tax roll as the levy of the education service district board, applicable at a uniform rate or rates to all taxable property within the education service district, including joint districts in adjacent counties that are included in the district.

(2) Notwithstanding subsection (1) of this section, the education service district board shall split its total operating taxes or other ad valorem property taxes into separate portions for elementary and high school pur-

poses where necessary in order to avoid double taxation. The portion for elementary purposes shall amount to two-thirds of the total amount of taxes and the portion for high school purposes shall amount to one-third of the total amount of taxes. Before July 15 of such year, the board shall certify to the county assessor the amount of its taxes for elementary purposes and the amount of its taxes for high school purposes. The county assessor shall extend the taxes for elementary and high school purposes on the assessment and tax rolls as taxes of the education service district board, applicable at a uniform rate or rates to all taxable property within the education service district, including joint districts in adjacent counties that are included in the education service district. The taxes for elementary purposes shall apply to all taxable property in the district for which elementary education is provided by a school district within the education service district. The taxes for high school purposes shall apply to all taxable property in the district for which high school education is provided by a school district within the education service district. [1979 c.689 §23; 1997 c.541 §373]

**334.290** [1957 c.678 §13(5), (6); 1957 s.s. c.4 §1(5), (6); 1961 c.356 §1; 1965 c.100 §190; repealed by 1977 c.840 §19]

**334.293 Direct ad valorem tax required to pay bonds.** Notwithstanding ORS 334.240 and 334.285, each education service district shall ascertain and levy annually, in addition to all other taxes, a direct ad valorem tax on all taxable property in the education service district sufficient to pay the maturing interest and principal of all education service district bonds promptly when and as the payments become due. The board in each year shall include the taxes in the education service district budget for that year. [1995 c.333 §13; 2005 c.209 §20]

**334.295** [Formerly 334.230 and then 334.540; 1965 c.100 §191; repealed by 1977 c.840 §19]

**334.300** [1957 c.678 §14; 1963 c.576 §41; 1965 c.100 §192; repealed by 1977 c.840 §19]

**334.310** [Formerly 334.205 and then 334.510; repealed by 1977 c.840 §19]

**334.320** [Formerly 334.210 and then 334.520; 1973 c.796 §50; 1975 c.477 §10; 1977 c.2 §1; 1977 c.156 §1; repealed by 1977 c.840 §19]

**334.330** [Formerly 334.220 and then 334.530; repealed by 1977 c.840 §19]

**334.350** [1957 c.678 §15(1); 1965 c.100 §196; 1993 c.784 §16b; 2003 c.226 §14; repealed by 2001 c.695 §38]

**334.353** [1993 c.784 §32; repealed by 2001 c.695 §38]

**334.360** [1957 c.678 §15(2); 1965 c.100 §197; repealed by 2001 c.695 §38]

**334.370 Emergency aid fund.** The education service district board may include in its own budget, adopted pursuant to ORS 334.240, an emergency aid fund for use, at the discretion of the board, in aiding school

districts within the education service district with emergency expenses unforeseen at the time of making the budget of such districts. The emergency aid fund shall not exceed five percent of the combined budget of all districts included in such education service district. [1957 c.678 §15(2); 1965 c.100 §198]

**334.380** [1957 c.678 §15(3),(4); 1965 c.100 §199; 1991 c.780 §20; repealed by 2001 c.695 §38]

**334.390** [1957 c.678 §15(5); 1965 c.100 §200; repealed by 2001 c.695 §38]

**334.400** [1957 c.678 §15(6); 1963 c.544 §38; 1965 c.100 §201; repealed by 2001 c.695 §38]

**334.410** [1957 c.678 §16; 1965 c.100 §202; 1975 c.770 §43; 1997 c.541 §374; repealed by 2001 c.695 §38]

**334.450** [1957 c.678 §17; 1965 c.100 §203; 1983 c.350 §183; 1983 c.610 §5a; 1987 c.267 §75; 1993 c.784 §§34,35; 1995 c.712 §106; 1997 c.541 §375; repealed by 2001 c.695 §38]

**334.460** [1983 c.610 §5b; 1997 c.541 §376; repealed by 2001 c.695 §38]

**334.510** [Formerly 334.205; 1965 c.100 §193; renumbered 334.310]

**334.520** [Formerly 334.210; 1965 c.100 §194; renumbered 334.320]

**334.530** [Formerly 334.220; 1965 c.100 §195; renumbered 334.330]

**334.540** [Formerly 334.230; 1963 c.544 §39; renumbered 334.295]

### (Reorganization of District)

**334.550 Effects of reorganization.** (1) As used in this section:

(a) "Obligations" means all contractual obligations, employment and service contracts and collective bargaining agreements.

(b) "Reorganized" means a change in:

(A) The boundaries of an education service district, including a merger; or

(B) The governance structure of an education service district.

(2) Employees who are employed by an education service district that is reorganized and who are employed in duties that, after the reorganization, are to be performed by the new education service district shall be considered employees of the new education service district. The new education service district shall succeed the previous education service district as party to any employment contracts.

(3) Employees in the new education service district shall retain any seniority and accumulated sick leave and vacation leave from the previous education service district.

(4) All real and personal property belonging to an education service district that is reorganized is considered property of the new education service district.

(5) All obligations of an education service district that is reorganized are considered

obligations of the new education service district. [2011 c.705 §22]

**Note:** The provisions of section 8, chapter 59, Oregon Laws 2010, are substantively identical to the provisions of 334.550. The text of section 8, chapter 59, Oregon Laws 2010, is set forth for the user's convenience.

**Sec. 8.** (1) As used in this section:

(a) "Obligations" means all contractual obligations, employment and service contracts and collective bargaining agreements.

(b) "Reorganized" means a change in the boundaries of an education service district, including a merger, or a change in the governance structure of an education service district.

(2) Employees who are employed by an education service district that is reorganized and who are employed in duties that, after the reorganization, are to be performed by the new education service district shall be considered employees of the new education service district. The new education service district shall succeed the previous education service district as party to any employment contracts.

(3) Employees in the new education service district shall retain any seniority and accumulated sick leave and vacation leave from the previous education service district.

(4) All real and personal property belonging to an education service district that is reorganized is considered property of the new education service district.

(5) All obligations of an education service district that is reorganized are considered obligations of the new education service district. [2010 c.59 §8]

### **334.690 State board as boundary board; criteria for reorganization; filing boundary change.** (1) The State Board of Education shall constitute the boundary board for education service districts. In examining any proposal to reorganize education service districts, the state board shall consider whether the proposed district would have the following characteristics:

(a) A student population of at least 10,000 students or would have such a student population in the foreseeable future;

(b) The ability to support the staff necessary to provide a wide array of services;

(c) Boundaries that reflect the area's sense of community, and take into account topography, climate and highway patterns so that there is reasonable access to all areas within the region;

(d) A distance of no more than two and one-half hours' driving time between the regional office or suboffice and the most remote school; and

(e) At least one publicly supported, post-secondary institution within the region.

(2) For purposes of ad valorem taxation, a boundary change must be filed in final approved form with the county assessor and the Department of Revenue as provided in ORS 308.225. [1993 c.784 §20; 2001 c.138 §15]

**334.710 Petition; review by state board; notice; hearing.** (1) If two or more education service districts desire to join together for the purpose of forming one education service district, a petition from each such district shall be presented to the State Board of Education when:

(a) Resolutions are presented to each of the education service district boards by the boards of the component school districts that represent two-thirds of the component school districts that are a part of each of the education service districts and that have at least a majority of the pupils included in the average daily membership of the education service district, as determined by the reports of such school districts for the preceding school year, enrolled in the schools of the districts; or

(b) The education service district boards mutually consent to the merger and a majority vote of each board has approved a petition.

(2) The State Board of Education shall review the petitions and within 15 days after the board meeting at which the petitions are reviewed, shall notify the education service district boards of each district designated by the petitions, fix the date of and be responsible for supervising the giving of notices as provided in ORS 330.400 and conducting the public hearings in each proposing district to discuss the proposal contained in the petitions. [1963 c.544 §50b; 1965 c.100 §204; 1983 c.83 §67; 1983 c.284 §12; 2001 c.518 §7]

**Note:** Section 24, chapter 705, Oregon Laws 2011, provides:

**Sec. 24.** If, prior to June 30, 2012, two or more education service districts choose to join together for the purpose of forming one education service district, the education service districts:

(1) Are not required to follow the procedures described in ORS 334.710 and 334.720; and

(2) May join together by having each education service district that proposes to join together issue an order that recognizes the joining together of the education service districts. [2011 c.705 §24]

**334.720 State board order; effective date.** (1) At the public hearings conducted pursuant to ORS 334.710, the State Board of Education shall cause to have discussed the effect of the proposed district and any resident of the affected districts may be heard with reference to the proposal.

(2) If, after the hearings, the State Board of Education determines that the proposal is feasible, the board shall order the proposed merger of the districts based on the proposal.

(3) When two or more education service districts join together in the manner provided in this section, the new district shall come into existence effective May 31 of the year following the order of the State Board of Education issued under subsection (2) of

this section. [1963 c.544 §§50c,50d; 1965 c.100 §205; 1983 c.83 §68; 1983 c.350 §186; 2001 c.518 §8]

**Note:** See note under 334.710.

**334.725** [1965 c.100 §207; 1983 c.350 §187; 1987 c.267 §76; 1993 c.784 §17,18; 1995 c.712 §107; repealed by 2001 c.518 §11]

**334.730 Joint meeting; zoning; election of new directors.** (1) Immediately after the order to join two or more education service districts together, the boards of directors of all education service districts within the boundaries of the new district shall meet together upon the call of the chairperson of the board of the most populous district. Notwithstanding ORS 334.025 or ORS chapter 255, the joint board of directors shall divide the new district into as many zones as the board considers necessary, but not fewer than seven nor more than 11. The zones shall be as nearly equal in population as may be practicable. If possible, the joint board shall establish the zones so that each county within the new education service district, the majority of the land area of which lies within the boundaries of the education service district, has at least one member on the board.

(2) Within 90 days after the zones required in subsection (1) of this section are established, the joint board of directors shall call a special election in the new district for the purpose of electing directors, one of whom shall be elected from each zone established under subsection (1) of this section by the electors of the zone. [1963 c.544 §50e; 1965 c.100 §208; 1967 c.145 §1; 1975 c.770 §44; 1983 c.350 §188; 2001 c.518 §9]

**334.740 Nomination.** The nomination of a candidate to serve as a director of the new education service district from a zone, when made by a petition, shall be signed by electors registered in the zone in which the candidate is a resident. The nomination of a candidate to serve as a director of the new education service district at large, when made by a petition, shall be signed by electors of the district. A candidate must be qualified to vote in the election in which the individual is a candidate and must be qualified to hold office as a director of an education service district. [1963 c.544 §50f; 1965 c.100 §209; 1973 c.796 §51; 1983 c.83 §69; 1983 c.350 §189; 2001 c.518 §10]

**334.750 Term of office.** (1) The board of directors of the new education service district shall take office on July 1 of the year following its election.

(2) The minority of directors of the new education service district shall serve terms expiring June 30 next following the first regular district election and the majority of directors shall serve terms expiring June 30 next following the second regular district election.

(3) The directors first elected shall determine by lot the length of term each shall hold office.

(4) Notwithstanding any other provisions of law, the term of office of boards of directors of preexisting education service districts shall terminate on the date in which the new education service district comes into existence and its new board of directors qualifies to hold office. [1963 c.544 §§50h,50j; 1965 c.100 §210; 1967 c.145 §2; 1971 c.47 §5; 1975 c.647 §30; 1985 c.808 §80; 1993 c.784 §22; 1995 c.258 §6]

**334.760 Power of new board prior to existence of new district.** During the period following their election and prior to the date the new education service district comes into existence, the board of directors of the new education service district may take such action as is essential in order that the new district may carry out its required functions when it comes into existence, including the preparation and adoption of a budget for the new district. Expenditures of the board under this section shall be paid from the budgets of the component education service districts on a prorated basis. [1963 c.544 §50i; 1965 c.100 §211]

**334.770 Power of new board generally.** The board of directors of the new education service district shall have the same duties and exercise the same authority over the district as does the board of directors of every education service district. [1963 c.544 §50g]

## OFFICE OF REGIONAL EDUCATIONAL SERVICES

**334.800 Establishment; director; duties; rules.** (1) The Office of Regional Educational Services is established for the purposes of coordinating the efforts of and providing leadership for regional educational service delivery systems. The office shall function under the direction and control of the State Board of Education.

(2)(a) The Director of the Office of Regional Educational Services shall serve as the administrative officer of the Office of Regional Educational Services. The Superintendent of Public Instruction shall select the director.

(b) The director shall perform the duties, powers and functions of the office under the supervision and subject to the direction of the Superintendent of Public Instruction.

(3) The office shall:

(a) Establish best practice policies for the delivery of regional educational services.

(b) Establish benchmarks for education service districts that encourage improvements and that allow the education service districts to demonstrate that improvements

are being made in the operation of the education service districts.

(c) Determine the direct cost of services to school districts that are assessed by education service districts.

(d) Ensure that each education service district has an annual audit of the accounts of the education service district prepared in accordance with the Municipal Audit Law, as provided in ORS 297.405 to 297.555 and 297.990, and review the audit.

(e) Recommend to the Superintendent of Public Instruction any actions to be taken regarding an education service district if the office has reason to believe that an education service district is nonstandard as provided by ORS 334.217. A recommended action under this paragraph may include conducting a performance audit of the education service district.

(f) Recommend to the Superintendent of Public Instruction any sanctions to impose on an education service district that are consistent with ORS 334.217 and recommend any statutory changes required to impose effective sanctions on education service districts.

(g) Recommend to the Superintendent of Public Instruction and the State Board of Education any statutory or rule changes that may improve the operations or administration of education service districts.

(h) Recommend to the board of directors of an education service district or to the superintendent of an education service district any changes that may improve the operations or administration of the education service district.

(i) Recommend to the Superintendent of Public Instruction and the State Board of Education any changes in education service district boundaries that may reduce costs and increase the quality of services provided by education service districts.

(j) Recommend to the board of directors of an education service district or to the superintendent of an education service district any changes in service delivery regions that may reduce costs and increase the quality of services provided by the education service district.

(k) Provide training and related support for boards of directors of education service districts and superintendents of education service districts.

(L) Gather information regarding the cost of services within education service districts and across education service districts, identify unusually high cost services and provide the gathered information to education service districts, the Superintendent of Public

Instruction and the State Board of Education.

(4) For the purposes of identifying the best practice policies described in subsection (3)(a) of this section and the benchmarks described in subsection (3)(b) of this section, the office may:

(a) Conduct an analysis of the effectiveness of education service districts that are identified by the director; and

(b) Conduct evaluations of the systems and procedures of education service districts identified by the director.

(5) The director may enter into contracts as necessary to perform the duties of the office specified in subsection (3) of this section.

(6) The State Board of Education, in collaboration with the Superintendent of Public Instruction and the director, may adopt any rules necessary for the purposes of this section.

(7) On behalf of the office, the Department of Education may accept contributions of moneys and assistance from the United States Government or its agencies or from any other source, public or private, and agree to conditions placed on the moneys not inconsistent with the duties of the office. All moneys received by the department under this subsection shall be deposited into the Regional Educational Services Account established by ORS 334.820 to be used for the purposes of carrying out the duties of the office. [2011 c.705 §31]

**334.820 Regional Educational Services Account; limitations; transfers.** (1) The Regional Educational Services Account is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Regional Educational Services

Account shall be credited to the account. Except as limited by subsection (2) of this section, moneys in the account are continuously appropriated to the Office of Regional Educational Services.

(2) The Office of Regional Educational Services may expend or otherwise obligate no more than \$500,000 per biennium from the Regional Educational Services Account. The Director of the Office of Regional Educational Services shall establish a schedule that allows for the periodic transfer of moneys in the account that are in excess of the moneys allowed to the Office of Regional Educational Services under this subsection. Transfers shall be made to the State School Fund for distribution to school districts as provided by ORS 327.013 and this section.

(3) On June 30 of each odd-numbered year, all moneys in the account that are unexpended, unobligated and not subject to any conditions shall transfer to the State School Fund for distribution to school districts as provided by ORS 327.013 and this section.

(4) For the purpose of distributions made as provided by this section, the Superintendent of Public Instruction:

(a) May not include any amounts transferred to the State School Fund under this section when making calculations described in ORS 327.019 (3)(a).

(b) May not distribute to education service districts or the Office of Regional Educational Services any moneys transferred to the State School Fund as provided by this section.

(c) Shall distribute to school districts any moneys received under this section based on the schedule described in ORS 327.095. [2011 c.705 §32]